

# IM ANDBANK RMBS 1

## FONDO DE TITULIZACIÓN

### BASE PROSPECTUS

NOTES ISSUE PROGRAMME  
FOR A MAXIMUM OUTSTANDING NOMINAL BALANCE OF UP TO  
**€ 313,500,000**

BACKED BY RECEIVABLES ASSIGNED BY



### SOLE ARRANGER



### SUBSCRIBER



### LEAD MANAGERS



### PAYING AGENT



### BANK ACCOUNT PROVIDER



### FUND MANAGED BY



Prospectus recorded in the registers of CNMV on 13 January 2022

## IMPORTANT NOTICE

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**IMPORTANT:** You must read the following before continuing. The following applies to the Prospectus following this page and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications thereto.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE NOTES DESCRIBED IN THE PROSPECTUS IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED.**

**FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**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 (MIFID II); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, 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 REGULATION (EU) 2017/1129 (AS AMENDED, THE "PROSPECTUS REGULATION"). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE PRIIPS REGULATION) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA 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.**

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States or other relevant jurisdiction. The Notes may not at any time be offered, sold or delivered within the United States or to, or for the account or benefit of, any person who is a U.S. Person (as defined in Regulation S under the Securities Act ("**Regulation S**")) by any person referred to in Rule 903(b)(2)(iii) of Regulation S, (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of the securities as determined and certified by the Sole Arranger, in either case except in accordance with Regulation S.

### **U.S. RISK RETENTION RULES**

**THE TRANSACTION DESCRIBED IN THIS PROSPECTUS WILL NOT INVOLVE RISK RETENTION BY THE SELLER (AS SUCH TERM IS DEFINED BELOW) FOR PURPOSES OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "U.S. RISK RETENTION RULES"), AND THE ISSUANCE OF THE NOTES WAS NOT DESIGNED TO COMPLY WITH THE U.S. RISK RETENTION RULES. 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, EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER (A "U.S. RISK RETENTION CONSENT") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY THE U.S. RISK RETENTION RULES, THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES (RISK RETENTION U.S. PERSONS). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES, OR A BENEFICIAL INTEREST THEREIN, ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES BY ITS ACQUISITION OF THE NOTES, OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND IN CERTAIN CIRCUMSTANCES WILL BE REQUIRED TO MAKE CERTAIN REPRESENTATIONS AND AGREEMENTS (INCLUDING AS A CONDITION TO ACCESSING OR OTHERWISE OBTAINING A COPY OF THIS PROSPECTUS OR OTHER OFFERING MATERIALS RELATING TO THE NOTES), TO THE ISSUER, THE ORIGINATOR, THE MANAGEMENT COMPANY,**

**THE SOLE ARRANGER (AS DEFINED BELOW) AND ON WHICH EACH OF SUCH PERSONS WILL RELY WITHOUT ANY INVESTIGATION, THAT, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE, OR BENEFICIAL INTEREST THEREIN, FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE, OR BENEFICIAL INTEREST THEREIN, AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).**

The transaction will not involve the retention by the Seller of at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules. The Seller intends to rely on the exemption provided for in section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. No other steps have been taken by the Issuer, the Originator, the Management Company, the Sole Arranger or any of their affiliates or any other party to otherwise comply with the U.S. Risk Retention Rules. See "*Certain Regulatory and Industry Disclosures*".

**IN ORDER TO BE ELIGIBLE TO READ THE PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE NOTES DESCRIBED THEREIN, YOU MUST NOT BE A "U.S. PERSON" AS DEFINED IN REGULATION S (A "U.S. PERSON").**

By accessing the Prospectus or acquiring any Notes or a beneficial interest therein, you shall be deemed to have confirmed and represented, and in certain circumstances will be required to make certain representations and agreements (including as a condition to accessing or otherwise obtaining a copy of this Prospectus or other offering materials relating to the Notes), to the Issuer, the Originator, the Management Company, the Sole Arranger (as defined below) and on which each of such persons will rely without any investigation, that (i) you have understood the agreed terms set out herein; (ii) you are not a U.S. Person (within the meaning of Regulation S under the Securities Act) or, in relation to the offer, sale or delivery of the Notes, acting for the account or benefit of any such U.S. Person and the electronic mail address that you have given to us and to which this e mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia; and (iii) you consent to delivery of the Prospectus by electronic transmission.

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

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person. The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the lead managers or any affiliate of the lead managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the lead managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Prospectus has been sent to you in electronic format. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Management Company nor the Sole Arranger nor any person who controls the Management Company nor the Sole Arranger nor any director, officer, employee, agent or affiliate of any such person nor the Issuer nor the Originator accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format herewith and the hard copy version available to you on request from the Management Company and/or the Sole Arranger.

The Sole Arranger makes no representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied by the Issuer in

connection with the Notes and accordingly, the Sole Arranger accepts no responsibility or liability therefore or any responsibility or liability arising out of or in connection with any act or omission of the Issuer or any third party. The Sole Arranger in no circumstances undertakes to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Sole Arranger. None the Sole Arranger nor the Management Company or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Sole Arranger or the Management Company shall have any responsibility for determining the proper characterisation of potential investors in relation to any restriction under the U.S. Risk Retention Rules or for determining the availability of the exemption provided for in section 20 of the U.S. Risk Retention Rules, and none of the Sole Arranger nor the Management Company or any person who controls any of them or any director, officer, employee, agent or affiliate of the Sole Arranger or the Management Company accepts any liability or responsibility whatsoever for any such determination. Furthermore, none of the Sole Arranger or the Management Company or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Sole Arranger or the Management Company provides any assurance that the exemption provided for in section 20 of the U.S. Risk Retention Rules will be available.

Neither the Sole Arranger nor any of their respective affiliates accepts any responsibility whatsoever for the contents of this document or for any statement made or purported to be made by any of them, or on any of their behalf, in connection with the Issuer or any offer of the securities described in the document. The Sole Arranger and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty express or implied, is made by any of the Sole Arranger or their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document.

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**IMPORTANT NOTICE: MIFID II PRODUCT GOVERNANCE PROFESSIONAL INVESTORS AND ECPS  
ONLY TARGET MARKET**

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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 eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**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 manufacturers' 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 manufacturers' target market assessment) and determining appropriate distribution channels.

**ADDITIONAL IMPORTANT NOTICE**

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**IN RESPECT OF THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS**

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THIS PROSPECTUS HAS BEEN ENTERED IN THE REGISTERS OF THE SPANISH SECURITIES MARKET COMMISSION ON 13 JANUARY 2022 AND SHALL BE VALID FOR A MAXIMUM TERM OF TWELVE (12) MONTHS FROM SUCH DATE (SUBJECT TO THE PUBLICATION OF THE RELEVANT PROSPECTUS SUPPLEMENTS TO THIS PROSPECTUS). ACCORDINGLY, IT IS EXPRESSLY STATED THAT THE FUND SHALL ALSO PUBLISH PROSPECTUS SUPPLEMENTS WHEN LEGALLY REQUIRED, INCLUDING AS FORESEEN IN ARTICLE 23 OF THE PROSPECTUS REGULATION (AND ARTICLE 18 OF DELEGATED REGULATION (EU) 2019/979).

This base prospectus is the information memorandum (hereinafter, the "**Prospectus**") for IM ANDBANK RMBS 1, FONDO DE TITULIZACIÓN (hereinafter, the "**Fund**" or the "**Issuer**") approved and registered in the SPANISH SECURITIES MARKET COMMISSION (*Comisión Nacional del Mercado de Valores*, "**CNMV**") on 13 January 2022, in accordance with (i) the provisions of the 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 (the "**Prospectus Regulation**"), and (ii) the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended (the "**Prospectus Delegated Regulation**"), it includes the following:

- a) an overview of the Programme, drafted in accordance with article 25.1 of the Prospectus Delegated Regulation;
- b) a description of the main risk factors related to the issue, the securities and the assets that back the issue (hereinafter, the "**Risk Factors**");
- c) a registration document for the securities, drafted in accordance with Annex 9 of the Prospectus Delegated Regulation (hereinafter, the "**Registration Document**");
- d) a note on the securities, drafted as established by the provisions of Annex 15 of the Prospectus Delegated Regulation (hereinafter, the "**Securities Note**");
- e) an additional information to the Securities Note, prepared according to the Annex 19 of the Prospectus Delegated Regulation (hereinafter, the "**Additional Information**");
- f) a glossary with definitions used in this Prospectus (hereinafter, the "**Definitions**"); and
- g) a form of particular terms and conditions of the issued Notes (the "**Final Conditions**").
- h) certain additional information in the Final Conditions, in accordance with Annex 28 of the Prospectus Delegated Regulation.

Any websites included and/or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus nor have been scrutinised or approved by the CNMV.

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## OVERVIEW OF THE PROGRAMME

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This following is a general overview of the Programme and must be read as an introduction to this Prospectus and any decision to invest in the Notes of any Class of Notes should be based on a consideration of the Prospectus as a whole. The following section highlights selected information contained in this Prospectus relating to the Fund, the offering of the Notes of any Class of Notes, the legal and financial terms of the Notes, the Receivables and the Transaction Documents. It should be considered by potential investors, subscribers and holders of the Notes by reference to the more detailed information appearing elsewhere in this Prospectus.

Words or expressions beginning with capital letters shall have the meanings ascribed to them in the Definitions of this Prospectus.

<b>Description:</b>	Programme of Notes issued by the Fund backed by Receivables derived from Mortgage Loans.
<b>Maximum Outstanding Balance of the Programme</b>	EUR 313,500,000
<b>Issuer / Fund</b>	IM ANDBANK RMBS 1, Fondo de Titulización
<b>Management Company</b>	Intermoney Titulización, S.G.F.T., S.A.
<b>Originator / Seller</b>	Andbank España, S.A.U.
<b>Servicer</b>	Andbank España, S.A.U.
<b>Sole Arranger</b>	Intermoney Valores, S.V., S.A.
<b>Subordinated Loan Provider</b>	Andbank España, S.A.U.
<b>Bank Account Provider</b>	Banco Santander, S.A.
<b>Paying Agent</b>	Banco Santander, S.A.
<b>Subscriber</b>	Each subscriber of the Notes. Andbank España, S.A.U. shall subscribe the Notes under the Initial Issuance and, when applicable, the Additional Notes.
<b>Rating Agencies</b>	DBRS and Moody's
<b>Auditor</b>	EY
<b>Lead Managers</b>	Intermoney Valores, S.V., S.A. and Andbank España, S.A.U.
<b>Nature of Fund</b>	The Fund is a securitisation fund with open-end assets and liabilities to be incorporated in accordance with Law 5/2015 for the purpose of issuing the Notes and acquiring the Receivables derived from Mortgage Loans. The Fund will subscribe the corresponding mortgage shares and



certificates that will grant it the right to participate in 100% of each mortgage loan integrating the portfolio.

### **Purpose**

The purpose of the Fund is to:

- (a) acquire Receivables from the Seller; and
- (b) finance in full the acquisition of such Receivables through the issuance of the Classes of Notes and/or by allocating principal collections of Purchased Receivables.

### **Period of activity of the Fund**

The life of the Fund runs from the Date of Incorporation until the Legal Maturity Date, unless the Fund is early liquidated or extinguished in accordance with the provisions of section 4.4.3 of the Registration Document.

### **Early liquidation of the Fund**

The Management Company will proceed to carry out the Early Liquidation of the Fund, mandatory or at Seller's initiative according to section 4.4.3 of the Registration Document.

### **Cancellation of the Fund**

The Fund will be canceled, in any event, as a result of the following circumstances:

- (a) upon full repayment of the Receivables pooled therein; or
- (b) as a consequence of the completion of the early liquidation process established in section 4.4.3.1 and 4.4.3.2 of the Registration Document; or
- (c) upon reaching the Legal Maturity Date; or
- (d) if (i) the provisional credit ratings of the of the Class A Notes, the Class B Notes and the Class C Notes (the "**Rated Notes**") are not confirmed as final (unless they are upgraded) by the Rating Agencies on or prior to the Initial Disbursement Date (for clarification purposes, the Initial Issuance will not be disbursed until the confirmation or upgrading of the provisional ratings of the Rated Notes); or (ii) if the Management, Placement and Subscription Agreement is fully terminated in accordance with the provisions of section 4.2.5 of the Securities Note. In this event, the Management Company shall cancel the incorporation of the Issuer, the assignment to the Issuer of the Initial Receivables and the issuance of the Notes at any moment before the disbursement of the Initial Issuance.

### **Funding strategy of the Fund**

The Fund expects to issue the Initial Issuance on the Date of Incorporation, and the Additional Notes of all Classes on any Additional Issuance Date.

### **Distributions**

Principal and interest proceeds received by the Fund from the Purchased Receivables shall be allocated on each Payment Date, to the

payment of any amount that the Fund is obliged to pay, in accordance with the relevant Priority of Payments.

#### **Periods of the Fund**

The main periods of the Fund are:

- (a) the Purchase Period, that coincides with the Issuance Period; and
- (b) the Redemption Period.

#### **Priority of Payments**

- (a) during the Purchase Period and the Redemption Period, the Pre-Enforcement Priority of Payments; or
- (b) when an Early Liquidation of the Fund occurs, the Post-Enforcement Priority of Payments.

#### **The Notes**

The Notes are the Class A Notes, the Class B Notes, the Class C Notes and the Class Z Notes.

##### *Nature of the Notes*

The Notes are asset-backed notes that represent a debt of the Fund, accrue interest and are redeemable on each Payment Date during their applicable Redemption Period. The Notes legally qualify as marketable fixed income securities with an explicit yield.

##### *Minimum denomination*

The Notes of any Class of Notes will always be issued in a denomination of EUR ONE HUNDRED THOUSAND (€100,000).

##### *Interest (floating)*

The Notes of any Class of Notes will bear a floating interest coupon (as specified in the relevant Issuing Document).

##### *Payment Dates*

Each Class of Notes will have monthly Payment Dates (as specified in the applicable Issuing Document).

##### *Representation and denomination of the Notes*

The Notes of any Class of Notes will be issued in IBERCLEAR book-entry form or registered titles in the denomination of EUR 100,000 for the the Notes of each Class of Notes.

The Notes of each Class of Notes will be listed on AIAF.

##### *Currency*

The Notes of each Class of Notes will be always denominated in EUR.

##### *Legal Maturity Date*

Unless previously redeemed or cancelled as provided for below, the Notes of any Class of Notes will be redeemed at their Outstanding Nominal Balance on a Payment Date being the Legal Maturity Date of such Class of Notes.

*Redemption of the Notes*

During the Purchase Period, the holders of the Notes of each Class of Notes will only receive payments of interest on their Notes on each Payment Date in accordance with the Pre-Enforcement Priority of Payments and will not receive any principal payment.

On each Payment Date within the Redemption Period, the holders of the Notes of each Class of Notes shall receive interest and principal payments on each Payment Date in accordance with the applicable Priority of Payments.

*Mandatory Early Redemption*

The Notes may be early redeemed upon the occurrence of any cause described in section 4.4.3.1 of the Registration Document.

*Optional Early Redemption*

The Notes may be early redeemed upon the occurrence of a Seller Call Option, as described in section 4.4.3.2 of the Registration Document.

*Market where the securities will be traded*

The Notes may be listed on AIAF.

*Ratings assigned to the Rated Notes*

The credit risk of the Notes of any Class of Notes may be assessed by the relevant Rating Agencies specified in the applicable Issuing Document of each Class of Notes.

Credit ratings assigned to the Notes of any Class of Notes by the Relevant Rating Agencies reflect the relevant Rating Agency's assessment only of (i) the likelihood of:

For Moody's: (a) full and timely payment on each Payment Date of scheduled interest due under the relevant Class A Notes, Class B Notes and Class C Notes; and (ii) the likelihood of full payment of principal under the relevant Class A Notes, Class B Notes and Class C Notes on or before their respective Legal Maturity Date, but neither provides any certainty nor guarantee.

For DBRS: (a) full and timely payment on each Payment Date of scheduled interest due under the relevant Class A Notes; and (ii) the likelihood of full payment of interest under the relevant Class B and Class C Notes and principal under the relevant Class A Notes, Class B Notes and Class C Notes on or before their respective Legal Maturity Date, but neither provides any certainty nor guarantee.

*Restrictions on the free transferability of the securities*

The Notes are freely transferable and can be transmitted through any legally permissible means. Furthermore, where the Notes are listed on AIAF, their transmission will be subject to the rules applicable to the corresponding market.

## **The Receivables**

### *General Description of the Receivables*

The Receivables transferred to the Fund on the Date of Incorporation and thereafter to be transferred on each Purchase Date during the life of the Fund. The Receivables will arise from mortgage loans granted by the Seller to individuals resident in Spain or Spanish national for the acquisition, construction, or refurbishment of finished residences in Spain. Subject to the Eligibility Criteria described in Clause 2.2.8.2.B) (iv) of the Additional Information there may be some residual loans granted to Borrowers non-resident in Spain and with no Spanish nationality.

The Receivables to be securitised will be governed by Spanish law.

### *Purchase of Receivables*

Transfer of Receivables shall only occur during the Purchase Period. All Receivables shall meet the Eligibility Criteria.

### *Ancillary rights*

Pursuant to article 1,528 of the Civil Code, the transfer of the Receivables to the Fund shall entail the transfer of any ancillary rights attached to the transferred Receivables (if any), including but not limited to any compensation deriving from insurance policies, payments made by potential guarantors, payments derived from foreclosures or insolvency proceeding and any right that, in connection with any guarantee or security interest (including, without limitation, pledges and/or mortgages).

<b>Maximum Receivables Amount</b>	The Outstanding Nominal Balance of the Non-Defaulted Receivables transferred to the Fund during the life of the Fund shall not exceed EUR 300,000,000.
<b>Issuer Accounts</b>	Initially, the Treasury Account.
<b>Subordinated Loan</b>	The Fund has entered into a Subordinated Loan with the Seller in order to finance the Initial Expenses and the Issuance Expenses.
<b>Selling and Transfer Restrictions</b>	The following selling and transfer restrictions shall apply in relation to the all Class of Notes: United States, the European Economic Area, the UK, Switzerland, Japan and Hong-Kong.
<b>STS</b>	The securitisation transaction described in this Prospectus is intended to qualify as an STS securitisation within the meaning of article 18 of the Securitisation Regulation.

Any websites included and/or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus nor have been scrutinised or approved by the CNMV.  
(Remainder of page left intentionally blank).

## RISK FACTORS

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The contents of the risk factors related to the underlying assets, the nature of the securities and the nature of the Issuer included in “*Risk Factors*” section of this Prospectus have been drafted in accordance with the article 16 of 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*. Therefore, generic risks regarding the underlying assets, the nature of the securities and the nature of the Issuer have not been included in this Prospectus in accordance with such article 16. YOU ARE EXPECTED TO CONDUCT YOUR OWN ASSESSMENT AND INQUIRY OF THE GENERIC RISKS DERIVED FROM THE UNDERLYING ASSETS, THE NATURE OF THE SECURITIES AND THE NATURE OF THE ISSUER.

### 1. RISKS DERIVED FROM THE SECURITIES

#### 1.1. Related to the underlying assets

##### 1.1.1. Risk of payment default of the Borrowers

Noteholders of the Fund shall bear the risk of payment default by the credit rights arising from the Mortgage Loans (“**Receivables**”) to be pooled in the Fund, granted by the Seller to individuals who were resident in Spain or Spanish nationals at the time of execution of the relevant Mortgage Loan agreement (hereinafter, the “**Borrowers**”). In particular, in the event that the losses of the Receivables pooled in the Fund were higher than the credit enhancements described in the Additional Information, this circumstance could potentially jeopardise the payment of principal and/or interest under the Notes.

The Seller shall accept no liability whatsoever for the Borrowers' default of principal, interest or any other amount they may owe under the Receivables. Pursuant to article 348 of the Spanish Commercial Code published by virtue of the Royal Decree of 22 August 1885 (as amended from time to time, the “**Commercial Code**”), and article 1,529 of the Spanish Civil Code published by virtue of the Royal Decree of 29 July 1889 (as amended from time to time, the “**Civil Code**”), the Seller will only be responsible to the Fund for the existence and lawfulness of the Receivables, in the terms and conditions set forth in this Prospectus and the public deed recording the incorporation of the Fund (the “**Deed of Incorporation**”), as well as for the legal status under which the transfer is performed. The Seller will have no responsibility nor warrant the successful outcome of the transaction and no guarantees will be granted by any public or private entity, including the Management Company, the Seller, and any of their affiliate companies or investee companies.

General economic conditions and other factors such as losses of subsidies or interest rate rises, may have an impact on the ability of Borrowers to meet their repayment obligations under the Mortgage Loans. A deterioration in economic conditions resulting in increased unemployment rates, consumer and commercial bankruptcy filings, a decline in the strength of national and local economies, inflation and other results that negatively impact household incomes could have an adverse effect on the ability of Borrowers to make payments on their Mortgage Loans and result in losses on the Notes. Unemployment, loss of earnings, illness (including any illness arising in connection with an epidemic), divorce and other similar factors may also lead to an increase in delinquencies and insolvency filings by Borrowers, which may lead to a reduction in payments by such Borrowers on the Mortgage Loans and could ultimately reduce the Issuer's ability to service payments on the Notes. For further information on the economic outlook please see section 1.1.6 (*Macroeconomic risk, COVID-19 and Related Potential Circumstances*) below.

The following tables show data on arrears and defaults as of 31 October 2021 of the entire portfolio of residential mortgage loans originated by the Seller, from which the Initial Receivables and the eligible Additional Receivables will be selected. According to the historical performance of the Seller's mortgage portfolio, there has not been any mortgage loan in arrears above ninety (90) days.

Seller's entire mortgage portfolio:

0 days	Between 1 and 30 days	Between 31 and 60 days	Between 61 and 90 days	Above 90 days
99.08%	0.83%	0.09%	0%	0%

In case of payment default under a Mortgage Loan by the relevant Borrowers, the Servicer shall take such action as may be determined by the Servicer to be necessary or desirable including, if necessary and without limitation, by means of court proceedings (which may involve judicial expenses and lengthy procedures) against any Borrower in relation to a Defaulted Receivable. Higher delinquency or defaulted rates than those stated in the table above that can occur for various reasons (among others, the relatively short seasoning of the Mortgage Loans which, in average, is 13 months as set out in tables of section 2.2.2. of the Additional Information), could result in higher cumulative losses that may not be absorbed by the Reserve Fund and could potentially impact on the Notes.

#### 1.1.2. Mortgage Participations and Mortgage Transfer Certificates.

Although the assignment of the Receivables from the Preliminary Portfolio on the Date of Incorporation will be implemented by means of the issue by the Seller and the subscription/acquisition by the Fund of the Mortgage Participations there may be additional Mortgage Loans assigned to the Fund by means of the issue of Mortgage Transfer Certificates. On the Incorporation Date, the Seller will assign the Initial Receivables to the Fund for a total Outstanding Nominal Balance as close as possible to € 150,000,000 by means of the issue by the Seller of Mortgage Participations for each of them.

According to the Eligibility Criteria described in section 2.2.8.2 of the Additional Information, there is no commitment to maintain any proportion between Mortgage Participations and Mortgage Transfer Certificates. Therefore, if the Additional Receivables arising from Mortgage Loans that do not meet all the requirements set forth in Mortgage Market Law and Chapter II of Royal Decree 716/2009 (as from 8 July 2022, article 23 of Royal Decree-Law 24/2021), such assignment will be made by means of the issue of Mortgage Transfer Certificates.

There is no certainty that the Receivables backing the Notes and assigned to the Fund by means of issue of Mortgage Transfer Certificates will have the same value than those assigned by means of issue of Mortgage Participations.

#### 1.1.3. Prepayment risk

Borrowers may prepay the Mortgage Loans, in the terms set out in the relevant Mortgage Loan agreement from which the Receivables arise.

This prepayment risk shall pass monthly on each Payment Date onto the Noteholders by the partial redemption of the Notes (to the extent applicable in accordance with the provisions of section 4.9 of the Securities Note).

Since 2018, the average annualised prepayment rate of the mortgage loans originated by the Seller has been nearly 5%. The rate of prepayment of the Mortgage Loans cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing interest rates, the buoyancy of the residential property market, the availability of alternative financing and local and regional economic conditions.

The Seller has several competitors in the Spanish residential mortgage market; such competition may result in lower interest rates on mortgage loans offers in such market. In the event that mortgage loans in the market bear lower interest rates than the Mortgage Loans, the Borrowers under the Mortgage Loans may seek to prepay them. No assurance can be given to the real level of prepayment that the Mortgage Loan portfolio will experience, nor to the hypothesis used for calculations in section 4.10 of the Securities Note. Early repayment of the Receivables in rates higher than expected will cause the Issuer to make payments of principal on the Notes earlier than expected and will shorten the maturity of the Notes. If principal is paid on the Notes earlier than expected due to prepayments on the Receivables (such prepayments occurring at a time when interest rates are lower than interest rates that would otherwise be applied if such prepayments had not been made or made at a different time), Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the Notes. Similarly, if principal payments on the Notes are made later than expected due to slower than expected prepayments or payments on the Receivables, Noteholders may lose reinvestment opportunities. Noteholders will bear all reinvestment risk resulting from receiving payments of principal on the Notes earlier than expected

#### 1.1.4. Interest rate risk

The Receivables comprised in the Fund will include interest payments calculated at interest rates and periods, which are different from the interest rates and periods applicable to the interest due in respect of the Notes. The current weighted average interest rate of the Preliminary Portfolio is 0.76%. However, assuming a 12-month Euribor as of 30 November 2021 of -0.487% and that all maximum bonuses are applied, the weighted average interest rate of the Receivables would be 0.33%). As described in section 2.2.2.4 of the Additional Information, the Preliminary Portfolio includes only floating rate loans indexed to a 12-month Euribor.

Notwithstanding the above, the weighted average margin of the Mortgage Loans after any applicable bonification should meet the global eligibility criteria stated in Clause 2.2.8.2 of the Additional Information

The Issuer expects to meet its floating rate payment obligations under the Notes primarily with the payments relating to the collections. However, the interest component in respect of such payments may have no correlation to the Reference Rate applicable to the Notes from time to time.

Although the Issuer has the instruments described below for its protection against defaults and Reference Rate increases, such instruments may not be sufficient to cover the Issuer's obligations under the Notes.

- (i) Reserve Fund. A credit enhancement mechanism to cover losses arising from the default of any Receivable in order to allow payments to be made by the Fund in accordance with the Priority of Payments (the "**Reserve Fund**") will be initially funded, on the date corresponding to the disbursement of each Issuance envisaged in the Final Conditions. The Reserve Fund is not available exclusively to cover shortfalls driven by changes in interest rates, and potential investors should be aware that the existence of the Reserve Fund does not ensure that the Issuer's income is sufficient to meet its payment obligations at all times; and
- (ii) Subordination of the different Classes of Notes. The transaction benefits from a single priority of payments that combines interest and principal proceeds: the principal proceeds generated by the amortisation of the Receivables can be used to also cover the interest payments due on the then most senior Notes.

Notwithstanding the above, the instruments and measures described in this section and in the Prospectus may not be sufficient to cover all the risks to which they refer.

No other specific instrument hedges the Notes against potential increases of Interest Reference Rate of the Notes.

#### 1.1.5. Geographical concentration risk

As detailed in section 2.2.2.4 (*Guarantee region*) of the Additional Information, the Spanish regions having the largest concentrations of properties under Mortgage Loans selected to be assigned to the Fund are, as a percentage of the Outstanding Nominal Balance of the Receivables, as follows: Madrid (47.21% of the Outstanding Nominal Balance of the Preliminary Portfolio), Cataluña (25.60% of the Outstanding Nominal Balance of the Preliminary Portfolio) and Andalucía (7.95% of the Outstanding Nominal Balance of the Preliminary Portfolio), altogether representing 80.76% of the Outstanding Nominal Balance of the Preliminary Portfolio.

To the extent that these regions experience in the future weaker regional economic conditions and housing markets than other regions in Spain, a concentration of the Mortgage Loans in such a region may be expected to exacerbate the risks relating to the Mortgage Loans described in this section. Certain autonomous communities within Spain rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the autonomous community employment levels and consequently the repayment ability of the Borrowers in that autonomous community or in the region that relies most heavily on that industry. In addition, any pandemic or natural disasters affecting a particular Autonomous Community may reduce the value of affected real estate properties. This may result in a loss being incurred upon the sale of such real estate properties.

In particular, there are various provisions in force in the autonomous community of Catalonia which could affect Mortgage Loans which contain mortgage guarantees located in Catalonia and the properties awarded to the Fund in payment thereof, delaying the repossession or the exercise of the rights arising from the use by the Fund of those properties and, therefore, their marketing and sale. These measures include (i) the extrajudicial procedure to resolve over indebtedness situations and measures in relation to housing owned by securitization funds aimed at avoiding evictions that could lead to a situation of homelessness for persons or family units that lack an alternative housing option and are at risk of residential exclusion, provided for in Law 24/2015, of 29 July, on urgent measures to address the housing and energy poverty crisis ("**Law 24/2015**"); (ii) the pre-emption and withdrawal rights in favour of the Government of Catalonia (Generalitat de Catalunya) in relation to the transfer of certain properties acquired in a foreclosure proceeding established in Decree-Law 1/2015 of 24 March, on extraordinary and urgent measures for the mobilisation of housing deriving from foreclosure processes ("**Decree-Law 1/2015**"); and (iii) the obligation provided for in Catalan Law 4/2016 imposing on some types of lenders, prior to a number of conditions affecting mortgaged residential property taking place –including the acquisition by means of compensation agreements, the friendly repossession (*dación en pago*), the execution of the sales agreement, or filing an enforcement proceeding— to grant a subsidized rental lease for a minimum duration of time to certain vulnerable borrowers.

Given these levels of concentration, any these circumstances could adversely affect the creditworthiness of the Borrowers and their capacity to repay the Loans from which the Receivables backing the Notes arise.

#### 1.1.6. Macroeconomic Risk, Covid-19 and Related Potential Circumstances

On 30 January 2020, the WORLD HEALTH ORGANISATION (WHO) declared that the officially named coronavirus Covid-19 outbreak constituted a public health emergency of international concern. This novel coronavirus (SARS-CoV-2) and related respiratory disease (coronavirus disease Covid-19) has spread throughout the world, including the KINGDOM OF SPAIN. This outbreak has led to disruptions in the economies of nations, resulting in restrictions on travel, imposition of quarantines and prolonged closures of workplaces, bringing a drop in GDP. On the other hand, evolution of GDP during 2021 will depend on the epidemiologic situation,



since an increase in the infections, together with the adoption of precautionary measures such as compulsory quarantines or lockdowns could worsen any economic forecasts, hence the consequences of the risk derived from Covid-19 may have a permanent component at least in the short and medium term.

In the future, any such measures, any health crisis and/or spread of viruses or analogous circumstance can cause the following impacts:

- Impact on the Fund and the Notes: (i) the ability of some Borrowers to make full and timely payments of principal and/or interests under their Loans; (ii) the ability of the Seller to generate Loans and assign Additional Receivables during the Purchase Period or under any other circumstance as required in the Transaction Documents; (iii) the cash flows derived from the Receivables in the event of payment holidays or any other measure whether imposed by the competent government authority or applicable legislation or otherwise affecting payments to be made by the Borrowers under the Loans; (iv) the market value of the Notes; and (v) third parties ability to perform their obligations under the Transaction Documents to which they are a party (including any failure arising from circumstances beyond their control, such as epidemics).
- Impact on the Originator: although no difference in service levels are observed, remote working may adversely affect the business - - and the operations of third parties providing critical services to the Originator and, in particular, the increased demand and/or reduced availability of certain resources could in some cases make it more difficult to maintain service levels and increase the risks related to cybersecurity.

During the outbreak of Covid-19, the Originator did not receive any petition of payment holidays from the borrowers of the mortgage loans, hence it has not applied any of such measures to any mortgage loan within its entire portfolio.

- Impact on the economy: According to Bank of Spain estimates, at 4th quarter of 2020, GDP in Spain has decreased by 10.8% during 2020 in annual terms. During 2021, it is estimated that the GDP in Spain will increase by 6.3%, and it will grow by 5.9% in 2022. According to Funcas (July 2021), the unemployment rate (i) at the end of 2021 will be 15.8% and (ii) in 2022 will be 14.7%, while the public debt to GDP ratio will be 116.9% in 2022. The full impact of the outbreak and the resulting temporary precautionary measures made on business operations, particularly for the travel, financial services and professional services industries, manufacturing facilities and supply chains remains unforeseen. We cannot predict the time that it will take to recover from the disruptions derived from Covid-19 or any similar future outbreak. In addition, during 2020 and 2021, a number of temporary general restrictions were imposed in the Spanish national territory and/or certain regions and municipalities, including on the movement of persons, public activities, opening of retail businesses and premises and curfews. This led to a material number of temporary workforces restructuring plans (*expediente de regulación temporal del empleo*) and collective workforce restructuring plans (*expediente de regulación de empleo*) being implemented. The possibility that similar measures will be adopted in the future (both at national, regional or local level) cannot be ruled out, the impact of which on the Spanish economy is unknown and difficult to measure.
- Potential extensions of moratoriums in the future: Whilst as of the date of this Prospectus the deadline for requesting Covid-19 Moratoriums was 30 March 2021, it cannot be discarded that any moratoriums are approved after the date of this Prospectus. Consequently, borrowers (and eventually their guarantors) may adhere to any such extended Covid-19 Moratoriums (or other moratoriums). In that case, Covid-19 Moratoriums (or other moratoriums) that may be granted by the Seller to the borrowers and permitted under this Prospectus, could imply a temporary reduction and/or postponement of cash flows under the Mortgage Loans and, ultimately, the

Available Funds to pay the amounts due under the Notes and consequently a decrease in the average yield and an increase in the duration and final maturity of the Notes.

#### 1.1.7. Impact of certain laws

##### Law 5/2019

Additionally, Law 5/2019 of 15 March regulating real estate credit agreements ("**Law 5/2019**"), applicable to any natural person acting as borrower, surety or guarantor, regardless of whether he or she is a consumer or not, set forth, among others, certain provisions on the possibility of early terminating the mortgage loans, that would generally imply an extension of the default periods required to enforce the Mortgage Loans in comparison with those foreseen under the contractual provisions in the mortgage loan agreements.

In particular, article 24 of the Law 5/2019 limits the lenders' right to early termination, requiring accelerating mortgage loan agreements (i) after a payment default equal to 3 per cent. of the total loan amount or 12 monthly instalments if the default occurs in the first half of the term of the loan or (ii) after a payment default equal to 7 per cent. of the total loan amount or 15 monthly instalments if the default occurs in the second half of the term of the loan.

Although mortgage loan agreements entered into before the coming into force of Law 5/2019 will not generally be bound by this regulation, its first transitional provision (*Disposición Transitoria Primera*) sets out that the early acceleration clauses of these mortgage loan agreements will be bound by article 24 of the Law 5/2019, unless the borrower argues that the contractual terms agreed are more favourable to it. This retroactivity applicable to the early acceleration clauses, will however do not apply to the mortgage loan agreements already accelerated by the time the Law 5/2019 entered into force.

In sum, the provisions of Law 5/2019 may ultimately have an impact on the Available Funds or on the ability to recover on a timely manner the amounts due under the Mortgage Loans and service the amounts due under the Notes.

##### Mortgage Market Law

Lastly, in connection with the foreclosure of the Mortgage Loans, some litigation has been carried out by debtors challenging the foreclosure of mortgage loans transferred through mortgage participations on procedural law grounds, based on the rejection of procedural standing ("*falta de legitimación activa*") arguing that it should be the Fund foreclosing the mortgage loans rather than the originator (as servicer). On 20 October 2021, the Spanish Supreme Court ruled that when the originator acts as servicer of the mortgage loans, it is entitled to enforce the mortgages on behalf of the Fund, confirming that it has full procedural standing.

Under Spanish law a second ruling from the Supreme Court is necessary in order to create binding jurisprudence. Although the above referred ruling shapes strong judicial doctrine, it cannot be disregarded that a lower court can consider that the Servicer, in its condition as original lender, lacks procedural standing (*falta de legitimación activa*) to enforce the Mortgage Loans and foreclose the mortgages securing the Mortgage Loans, and therefore it may have an impact on the Available Funds of the Fund or on the ability to recover in a timely manner the amounts due under the Mortgage Loans and service the amounts due under the Notes.

#### 1.1.8. Insurance risk

According to the Origination Policy, each Borrower is required to insure the mortgaged properties against the risk of fire and other damages (at least on the conditions required by

the regulations governing the mortgage market and throughout the term of those Mortgage Loan agreements).

On the granting date of the Mortgage Loans, the Seller checks that the Borrowers have an insurance policy in force with an insurance company. The Seller has warranted that all properties backing the Mortgage Loan shall be duly covered according to Mortgage Market Regulations by an insurance policy against damages entered into by each of the Borrowers individually or by the Seller under a global policy.

Absence of enforceable insurance policies may, upon the occurrence of any insurable damages to the mortgaged properties securing the Mortgage Loans, cause a reduction in the amount of Available Funds to meet the Fund's payment obligations (including the servicing of the Notes).

#### **1.1.9. LTV risk**

As indicated in section 2.2.6 of the Additional Information, the LTV ratio (expressed as a percentage of the outstanding principal amount and the original property valuation, in accordance with the provisions of Order ECO/805/2003 of the properties of the Preliminary Portfolio), was between 3.11% and 78.98%, and the weighted average ratio 52.65% (weighted by outstanding principal amount). According to Eligibility Criteria stated in Clause 2.2.8.2 of the Additional Information, individual LTV cannot be higher than 80% and weighted average LTV cannot be higher than 60%, hence Additional Receivables are subject to these restrictions.

A decline in the residential property values in Spain could imply a reduction of the value of the properties securing the Mortgage Loans. If the residential property market in Spain experiences an overall decline in property values (including as a consequence a deterioration of the Spanish economy due to the effects of the Covid-19 pandemic), such a decline could in certain circumstances result in the sale value of the mortgaged property being significantly reduced and, in the event that the property is required to be enforced, may result in an adverse effect on payments on the Notes. In addition to the above, since all the properties of the Preliminary Portfolio have original appraisals, any update of such appraisal values may also provoke a reduction of the value of the properties.

#### **1.1.10. Nationality and residence of the Borrowers.**

Although the majority of the Borrowers are Spanish nationals or residents in Spain, according to the Global Eligibility Criteria it may be the case that a limited number of the Borrowers may be either non-Spanish nationals non-resident in Spain (0.10% of the Mortgage Loans over the Preliminary Portfolio) or Spanish nationals non-resident in Spain (2.41% of the Mortgage Loans over the Preliminary Portfolio).

A Borrower non-resident in Spain may imply a higher difficulty in terms of enforcement upon a judicial claim or under a property foreclosure. Additionally, nationality, and specially residency in Spain, may vary during the time.

### **1.2. Related to the nature of the securities.**

#### **1.2.1. Fungibility, subordination risk and extraordinary interest deferral**

##### Fungibility

Additional Issuances may bring additional Notes of any Class according to the Securities Notes on each Issuance Date during the Issuance Period (i.e., until a Issuance Period End Date occurs) and without any consent from the holders of the Notes already issued. As per section 4.2.2. of the Securities Notes, the Notes issued at any Issuance Date shall have the same

terms and conditions as the rest of the Notes of the Class to which they belong and will be considered fungible with each other, as of the moment of the relevant Additional Issuance. To that end, their fungibility will be envisaged in that as of the Disbursement Date of the corresponding Issuance they will have the same characteristics, as set out in this Prospectus (in particular, section 4.2.2 of the Securities Note) and in accordance with article 18 of Royal Decree 878/2015.

In this regard, all Notes of each Class will bear the same rights notwithstanding their respective Issuance Date.

Principal and interest payments on each of the Classes of Notes, whatever the moment of issuance, will rank in the same position of the Priority of Payments as the notes of the same relevant Class previously issued.

Notes of each Class issued will be registered with IBERCLEAR, as of the date on which their fungibility is fulfilled, under the same ISIN code (*International Securities Identification Number*) to be granted by the NATIONAL CODING AGENCY (AGENCIA NACIONAL DE VERIFICACIÓN DE VALORES).

#### Principal Redemption

During the Redemption Period (as described in section 4.9.3.1 of the Securities Note), unless a Subordination Event has occurred, the ordinary redemption of (i) Class A Notes, Class B Notes, Class C Notes will be *pro-rata* amongst themselves in item (5) of the Pre-Enforcement Priority of Payments, while (ii) Class Z Notes will rank junior in position (10) of the Pre-Enforcement Priority of Payments (in accordance with the provisions set forth in section 3.4.7.2 of the Additional Information).

Notwithstanding the above:

- upon the occurrence of a Subordination Event of Class C Notes, pro-rata amortization will be limited to Class A Notes and Class B Notes. Therefore, redemption of Class C Notes will be subordinated to Class A Notes and Class B Notes; and
- upon the occurrence of a Subordination Event of Class B Notes, pro-rata amortization will be limited to Class A Notes. Therefore, redemption of Class C Notes will be subordinated to Class B Notes and redemption of Class B Notes will be subordinated to Class A Notes.

Subordination Events can be non-Reversible or Reversible and, depending on that, Class C or Class C and Class B will, respectively, rank junior to the relevant senior Classes (i) during the rest of the life of the transaction; or (ii) until conditions for a pro-rata amortisation are restored according to section 4.9.3.1 of the Securities Note.

#### Interest payments

According to, respectively, the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments, (i) interest payments of Class A Notes rank senior to those of Class B Notes, Class C Notes and Class Z Notes; (ii) those of Class B Notes rank senior to those of Class C Notes and Class Z Notes; and (iii) those of Class C Notes rank senior to those of Class Z Notes. Interest payments of Class Z Notes do not benefit from any subordination.

Additionally, according to the Pre-Enforcement Priority of Payments, interest payment of some Classes of Notes can be extraordinarily postponed to more junior positions: (i) if Class B Postposition Conditions are met, interest payment of the Class B Notes are postponed from position (3) to position (7); (ii) if Class C Postposition Conditions are met, interest payment of the Class C Notes are postponed from position (4) to position (8).

Notwithstanding the above, subordination rules shall not ensure full protection for any Class of Notes from the risk of loss.

### 1.2.2. Proportionality of Class of Notes

Initial Issuance will occur on the Date of Incorporation for an aggregate Notes Outstanding Nominal Balance equal to € 156,800,000 with the amounts and proportions for each Class of Notes specified in the relevant Final Conditions. Such initial proportion is not a requirement for any Additional Issuances and it is possible that not all of Classes will be tapped at the same proportion on an Additional Issuance Date, subject to requirements set forth in section 4.1.6 of the Securities Note.

Although any Additional Issuance shall take place only if all the conditions precedent described in section 4.1.6 of the Securities Notes are met, any deviation on such initial proportion could affect to the subordination, hence to the protection of each Class. Any Additional Issuance will not require any consent from the holders of the Notes already issued and, irrespective of their Additional Issuance Date, and shall have the same terms and conditions as the rest of the Notes of the Class to which they belong as described in section 4.2.2 of the Securities Note.

### 1.2.3. Eurosystem eligibility of Class A Notes

Class A Notes are intended to be held in a manner which will allow be recognised as eligible collateral for Eurosystem monetary policy and Intraday credit operations by the Eurosystem ("**Eurosystem Eligible Collateral**"). This means that the Class A Notes are intended upon issue to be deposited with *Sociedad de Gestion de los Sistemas de Registro, Compensación y Liquidación de Valores S.A.U.* ("**IBERCLEAR**") but does not necessarily mean that the Class A Notes shall be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will, inter alia, depend upon satisfaction of the Eurosystem eligibility criteria set out in the Guideline of the European Central Bank (the "**ECB**") of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast) as amended and applicable from time to time (the "**Guideline**").

Neither the Fund, nor the Management Company, nor the Seller give any representations, warranty, confirmation or guarantee to any potential investor that the Class A Notes will, either upon issue, or at any time or at all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem Eligible Collateral for any reason whatever.

### 1.2.4. Yield and duration risk

Several calculations, such as the average yield, duration and final maturity of the Notes in each Class will be subject to a number of hypothesis, *inter alia*, estimates of prepayment rates and delinquency rates that may not be fulfilled. In addition, these calculations may be affected by the Covid-19 outbreak, as further explained in section 1.1.2 above.

These calculations will be influenced by a number of economic and social factors such as COVID-19 pandemic, market interest rates, the Borrowers' financial circumstances and the general level of economic activity, preventing their predictability.

No guarantee can be given as to the level of prepayments (in part or in full) that the Receivables may experience. Early repayment of the Receivables in rates higher than expected will cause the Issuer to make payments of principal on the Notes earlier than expected and will shorten the maturity of such Notes.

### 1.2.5. Early redemption of the Notes upon exercise of Seller's Call Options

The Seller may exercise any of the **"Seller Call Options"** (the Clean-Up Call Option, the Regulatory Change Call Option or the Tax Change Call Option) and instruct the Management Company to carry out an Early Liquidation of the Fund and an Early Redemption of the Notes in whole (but not in part) and hence repurchase all outstanding Receivables, in accordance with section 4.4.3.2 of the Registration Document. According to section 4.4.3.2. of the Registration Document, the exercise of any of the Seller Call Options will imply the repurchase of the Receivables at Repurchase Value that could not allow to redeem in full the Outstanding Principal Amount of Class Z Notes. Upon exercise of any of the Seller's Call Options, the Seller will repurchase all outstanding Receivables at the Repurchase Value.

If the Notes are redeemed earlier than expected due to the exercise by the Seller of any of the Seller's Call Options (such early redemption occurring at a time when interest rates are lower than interest rates that would otherwise be applied if such early redemption had not been made or made at a different time), Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the Notes. Noteholders will bear all reinvestment risk resulting from early redemption of the Notes earlier than expected.

There is no guarantee that, upon the occurrence of any of the events entitling the Seller to exercise any of the Seller's Call Options, the Seller will exercise such rights and therefore the Early Liquidation of the Fund and an Early Redemption of the Notes may or may not take place.

#### 1.2.6. Risk relating to benchmarks

The Notes of any Class of Notes are referenced to the EURIBOR which calculation and determination is subject from 1 January 2018 to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the **"Benchmark Regulation"**) published in the Official Journal of the EU on 29 June 2016, entered into force on 30 June 2016 and is applied from 1 January 2018. The Benchmark Regulation applies to *"contributors"*, *"administrators"* and *"users of"* benchmarks (such as Euribor and Libor) in the EU, and, among other things, (i) requires benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and to comply with extensive requirements in relation to the administration of *"benchmarks"* and (ii) ban the use of benchmarks of unauthorised administrators.

Ongoing international and/or national reform initiatives and the increased regulatory scrutiny of benchmarks generally could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any applicable regulations or requirements. Such factors may discourage market participants from continuing to administer or contribute to benchmarks, trigger changes in the rules or methodologies used in respect of benchmarks, and/or lead to the disappearance of benchmarks.

As provided in section 4.8.3 of the Securities Note, several circumstances related to EURIBOR (e.g., a material disruption, the insolvency or cessation of business of the administrator, a number of public statements or announcements) could result in the base rate on the Notes changing from EURIBOR to an Alternative Base Rate under certain circumstances broadly related to EURIBOR dysfunction or discontinuation. This Alternative Base Rate, subject to certain conditions being satisfied will be implemented in substitution of EURIBOR or the then current Reference Rate, as the new Reference Rate applicable of the Notes, except that Noteholders representing at least 10 per cent. of the Outstanding Principal Balance of the Class A Notes do not consent to the Base Rate Modification, in which case an Ordinary Resolution shall be passed in favour of such proposed Base Rate Modification in accordance with section 4.11 of this Securities Note (*Meeting of Noteholders*) by each Class of Noteholders

The European Money Markets Institute has conducted a series of reforms intended to meet the requirements of the Benchmark Regulation. The European Securities and Markets Authority (ESMA) will substitute the Belgian Financial Services and Markets Authority as supervisor from January 2022. It is not possible to ascertain as at the date of this Prospectus what will be the impact of these initiatives on the determination of EURIBOR in the future, how such changes may impact the determination of EURIBOR for the purposes of the Notes, whether this will result in an increase or decrease in EURIBOR rates or whether such changes will have an adverse impact on the liquidity or the market value of the Notes.

Any of the above changes could have a material adverse effect on the value of and return on the Notes. There is no certainty that the new interest rate could be lower.

## **2. RISKS DERIVED FROM THE ISSUER'S LEGAL NATURE AND ITS OPERATIONS**

### **2.1. Related to the Issuer's nature, financial situation or activity**

Certain features of the Fund and the Programme have been created in the interest of the Seller.

Pursuant to the Deed of Incorporation and as described in this Prospectus, the Fund and the Programme have certain features that have been designed in the interest of the Seller. Amongst others, the Seller is entitled to:

- (i) instruct the Management Company to proceed with the issuance of Additional Notes by the Issuer, with at least thirty (30) days in advance to the relevant Disbursement Date;
- (ii) instruct the Management Company to carry out an Early Liquidation of the Fund and an Early Redemption of the Notes in whole (but not in part) and hence repurchase at its own discretion all outstanding Receivables for the Repurchase Value in any of the following instances Seller Call Options (as this term is described below), which comprehends:
  - (1) the exercise of the Clean-Up Call Option if a Clean-Up Call Event occurs;
  - (2) the exercise of the Regulatory Change Call Option if a Regulatory Call Event occurs; and
  - (3) the exercise of the Tax Change Call Option if a Regulatory Tax Change Event occurs.

The full scope of the Seller Call Options are further described below in section 4.4.3.2 of the Registration Document; and

The interests of the Seller may not be at all times aligned with those of the rest of the holders of the Notes and, therefore, this circumstance should be taken into consideration by the investor when acquiring the Notes.

#### **2.1.1. Compulsory replacement of the Management Company**

If the Management Company is declared insolvent or its authorization to operate as a management company of securitisation funds is revoked, notwithstanding with the effects of such insolvency as described under section 3.7.1.2 of the Additional Information, it shall find a substitute Management Company.

If four months have elapsed from the occurrence determining the substitution and no new management company has been found willing to take over management, the Fund shall be



liquidated, and the Notes may be subject to early redemption under section 4.4.3.1 of the Registration Document.

### 2.1.2. **Limitation of actions**

Noteholders and other creditors of the Fund shall have no recourse whatsoever against Borrowers who have defaulted on their payment obligations, or against the Seller. Any such rights shall lie with the Management Company, representing the Fund.

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against the Management Company other than derived from breaches of its obligations or failure to comply with the provisions of this Prospectus, the Deed of Incorporation and the other Transaction Documents. Those actions shall be resolved in the relevant ordinary declaratory proceedings depending on the amount claimed.

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against the Fund or against the Management Company in the following scenarios:

- (i) Event of payment default of amounts due by the Fund resulting from Receivable defaults or prepayments, or
- (ii) Breach by the Seller or the counterparties of their obligations under the corresponding Transaction Documents entered into by the Management Company for and on behalf of the Fund.

The Fund, being incorporated as an isolated pool of assets with not legal personality pursuant to Law 5/2015 is not subject to insolvency proceedings under the Insolvency Law.

## 2.2. **Related to legal and regulatory risks**

### 2.2.1. **EU Securitisation Regulation: simple, transparent and standardised securitisation**

On 12 December 2017, the European Parliament adopted the Regulation (EU) 2017/2042 of the European Parliament and of the Council of 12 December 2017 (the "**EU Securitisation Regulation**") which applies to the fullest extent to the Notes.

The transaction envisaged under this Prospectus is intended to qualify as a simple, transparent and standardised securitisation ("**STS-Securitisation**") within the meaning of article 18 of the EU Securitisation Regulation. Consequently, the transaction meets, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation and, on or about the Date of Incorporation, the Originator will submit a STS notification to the European Securities and Markets Authority ("**ESMA**") in order to include such transaction in the list published by ESMA within the meaning of article 27(5) of the EU Securitisation Regulation. The Management Company, by virtue of a delegation by the Originator, shall notify the CNMV -in its capacity as competent authority-, within a period of fifteen (15) days, of the submission of such mandatory STS Notification from the Originator to ESMA, and attaching said notification. Such notification will be made once on the above-mentioned dates for the Initial Issuance. For the Additional Issuances, taking into account these will be made according to the terms contained in this Prospectus, it will not be needed additional notifications and the Originator considers they will continue to meet the requirements of articles 19 to 22 of the EU Securitisation Regulation. If at any moment those requirements are not met, the Originator will notify so according to the EU Securitisation Regulations.

For these purposes, the Seller appointed Prime Collateralised Securities (PCS) EU SAS ("**PCS**"), as a verification agent authorised under article 28 of the EU Securitisation



Regulation, in connection with an assessment of the compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation (the “**STS Verification**”). It is important to note that the involvement of PCS as an authorised verification agent is not mandatory and the responsibility for compliance with the EU Securitisation Regulation remains with the relevant institutional investors, originators and issuers, as applicable in each case. The STS Verification will not absolve such entities from making their own assessments with respect to the EU Securitisation Regulation, and the STS Verification cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities.

No assurance can be provided that the securitisation transaction described in this Prospectus will receive the STS Verification by PCS (either before Initial Issuance or at any time thereafter), and if the securitisation transaction described in this Prospectus does not receive the STS Verification, this shall not, under any circumstances, affect the liability of the Originator and the Fund 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.

## 2.2.2. **Royal Decree-Law 24/2021**

On 3 November 2021, the Royal Decree-Law 24/2021 was adopted by the Spanish Government. It was later validated (“*convalidación*”) by the Parliament on 2 December 2021 as per the resolution published in the Official Gazette on 11 December 2021. Moreover, Royal Decree-Law 24/2021 was amended under Royal Decree-Law 29/2021, which was adopted by the Spanish Government with effects from 23 December 2021. This piece of legislation includes an update on the covered bonds regulation as well as a recast of the regulation for mortgage transfer certificates (certificados de transmisión de hipoteca) (the “**Mortgage Transfer Certificates**” or “**MTCs**”) and mortgage participations (participaciones hipotecarias) (the “**Mortgage Participations**” or “**MPs**”), which shall be jointly referred to in this Prospectus as the mortgage titles (“**Mortgage Titles**” or “**MTs**”). Section 2.2. of the Additional Information describes in detail how the assignment of the underlying Mortgage Loans to the Fund is implemented by means of MTs.

The new regulation for MTs under Royal Decree-Law 24/2021 will enter into force on 8 July 2022 according to the first transitory provision (paragraph four) of the Royal Decree-Law 24/2021 as interpreted together with the derogatory provision thereof (together with any regulation implementing Royal Decree-Law 24/2021). Therefore (i) those MTs issued prior to 8 July 2022 will be governed until full redemption thereto under Law 2/1981; and (ii) those MTs issued from 8 July 2022, will be governed under Royal Decree-Law 24/2021.

One of the purposes of Royal Decree-Law 24/2021 was to transpose into national legislation the Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision.

The requirements for MTs are established in additional provisions of the Royal Decree-Law 24/2021: MPs are regulated in the first additional provision while MTCs are regulated in the second additional provision. The third additional provision establish common features of MPs and MTCs such as, among others, the transfer regime, the accounting registry obligation, general exclusions.

As to the specific requirements for each of the two types of MTs, the regulation follows in basic terms the structure already in force since Law 2/1981 was adopted:

- **MPs:** the «participaciones hipotecarias» must fulfil the requirements set forth for mortgage loans that serve as collateral for “cédulas hipotecarias”, such as the admissibility requirements of articles 16, 17 and 18 of Royal Decree-Law

24/2021, and also those specific requisites listed in article 23 of Royal Decree-Law 24/2021.

Articles 16, 17 and 18 of the Royal Decree-Law 24/2021 foresee valuation obligations regarding the collateral properties securing the mortgage loans, such as (i) the maximum age of the valuation prior to the inclusion of a mortgage loans into the coverage pool, (ii) the periodicity of the valuation update, (iii) the qualifications of the valuation entity, (iv) the valuation methodology, (v) the documenting procedures, etc.

The first additional provision of the Royal Decree-Law 24/2021 establishes specific requirements for the issuance and enforcement of MPs.

- **MTCs:** when mortgage loans do not fulfil the requirements set forth in article 23 of the Royal Decree-Law, transfer will still be possible by means of the issuance of MTCs under the legal denomination of «certificados de transmisión de hipoteca» according to the second additional provision of the Royal Decree-Law 24/2021.

Those entities under the scope of the Royal Decree-Law 24/2021, such as the Seller, will need to have the available resources to comply with the obligations that will enter into force under this recast regulation of the mortgage regulation.

Additionally, since the MTs issued from 8 July 2022 shall fulfil the requirements set forth in the Royal Decree-Law 24/2021, whose main characteristics are summarised herein, in the event that MTs are pooled on or after 8 July 2022, the Fund will pool MTs that are governed by two different regulations. Notwithstanding the above, all Mortgage Loans shall comply with representations and warranties provided by the Seller and with the Eligibility Criteria set forth in Section 2.2.8. of the Additional information, which do not challenge any of the legal requirements to issue MTs (in any of both allowed form of MPs or MTCs) according to the regulation in force at the time of the Prospectus, and also according to the new regulation once entered in force the mentioned Royal Decree-Law 24/2021. Therefore, there is a risk that, on or after 8 July 2022, the Seller will not be able to issue MTs that fulfil the requirements set forth in Royal Decree-Law 24/2021, and therefore, from that date the Seller would not be able to issue MTs and the Fund would not be able to pool new Additional Receivables (if applicable) from that date onwards.

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## REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES

(Annex 9 of the Prospectus Delegated Regulation)

### 1. PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL

#### 1.1. Persons responsible for the information contained in the Registration Document

Mr. José Antonio Trujillo del Valle, acting in the name and on behalf of the Management Company, INTERMONEY TITULIZACIÓN, S.G.F.T., S.A. (the "**Management Company**"), with its registered offices at Calle Príncipe de Vergara 131, Madrid, assumes responsibility for the information contained in this Registration Document.

Mr. José Antonio Trujillo del Valle acts (i) in his capacity of chairman of the Management Company pursuant to his appointment by the Management Company's board of directors meeting held on 16 October 2003, and (ii) under the powers that were conferred to him by the Management Company's board of directors at its meeting held on the 15 April 2021.

The Management Company is the promoter of IM ANDBANK RMBS 1, FONDO DE TITULIZACIÓN (the "**Fund**" or the "**Issuer**") and will be in charge of its legal administration and representation.

#### 1.2. Statement granted by those responsible for the Registration Document

Mr. José Antonio Trujillo del Valle declares that, to the best of his knowledge, the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect its import.

#### 1.3. Statement or report attributed to a person as an expert included in the Registration Document

No statement or report is included in this Registration Document.

#### 1.4. Information provided by a third party

No information sourced from a third party is included in this Registration Document.

#### 1.5. Competent authority approval

- (i) This Prospectus (including this Registration Document) has been approved by CNMV as Spanish competent authority under the Prospectus Regulation.
- (ii) CNMV has only approved this Prospectus (including this Registration Document) as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.
- (iii) The abovementioned approval should not be considered as an endorsement of the Fund that is the subject of this Prospectus.

### 2. STATUTORY AUDITORS

### 2.1. **Name and address of the Fund's auditors**

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund does not have any historical financial information.

Throughout the duration of the Fund, the annual financial statements will be subject to audit by the auditors on an annual basis.

The board of directors of the Management Company, at its meeting held on 15 April 2021, appointed Ernst & Young, S.L., ("**EY**"), as Auditor of the Fund for an initial period of three (3) years. The Management Company will inform CNMV and the Rating Agencies of any change that might take place in the future as regards the appointment of the auditors of the Fund.

The details of Ernst & Young, S.L. are included in section 3.1 of the Securities Note.

The Fund's income and expenses will be reported in accordance with the accounting principles in force pursuant to CNMV Circular 2/2016 of 20 April, on accounting standards, annual accounts, public accounts and confidential statistical information statements of Securitisation Funds, as amended ("**Circular 2/2016**") or with the regulation applicable at any given time.

The financial year of the Fund will coincide with the calendar year. However, as an exception, the first financial year will start on the Date of Incorporation and will end on 31 December 2021, and the last financial year of the Fund will end on the date on which the Fund is scheduled to expire.

Throughout the duration of the transaction, the Fund's annual financial statements will be subject to verification and annual review by its auditor. The annual report and the quarterly reports of the Fund set out in article 35 of Law 5/2015 will be filed with CNMV within four (4) months following the closing date of the fiscal year of the Fund (i.e. prior to 30<sup>th</sup> April of each year).

## 3. **RISK FACTORS**

### 3.1. **Description of the material risks that are specific to the issuer.**

The risk factors specific to the Fund are those described in section I of the document included at the beginning of this Prospectus, called "*RISK FACTORS*".

## 4. **INFORMATION ABOUT THE ISSUER**

### 4.1. **Statement that the Issuer has been established as a securitisation fund.**

The Issuer is a securitisation fund, with no legal personality, incorporated in accordance with Chapter III of the Law 5/2015 for the purposes of:

- (i) acquiring the Receivables assigned by the Seller, and
- (ii) issuing the Notes.

The net equity of the Fund will be made up of:

- (i) open-end revolving and expandible assets, which include, for the avoidance of doubt, the Initial Receivables acquired by the Fund on the Date of Incorporation and those Additional Receivables that may be acquired on any Purchase Date after the Date of Incorporation, during the Purchase Period, and

- (ii) open-end liabilities, which include, for the avoidance of doubt, the Notes issued under the Initial Issuance made by the Fund on the Date of Incorporation and the Notes issued under each Additional Issuance made on any Issuance Date after the Date of Incorporation, during the Issuance Period.

Initial Issuance and Additional Issuance of Class A Notes, Class B Notes and Class C Notes will be backed at any moment for the Initial Receivables and Additional Receivables.

#### **4.2. Legal and commercial name of the Fund and its Legal Entity Identifier (LEI).**

The Fund will be incorporated under the name of IM ANDBANK RMBS 1, FONDO DE TITULIZACIÓN in accordance with Spanish laws and, in order to identify it, the following names may also be used, without distinction:

IM ANDBANK RMBS 1, FT

IM ANDBANK RMBS 1, F.T.

The Fund's Legal Entity Identifier code ("**LEI Code**") is 959800YFUL4BGS5F2Z24.

#### **4.3. Place of registration of the Issuer and its registration number.**

##### **4.3.1. Incorporation of the Fund**

The incorporation of the Fund and the issuance of the Notes have been registered in the official registers of CNMV in Spain.

This Prospectus has been entered in the official registers of CNMV on 13 January 2022.

The Management Company has decided not to register the incorporation of the Fund or the issuance of the Notes with the Commercial Registry, pursuant to article 22.5 of Law 5/2015. This is without prejudice to the registration of this Prospectus with CNMV.

##### **4.3.2. Issuing Document**

The incorporation of the Notes under each Issuance will be instrumented through the relevant Final Conditions in the form of book-entries, and the following actions will be made by the Management Company:

- (i) an original of each Final Conditions will be sent to the CNMV and AIAF for its admission to listing; and
- (ii) an original of each Final Conditions will be sent to Iberclear for the purposes of registration as book-entries,

on or after the Issuance Date of the corresponding Notes.

Under no circumstances will the terms of the Final Conditions contradict, modify, alter or void the contents of this Prospectus.

For these purposes:

**"Issuing Document"** means each document executed by the Management Company, for and on behalf of the Fund, whereby the issuance of Notes will be instrumented, including each Final Conditions.

**"Final Conditions"** means the Final Conditions which will be prepared by the Management Company in relation to the issue of any Notes to be listed in AIAF, substantially in the form set out in **Annex II** (*Form of Final Conditions*).

The Final Conditions will be published and may be consulted on the websites of the Management Company ([www.imtitulizacion.com](http://www.imtitulizacion.com)), the CNMV ([www.cnmv.es](http://www.cnmv.es)) and the European DataWarehouse (<https://editor.eurodw.eu/editor>).

#### **4.4. Date of Incorporation and the length of life of the issuer, except where the period is indefinite.**

##### **4.4.1. Date of Incorporation.**

It is expected that the execution of the Deed of Incorporation and, thus the date of incorporation of the Fund will be 14 January 2022 (the **"Date of Incorporation"**). The Deed of Incorporation will be drafted in Spanish. The Initial Receivables shall be assigned by virtue of the execution of such Deed of Incorporation, which will also refer to the Initial Issuance.

The Deed of Incorporation of the Fund may be amended according to the terms of article 24 of Law 5/2015, i.e.: if the Management Company has the consent of all Noteholders and other creditors (excluding non-financial creditors). However, these consents will not be necessary if in the opinion of the CNMV the proposed amendment is of minor relevance, which the Management Company will be responsible for document and evidence.

Once CNMV verifies the compliance of the legal requirements for the amendment of the Deed of Incorporation, the Management Company will execute the relevant deed of amendment and file an authorised copy with CNMV for incorporation into the relevant public register. The amendment of the Deed of Incorporation will be communicated by the Management Company to the Rating Agencies and published by the Management Company in accordance with the provisions set forth in section 4 of the Additional Information.

The Deed of Incorporation of the Fund may also be amended at the request of CNMV.

The Management Company represents that the content of the Deed of Incorporation will not contradict that of the Prospectus and that the Deed of Incorporation will coincide with the draft deed that has been submitted to CNMV as a result of the registration of this Prospectus.

##### **4.4.2. Period of activity of the Fund.**

It is expected that the Fund will do business from the Date of Incorporation until the Legal Maturity Date of the Fund (i.e., 23 June 2056), or if such date is not a Business Day, the following Business Day, unless the Fund is early liquidated or cancelled in accordance with the provisions of sections 4.4.3 and 4.4.4 below.

##### **4.4.3. Early Liquidation of the Fund.**

###### **4.4.3.1. Mandatory early liquidation of the Fund**

The Management Company shall carry out the early liquidation of the Fund (the **"Early Liquidation of the Fund"**) and, thus, the early redemption of the whole (but not part) of the Notes (the **"Early Redemption of the Notes"**) upon the terms set forth below, in any of the following instances:

- (i) in the event that, as stated in article 33 of Law 5/2015, four (4) months have elapsed since the occurrence of an event giving rise to the mandatory replacement of the Management Company due to a declaration of insolvency thereof, or in the event of revocation of the authorisation thereof, in either case without a new management

company having been found that is prepared to take over management of the Fund and that is appointed pursuant to section 3.7.1.2 of the Additional Information;

- (ii) upon the request by the Noteholders once approved with the Relevant Majority;
- (iii) After nine (9) months since the occurrence of a Servicer Termination Event without effecting the substitution of the Servicer in the terms described in section 3.7.2.10 of the Additional Information; or
- (iv) six (6) months prior to the Legal Maturity Date.

Terms for the Early Liquidation of the Fund:

For the avoidance of doubt, under no circumstances, will the Seller have an obligation to repurchase any of the Receivables in the above event.

In order for the Management Company to carry out any Early Liquidation of the Fund and therefore the Early Redemption of the Notes under this section 4.4.3.1, the Management Company shall sell the Receivables. For such purpose, the Management Company shall request legally binding bids from at least three (3) entities at its sole discretion among those active in the purchase and sale of similar assets.

The Management Company may obtain any appraisal report it deems necessary from third party entities in order to assess the value of the Receivables. In any case, the highest bid received will determine the value of the Receivables.

The Seller shall have a pre-emptive right to acquire such Receivables at the time of liquidation, therefore having priority over third parties in acquiring the Receivables.

Procedure for the exercise of the pre-emptive right:

In order for the Seller to exercise such pre-emptive right:

- (i) the Management Company shall notify the Seller the terms and conditions (price, form of payment, etc.) of the highest bid received for the Receivables from the three (3) entities referred to above;
- (ii) the Seller will then have a period of ten (10) Business Days from the date on which it receives the relevant notification from the Management Company to communicate its decision to exercise or not its pre-emptive right and to communicate the terms of its offer; and
- (iii) the offer of the Seller must in any case match the highest bid made by third parties, and the transfer of the Receivables must be completed within fifteen (15) Business Days from the acceptance by the Management Company.

Additional considerations:

In case that the Seller does not exercise its pre-emptive right, the Management Company shall accept the highest bid received for the Receivables.

The above procedure does not entitle the automatic liquidation of the underlying receivables for the purposes of article 21.4 of the EU Securitisation Regulation.

Notice of the liquidation of the Fund will be provided to the CNMV by publishing the appropriate material event (*información relevante*) and thereafter to the Noteholders in the manner established in section 4.1 of the Additional Information, at least thirty (30) Business Days in advance of the date on which the Early Liquidation is to take place.

#### 4.4.3.2. Early liquidation of the Fund at the Seller's initiative

Furthermore, the Seller will have the option (but not the obligation) to instruct the Management Company to carry out an Early Liquidation of the Fund and an Early Redemption of the Notes in whole (but not in part) and hence repurchase at its own discretion all outstanding Receivables for the Repurchase Value in any of the following instances (the "**Seller Call Options**"):

- (i) the exercise of the "**Clean-Up Call Option**" if a Clean-Up Call Event occurs;
- (ii) the exercise of the "**Regulatory Change Call Option**" if a Regulatory Call Event occurs; and
- (iii) the exercise of the "**Tax Change Call Option**" if a Regulatory Tax Change Event occurs.

#### Definitions

For these purposes:

- (i) the "**Clean-Up Call Event**" means the event in which the aggregate Outstanding Nominal Balance of the Receivables, falls below 10% of the aggregate Outstanding Nominal Balance of the Receivables on their relevant Offer Dates.
- (ii) the "**Regulatory Call Event**" means:
  - (1) any enactment or implementation of, or supplement or amendment to, or change in any applicable law, policy, rule, guideline or regulation of any competent international, European or national body (including the European Central Bank, the Prudential Regulation Authority or any other competent international, European or national regulatory or supervisory authority) or the application or official interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline; or
  - (2) a notification by or other communication from an applicable regulatory or supervisory authority is received by the Seller with respect to the transactions contemplated by the Transaction Documents,

which, in either case, occurs on or after the Date of Incorporation and results in, or would in the reasonable opinion of the Seller result in, a material adverse change in the rate of return on capital of the Fund and/or the Seller or materially increasing the cost or materially reducing the benefit for the Seller of the transactions contemplated by the Transaction Documents.

It is understood that the declaration of a Regulatory Call Event will not be prevented by the fact that, prior to the Date of Incorporation, the event constituting any such Regulatory Call Event was:

- (1) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the European Central Bank, the Prudential Regulation Authority or the European Union; or
- (2) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Date of Incorporation, provided that the application of the EU Securitisation



Regulation and the applicable legislation shall not constitute a Regulatory Call Event, but without prejudice to the ability of a Regulatory Call Event to occur as a result of any implementing regulations, policies or guidelines in respect thereof announced or published after the Date of Incorporation; or

- (3) expressed in any statement by an official of the competent authority in expert meetings or other discussions in connection with such Regulatory Call Event (but without receipt of an official interpretation or other official communication); or
  - (4) the competent authority issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than this transaction. Accordingly, such proposals, statements, notifications or views are not taken into account when assessing the rate of return on capital of the Fund and/or Seller or an increase of the cost or reduction of benefits to the Seller of the transactions contemplated by the Transaction Documents immediately after the Date of Incorporation.
- (iii) the **"Tax Change Event"** means any event after the Date of Incorporation derived from changes in relevant taxation law and accounting provisions and/or regulation (or official interpretation of that taxation law and accounting provisions and/or regulation by authorities) as a consequence of which the Fund is or becomes at any time required by law to deduct or withhold, in respect of any payment under any of the Notes, any present or future taxes, levies or governmental charges, regardless of their nature, which are imposed under any applicable legal system or in any country with competent jurisdiction, or for the account of, any political subdivision thereof or government agency authorised to levy taxes, that materially affects the allocation of benefits among the parties of the transaction.

#### Procedure

In order for the Seller to exercise any of the Seller Call Options, the Seller and the Management Company, as applicable, shall take the following actions:

- (i) The Seller shall calculate the Repurchase Value and will pay it to the Fund prior to the date on which the Seller wants to exercise the relevant Seller's Call Option.  
  
**"Repurchase Value"** means at any time (i) in respect of any Receivable other than a Defaulted Receivable, par value, and (ii) in respect of a Defaulted Receivable, the value less any Seller's provisions allocated, or to be allocated after such repurchase would have been performed, with respect to such Receivable matching its book value on the Seller's balance sheet at such time. In any case, this Repurchase Value, together with the rest of the Available Funds, will be enough to repay the Rated Notes.
- (ii) The Seller shall provide written notice to the Issuer and the Rating Agencies (the **"Seller's Notice"**) of its intention to exercise the relevant Seller's Call Option at least forty (40) Business Days prior to the date designated by the Seller to exercise the relevant Seller's Call Option (the **"Early Redemption Date"**); and
- (iii) the Management Company shall then inform the Noteholders by publishing the appropriate material event (información relevante) with CNMV (the **"Early Redemption Notice"**) at least thirty (30) Business Days in advance of the Early Redemption Date.

The above procedure does not entitle the automatic liquidation of the underlying receivables for the purposes of article 21.4 of the EU Securitisation Regulation

#### **4.4.4. Cancellation of the Fund.**

Cancellation of the Fund shall take place:

- (i) upon full repayment of the Receivables pooled therein;
- (ii) as a consequence of the completion of the early liquidation process established in section 4.4.3.1 and 4.4.3.2 above;
- (iii) upon reaching the Legal Maturity Date;
- (iv) upon the total redemption of all the Classes of Notes; or
- (v) if (i) the provisional credit ratings of the Class A Notes, the Class B Notes and the Class C Notes (the "**Rated Notes**") are not confirmed as final (unless they are upgraded) by the Rating Agencies on or prior to the Initial Disbursement Date (for clarification purposes, the Initial Issuance will not be disbursed until the confirmation or upgrading of the provisional ratings of the Rated Notes); or (ii) if the Management, Placement and Subscription Agreement is fully terminated in accordance with the provisions of section 4.2.5 of the Securities Note. In this event, the Management Company shall cancel the incorporation of the Issuer, the assignment to the Issuer of the Initial Receivables and the issuance of the Notes at any moment before the disbursement of the Initial Issuance.

Upon the occurrence of any of the events described above, the Management Company shall inform the CNMV and the Rating Agencies, in the manner provided for in section 4.2.3. of the Additional Information and shall initiate the relevant formalities for the cancellation of the Fund.

#### **4.4.5. Actions for the cancellation of the Fund.**

##### **4.4.5.1. Scenarios: 4.4.3.1, 4.4.3.2 and 4.4.4 (i) to (iv)**

In those scenarios described in sections 4.4.3.1, 4.4.3.2, and 4.4.4 (i) to (iv) of the Registration Document, the Management Company, on behalf of the Fund, shall take the following actions:

- (i) Cancel those contracts not necessary for the liquidation of the Fund.
- (ii) Apply all the amounts obtained from the disposal of the Receivables and any other asset of the Fund, if any, towards payment of the various obligations, in the form, amount and order of priority established in the Liquidation Priority of Payments described in section 3.4.7.4 of the Additional Information.

The Early Redemption of all the Notes pursuant to section 4.4.3.1 and section 4.4.3.2 above will be made for all outstanding amounts under the Notes on the Early Redemption Date, plus accrued and unpaid interest from the last Payment Date to the date of Early Redemption, less any tax withholding and free of any expenses for the holder. All such amounts will, for all legal purposes, be deemed liquid, due and payable on the Early Redemption Date.

Once the Fund has been liquidated and all payments have been made pursuant to the Liquidation Priority of Payments contemplated in section 3.4.7.4 of the Additional Information, if there is any remainder (including any judicial or notary proceedings pending settlement as a result of payment default by any Borrower) (all in accordance with the provisions of section 3.7.2.5 of the Additional Information), such remainder (including the continuation and/or proceeds from such proceedings) will be for the benefit of the Seller.

- (iii) In any case, the Management Company, acting on behalf of the Fund, shall not cancel the Fund until it has liquidated the Receivables and any other remaining Fund assets

and distributed the Fund's assets, following the Liquidation Priority of Payments provided for in section 3.4.7.4 of the Additional Information.

- (iv) Within six (6) months from the liquidation of the Receivables and any other remaining assets of the Fund and the distribution of the Available Funds, and always prior to the Legal Maturity Date, the Management Company will execute a deed (*acta*) before a notary public declaring: (a) the cancellation of the Fund as well as the grounds for such termination, (b) the procedure followed for notifying the Noteholders and the CNMV, and (c) the terms of the distribution of the Available Funds following the Liquidation Priority of Payments provided for in section 3.4.7.4 of the Additional Information. In addition, the Fund will comply with any such further administrative steps as may be applicable at that time. The Management Company will submit such deed (*acta*) to the CNMV.

#### 4.4.5.2. Scenario: 4.4.4.(v)

Upon the occurrence of the cancellation event set forth in section 4.4.4 (v) above on or before to the Initial Disbursement Date, the Fund, as well as the issuance of the Notes and the contracts executed by the Management Company on behalf of the Fund, shall be terminated. Without prejudice of the termination of the Subordinated Loan for Initial Expenses Agreement, the incorporation and issue expenses incurred by the Fund shall be paid by the Seller.

In the event of termination of the incorporation of the Fund, and thus the assignment of the Receivables:

- (i) the obligation of the Fund to pay the price for the acquisition of the Receivables will be extinguished;
- (ii) the Management Company will be obliged to reimburse the Seller as regards to any rights that may have accrued to the Fund due to the assignment of the Receivables; and
- (iii) the Seller will cancel the relevant MTs.

Such termination shall be immediately reported to CNMV, and upon the expiry of one (1) month from the occurrence of the early cancellation event, the Management Company will execute before a notary public a deed (*acta*) that it will submit to CNMV, Iberclear, AIAF and the Rating Agencies, declaring the termination of the Fund and the grounds therefore.

## 4.5. **Domicile and legal personality of the Issuer; legislation applicable to its operation.**

### 4.5.1. **Domicile of the Fund.**

The Fund has no business address as it has no legal personality. The address of the Fund for all purposes will be considered to be that of the Management Company, which is the following:

#### **INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.**

Address	Calle Príncipe de Vergara 131 - 28002 Madrid
LEI of the Fund	959800YFUL4BGS5F2Z24
Website:	<a href="http://www.imtitulizacion.com">www.imtitulizacion.com</a>

### 4.5.2. **Legal personality of the Fund.**

According to article 21 of Law 5/2015, the Fund will constitute a separate estate of assets and liabilities, devoid of legal personality, with open-end and revolving assets and open-end liabilities, and the Management Company will be responsible for the incorporation, management and legal representation of the Fund, and in its capacity as manager of a third party's transactions, it will represent and defend the interests of the Noteholders and the financiers of the Fund.

The Fund will only be liable for its obligations vis-à-vis its creditors with its assets. The Fund is not be subject to the Royal Legislative Decree 1/2020, of 5 May, approving the recast of the Insolvency Law, as currently worded (as amended from time to time, the "**Insolvency Law**").

#### 4.5.3. Applicable legislation and country of incorporation.

The Fund will be incorporated, and the Notes issued in accordance with the laws of Spain, and specifically in accordance with the legal rules set forth in

- (i) Law 5/2015 and implementing provisions;
- (ii) The consolidated text of the Securities Market Act approved by Legislative Royal Decree 4/2015 of 23 October (the "**Securities Market Act**");
- (iii) Royal Decree 878/2015 of 2 October on the registration, clearing and settlement of negotiable securities represented by book entries representations, on the legal regime of the securities central depositories and the central counterparties and the transparency requirements for security issuers admitted to trading on an official secondary market; as amended (the "**Royal Decree 878/2015**");
- (iv) Law 2/1981 of 25 March on regulation of the mortgage market and other norms of the mortgage and financial system (the "**Mortgage Market Law**");
- (v) Royal Decree 716/2009 of 24 April, regulating several elements of Law 2/1981 (the "**Royal Decree 716/2009**");
- (vi) Royal Decree 1310/2005 of 4 November partly implementing Securities Market Law 24/1988 of 28 July in regard to admission to trading of securities in official secondary markets, public offerings for sale or subscription and the prospectus required for that purpose (the "**Royal Decree 1310/2005**"); and
- (vii) other legal and regulatory provisions in force and applicable from time to time (in particular, as from 8 July 2022, the Royal Decree-Law 24/2021).

In addition, the requirements set out in the EU Securitisation Regulation shall apply to the Fund and the Notes.

This Prospectus has been prepared in accordance with the Prospectus Regulation, and following the forms established in the Prospectus Delegated Regulation.

#### 4.5.4. Tax regime of the Fund.

The tax regime applicable to the securitisation funds is contained in:

- (i) Articles 7.1.h), 13.1 and 16 of Law 27/2014 of 27 November of Corporate Income Tax (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*) ("**Law 27/2014**");
- (ii) Articles 8, 9 and 61.k) of Royal Decree 634/2015, of 10 July (*Real Decreto 634/2015, de 10 de julio, por el que se aprueba el Reglamento del Impuesto sobre Sociedades*) ("**CIT Regulation**");

- (iii) Article 20.One.18 of Law 37/1992, on Value Added Tax, of December 28 (*Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido*) (the "**VAT Act**") modified by Law 28/2014, of November 27 and article 45.I.B).15 and 45.I.B)20.4 of the Revised Text of the Law on Transfer Tax and Stamp Duty approved by Royal Legislative Decree 1/1993, of 24 September (the "**Transfer Tax and Stamp Duty Act**");
- (iv) General regulations regarding tax management and inspection courses of action and procedures and developing the common rules of tax application procedures, passed by Royal Decree 1065/2007, of 27 July (*Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por el Real Decreto 1065/2007, de 27 de julio*) ("**General Tax Regulations**") and, in particular, articles 42, 43 and 44;
- (v) Law 10/2014, of 26 June, on regulation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*) ("**Law 10/2014**") and in particular, the First Additional Provision of such Law.

The referred regulation essentially defines the following fundamental principles:

- (i) The Fund is exempt from the concept of «Capital Duty» ("*Operaciones Societarias*") (article 45.I.B.20.4 of the Transfer Tax and Stamp Duty Act).
- (ii) The incorporation and winding up of the Fund are not subject to Stamp Duty Tax ("*Actos Jurídicos Documentados*").
- (iii) According to article 7.1.h) of Law 27/2014, the Fund is a taxpayer of the Corporate Income Tax. The Fund is subject to the general provisions of the Corporate Income Tax. The amount subject to this tax is calculated in accordance with the provisions of section IV of Law 27/2014. The general rate in force is twenty-five per cent (25%).

In this regard, rule 13 of Circular 2/2016 sets forth the criteria through which securitisation funds must carry out the pertaining value adjustments resulting from drops in the value of the financial assets. article 13.1 of Law 27/2014 states that, the regulation of the Corporate Income Tax (CIT Regulation), will govern the circumstances determining the deductibility of value adjustments made on account of losses in the value of debt securities valued at amortised cost and included in mortgage-backed securities funds and asset-backed securities funds.

Notwithstanding, upon the amendment introduced by Royal Decree 683/2017 June 30, in article 9 of the CIT Regulation, the 7th Transitory Provision has been incorporated. According to this Transitory Provision, to the extent the wording of the Circular 2/2016 is not amended in respect of the impairment of the value of debt securities valued at amortised cost included in the securitisation funds referred to in Law 5/2015, the tax deductibility of said impairment provisions will be determined according to the wording of article 9 of the CIT Regulation as drafted in December 31, 2015.

Pursuant to article 16.6 of Law 27/2014, the limitation to the tax deductibility of financial expenses shall not be applicable to the Fund.

- (iv) According to article 61.k) of the CIT Regulation, income from mortgage participating units, loans and other Receivables that constitute revenue items for the securitisation funds are not subject to withholding tax.
- (v) The Fund will be subject to VAT in accordance with the general VAT rules. The input VAT borne by the Fund shall not be deductible for VAT purposes but they shall be treated as a deductible expenses for CIT purposes.

The management services provided to the Fund by the Management Company will be exempt from VAT, pursuant to the provisions of article 20. One. 18 n) of the VAT Act.

- (vi) The issuance, subscription, transfer, redemption and repayment of the Notes, depending on whether the investor is an entrepreneur for the purposes of Value Added tax, will be "not subject" or "exempt", according to each case, from Value Added Tax (article 20.1.18 of the VAT Act) and Transfer Tax/Stamp Duty (article 45.I.B.15 of the Transfer Tax and Stamp Duty Act).
- (vii) The assignment of the Receivables to the Fund is a transaction that is subject to but exempt from VAT in accordance with the provisions of article 20. One. 18° e) of the VAT Act.
- (viii) The assignment of the Receivables to the Fund is a transaction that is not subject to Transfer Tax. Likewise, it would be subject but exempt to Stamp Duty tax according to the Transfer Tax and Stamp Duty Act and Mortgage Market Law.
- (ix) The Fund will be subject to the information obligations set forth in the first additional provision of Law 10/2014.
- (x) The procedure for complying with such information obligations has been developed by the General Tax Regulations (articles 42, 43 and 44).

#### **4.6. Description of the amount of the Issuer's authorised and issued capital.**

Not applicable.

### **5. BUSINESS OVERVIEW**

#### **5.1. Brief description of the Issuer's principal activities.**

The Issuer is a securitisation fund and, as such, its main activity is:

- (i) to acquire a number of Receivables derived from the Mortgage Loans assigned by the Seller to the Fund up to an amount equal to the Maximum Receivables Amount, and
- (ii) to issue the Notes (whose subscription is structured to finance (a) the acquisition of the Receivables, and (b) the set-up of the Reserve Fund up to an amount equal to the Initial Reserve Fund).

The proceeds from interest (ordinary and default) and repayments of the Loans received by the Fund are allocated on each Payment Date to the payment of interest and repayment of principal of the Notes in accordance with the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2 of the Additional Information.

In addition, the Fund, represented by the Management Company, will enter into a number of financial agreements and the provision of services in order to strengthen the financial structure of the Fund, to increase the security and regularity of the payment of the Notes, to cover the temporary mismatches in the schedule for flows of principal and interest on the Receivables and on the Notes or, in general, enable the financial transformation which takes place in the Fund between the financial characteristics of the Loans and the Notes.

### **6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES**

#### **6.1. Legal Person of the Management Company**

Pursuant to the provisions of Law 5/2015, securitisation funds are not separate legal entities, and securitisation fund management companies are entrusted with the incorporation, management and legal representation of these funds, as well the representation and defence of the interests of the holders of the securities issued on the basis of the funds they administer and the funders of the Fund.

By virtue of the foregoing, this section presents information regarding the Management Company creating, administering and representing the Fund.

#### 6.1.1. Corporate name and business address

Corporate name:	INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.
Business address:	Calle Príncipe de Vergara 131, 28002 Madrid
Tax Identification Number (NIF):	A83774885
Commercial Registry	Registered in the Commercial Registry of Madrid, at Volume 19277, book 0, sheet 127, section 8, Page M-337707, Entry 1, on 21 October 2003.
CNMV registration	Special registry of the CNMV under number 10.
LEI Code	959800WRDNTXKQPU1358
CNAE	8199

#### 6.1.2. Incorporation and registration in the Commercial Registry, as well as data relating to the administrative authorizations and registration in the CNMV

The Management Company is a Spanish public limited company (*sociedad anónima*) incorporated on 16 October 2003 by means of a public instrument authorised, before the Notary of Madrid, Mr. Antonio Huerta Trólez, and recorded in his notarial book of records under number 2,572, with the prior authorisation of the MINISTRY OF ECONOMY AND TREASURY provided on 6 October 2003.

The duration of the Management Company is indefinite, in the absence of grounds for the dissolution thereof under law or the by-laws.

#### 6.1.3. Brief description of the Management Company's principal activities

As required by law, article 2 of the Management Company's Bylaws states that: "*the Company shall have as its exclusive purpose the organisation, management and legal representation of Asset Securitisation Funds, Mortgage Securitisation Funds and Banking Assets Funds (FAB)*".

As a manager of third-party businesses, it is responsible for the representation and defence of the interests of the holders of the securities issued based on the funds it administers and the other creditors.

The total assets managed by the Management Company as of 31 October 2021 are as follows:

Fondo de Titulización	Year of incorporation	Issue (euros)	Status	Outstanding balance
IM PASTOR 2, FTH	2004	1.000.000.000	Live	57.481.365,80
IM PASTOR 3, FTH	2005	1.000.000.000	Live	134.746.448,10
IM CAJAMAR 3, FTA	2006	1.215.600.000	Live	193.877.926,50
IM PASTOR 4, FTA	2006	920.000.000	Live	153.403.030,40
IM CAJAMAR 4, FTA	2006	1.012.000.000	Live	211.657.976,40
IM CAJA LABORAL 1, FTA	2006	910.800.000	Live	135.804.084,77
IM CAJAMAR 5, FTA	2007	1.015.000.000	Live	215.199.863,40
IM CAJAMAR 6, FTA	2008	2.000.000.000	Live	503.926.809,80
IM CAJA LABORAL 2, FTA	2008	600.000.000	Live	262.709.683,20
IM CAJASTUR MBS 1, FTA	2010	615.000.000	Live	240.450.424,50
IM BCG RMBS 2, FTA	2013	1.183.000.000	Live	742.527.575,40
FAB 2013 BULL	2013	50.363.516	Live	50.363.516
FAB 2013 TEIDE	2013	86.000.000	Live	86.000.000,00
IM FORTIA 1, FT	2015	400.000.000	Live	249.400.000,00
IM BCC CAJAMAR 1, FT	2016	750.000.000	Live	448.669.864,50
IM MARLAN 1, FT	2016	47.900.000	Live	406.600.000,00
COLUMBUS MASTER CREDIT CARDS, FT (3 emisión)	2021	566.000.000	Live	566.000.000
IM MARLAN 2, FT	2017	6.700.000	Live	30.200.000,00
IM SUMMA 1, FT	2017	200.000.000	Live	11.500.000,00
WIZINK MASTER CREDIT CARDS, FT_4ª emisión	2018	250.000.000	Live	0,00
WIZINK MASTER CREDIT CARDS, FT_5ª emisión	2019	500.000.000	Live	398.206.308,00
WIZINK MASTER CREDIT CARDS, FT_6ª	2019	181.000.000	Live	181.000.000,00
WIZINK MASTER CREDIT CARDS, FT_7ª	2019	131.000.000	Live	131.000.000,00
IM SABADELL PYME 11, FT	2017	1.900.000.000	Live	375.664.561,00
IM BCC CAPITAL 1, FT	2018	972.100.000	Live	371.839.443,40
IM GEDESCO INNOVFIN, FONDO DE TITULIZACION	2019	150.000.000	Live	56.481.198,22
AUTONORIA SPAIN 2019, FT	2019	1.000.000.000	Live	693.287.800,00
IM BCC CAJAMAR 2, FT	2019	725.000.000	Live	621.652.930,37
UFASA CONSUMER FINANCE, FT	2020	188.000.000	Live	66.250.000,00
IM VALL COMPANYS 1, FT	2020	300.000.000	Live	17.000.000,00
IM BCC CAJAMAR PYME 3, FT	2021	1.000.000.000	Live	849.974.509
AQUISGRAN	2021	20.000.000	Live	20.000.000
SACYR GREEN ENERGY MANAGEMENT, FT	2021	104.000.000	Live	104.000.000
AUTONORIA SPAIN 2021, FT	2021	1.000.000.000	Live	1.000.000.000



**6.1.4. Audit**

The annual accounts of the Management Company, for the years ended 31 December 2020, 31 December 2019 and 31 December 2018 have been audited by PRICEWATERHOUSECOOPERS without qualifications.

**6.1.5. Share Capital**

The share capital of the Management Company at the time of registering this Prospectus is €1,781,725, fully subscribed and paid up.

All the shares issued by the Management Company until the date of registration of this Prospectus (104,500 shares with a nominal value of € 17.05 each one) are ordinary shares and offer identical voting, financial and non-financial rights. All the shares are nominative, of the same class.

**6.1.6. Legal Person**

The Management Company is an entity registered with and supervised by CNMV.

The governance and management of the Management Company are entrusted by its Bylaws to the shareholders acting at a shareholders' general meeting and to the board of directors. The powers of such bodies are those corresponding under the provisions of the Royal Decree-Law 1/2010, of 2 July, approving the Restated Text of the Capital Companies Act (as amended by Law 5/2021 of April 12, the "**Capital Companies Act**") and Law 5/2015, as regards the corporate purpose.

**6.1.7. Management****6.1.7.1. Directors**

The board of directors is made up of the following persons:

Chairman: Mr. José Antonio Trujillo del Valle.

Directors: Mr. Iñigo Trincado Boville.  
Mr. Manuel González Escudero.

Non-Director Secretary: Mrs. Miriam Blanco Caso.

**6.1.7.2. General Management**

The CEO and managing director of the Management Company is Mr. José Antonio Trujillo del Valle.

**6.1.7.3. Main activities of the persons referred to in section 6.1.7.1 above which are performed outside of the Management Company if such activities are significant in relation to the Fund**

Director	Position	Company
Mr. Iñigo Trincado Boville	President	CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A.

The persons listed in this section 6.1.7.3 are not direct or indirect holders of any shares, debentures or other securities giving the holder thereof the right to acquire shares of the Management Company.

The professional address of all the persons mentioned in this section 6.1.7 is the following:

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**INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.**

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Business address: Calle Príncipe de Vergara 131, 28002 Madrid

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**6.1.8. Entities from which the Management Company has borrowed more than ten percent (10%)**

The Management Company has not received any loan or credit facility from any person or entity.

**6.1.9. Significant litigations and conflicts**

As at the date of registration of this Prospectus, the Management Company is not involved any situation of insolvency and there is no significant litigation or dispute that may affect its financial-economic situation or hereafter affect its ability to carry out the duties of management and administration of the Fund, as established in this Prospectus.

**6.1.10. Economic information relating to the Management Company**

The Management Company keeps its books in accordance with the general chart of accounts (*Plan General Contable*) approved by Royal Decree 1514/2007 of 16 November.

The Management Company's equity, as at 31 December 2019, and 31 December 2020 extracted from its audited financial statements is the following:

Equity item (in thousand euros)	31/12/2020	31/12/2019
Share Capital	1.705	1.705
Legal reserve	341	341
Voluntary reserve	2.843	2.754
Non-distributed profits (retained earnings)	597	279
<b>TOTAL</b>	<b>5.486</b>	<b>5.079</b>

The 31 December 2019 and 31 December 2020 information has been audited without qualifications on the date of registration of this Prospectus.

The Management Company' total equity and share capital are sufficient to carry on its business as required by article 29.1 d) of Law 5/2015.

**7. MAJOR SHAREHOLDERS OF THE MANAGEMENT COMPANY**

- (i) **The ownership of the shares of the Management Company is distributed among the companies listed below, with a statement of the percentage interest in the share capital of the Management Company belonging to each of them:**

**Management Company's shareholders**

Shareholder	%	No. shares
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Corretaje e Información Monetaria y de Divisas, S.A.	66.984%	69,998
InterMoney S.A.	0.001%	1
Managers and employees of the Company	33.015%	34,501

(ii) **Description of the nature of such control and measures taken in order to ensure that such control is not abused.**

For the purposes of Article 5 of the Restated Text of the Securities Market Act, approved by Royal Decree-Law 4/2015, INTERMONEY TITULIZACIÓN, S.G.F.T., S.A. is part of the group CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A.

Corretaje e Información Monetaria y de Divisas, S.A., in order to comply with the rules of conduct of the securities market and in order to contribute to the transparency and efficient operation of the markets, has developed an Internal Code of Conduct that affects all the companies of the group and that was presented to the CNMV on 2 February 2006 and updated in May 2010.

**8. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES**

**8.1. Statement regarding the commencement of operations and financial statements of the Issuer prior to the date of the Registration Document**

Not applicable.

**8.2. Historical financial information**

**8.2.1. Historical financial information where an issuer has commenced operations and financial statements have been prepared**

Not applicable.

**8.2.2. Historical financial information on issues of asset-backed securities having a denomination per unit of at least € 100,000**

Not applicable.

**8.3. Legal and arbitration proceedings**

Not applicable.

**8.4. Material adverse change in the Issuer's financial position**

Not applicable.

**9. DOCUMENTS AVAILABLE**

The following documents (or a copy thereof) shall be on display during the period of validity of this Registration Document and/or throughout the life of the Fund:

- (i) This Prospectus; and
- (ii) The Deed of Incorporation of the Fund.

A copy of all the aforementioned documents may be consulted at the website of the Management Company (<https://www.imtitulizacion.com>).

A copy of the Prospectus will be available to the public on the webpage of the CNMV ([www.cnmv.es](http://www.cnmv.es)) and on the webpage of AIAF ([www.aiaf.es](http://www.aiaf.es)).

Information and reports required under the EU Securitisation Regulation and their processes of reporting are described in section 4.1.2 of the Additional Information.

*(Remainder of page left intentionally blank).*

## SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES

(Annex 15 of the Prospectus Delegated Regulation)

### 1. PERSONS RESPONSIBLE. THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL.

#### 1.1. Persons responsible for the information contained in the Securities Note

Mr José Antonio Trujillo del Valle, acting for and on behalf of INTERMONEY TITULIZACIÓN, S.G.F.T., S.A. (the "**Management Company**"), assumes responsibility for the content of the Securities Note and the Additional Information.

Mr José Antonio Trujillo del Valle, in his capacity as chairperson of the Management Company, is acting by virtue of the resolution appointing him adopted by the board of directors on 16 October 2003, as well as by virtue of the powers granted by the board of directors at its meeting of 15 April 2021 for the incorporation of the Fund.

ANDBANK ESPAÑA, S.A.U. ("**Andbank**"), as the Seller, assumes responsibility for the information contained in the Securities Note and the Additional Information.

#### 1.2. Statement granted by those responsible for the Securities Note and the Additional Information

Mr José Antonio Trujillo del Valle, on behalf of the Management Company, declares that the information contained in this Securities Note and the Additional Information is, to the best of his knowledge, in accordance with the facts and contains no omission likely to affect its import.

The Seller declares that, to the best of its knowledge, the information contained in the Securities Note and the Additional Information is in accordance with the facts and the Securities Note and the Additional Information make no omission likely to affect its import.

#### 1.3. Statement attributed to a person as an expert

Not applicable.

#### 1.4. Information provided by a third party

No information sourced from a third party is included in the Securities Note.

#### 1.5. Competent authority approval

- (i) This Prospectus (including this Securities Note) has been approved by the CNMV as competent authority under the Prospectus Regulation.
- (ii) CNMV has only approved this Prospectus (including this Securities Note) as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

- (iii) The abovementioned approval should not be considered as an endorsement of the quality of the Notes that are the subject of this Prospectus.
- (iv) Investors should make their own assessment as to the suitability of investing in the Notes.

## 2. RISK FACTORS

The specific risk factors regarding the Receivables and the Notes are those described in sections 1 and 2, respectively, of the document incorporated at the beginning of this Prospectus under the heading "RISK FACTORS".

## 3. ESSENTIAL INFORMATION

### 3.1. Interest of natural and legal persons participating in the offer

- (i) **INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.** participates as the management company of the fund (the "**Management Company**").

Is the Management Company (*sociedad gestora*) that will incorporate, manage and legally represent the Fund.

In addition, pursuant to article 26.1 b) of Law 5/2015, the Management Company shall act as servicer of the Receivables in accordance with section 3.7.2 of the Additional Information.

INTERMONEY TITULIZACIÓN, S.G.F.T., S.A. belongs to CIMD Group, as well as IM VALORES, SV, S.A., referred below.

Additional information	
Type of company	Securitisation fund management company ( <i>sociedad gestora de fondos de titulización</i> ) incorporated in Spain.
Business address	Calle Príncipe de Vergara, 131 Madrid (Spain).
Tax Identification Number (NIF)	A-83774885
Registration	Commercial registry of Madrid at volume 19277, book 0, sheet 127, section 8, Page M-337707, Entry 1, on 21 October 2003. Likewise, it is also registered with the special register of the CNMV, under number 10.
Credit rating	Has not been assigned any credit rating by rating agencies.
LEI Code	959800WRDNTXKQPU1358.
Other information	A brief description of this company and of its duties is provided for in section 6 of the Registration Document and section 3.7.2 of the Additional Information.

- (ii) **ANDBANK ESPAÑA, S.A.U.** (the "**Seller**") participates as:
  - (1) Seller of the Receivables to be acquired by the Fund;
  - (2) Issuer of the MTs;
  - (3) Subscriber of the Notes under the Initial Issuance;
  - (4) if applicable, Lead Manager for the Additional Notes
  - (5) if applicable, subscriber of the Additional Notes not placed among qualified investors;

- (6) Subordinated Loan Provider under the Subordinated Loan for the Initial Expenses; and
- (7) Servicer of the Mortgage Loans in accordance with section 3.7.2 of the Additional Information and pursuant to Article 26.3 of Royal Decree 716/2009;

The Seller will transfer the underlying Receivables by means of the subscription by the Fund of the MTs. According to Mortgage Market Law, such assignment to the Fund of the underlying Receivables shall not be subject to severe clawback provisions in the event of the Seller's insolvency.

In its capacity as Seller:

- (1) will retain, on an on-going basis, randomly selected exposures equivalent to not less than five per cent (5%) of the securitized exposures in the Securitisation, in accordance with option (c) of article 6(3) of the EU Securitisation Regulation as described in section 3.4.3.1 of the Additional Information;
- (2) will not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable legislation;
- (3) will procure that any change to the manner in which such retained interest is held in accordance with paragraph (2) above will be notified to the Management Company to be disclosed in an investors report.

The Seller has been designated as Reporting Entity for submitting the information required by article 7 of the EU Securitisation Regulation. The Management Company will act as reporting agent, as the entity that will submit all information related with the transaction to ESMA.

As Subscriber of the Notes under the Initial Issuance, has agreed upon the satisfaction of certain conditions precedent to subscribe the Notes issued under the Initial Issuance.

In its capacity as Lead Manager, has agreed on a best-efforts basis and upon the satisfaction of certain Conditions Precedent for the Issuance and Extension of the Additional Notes to procure subscription for and placement of the Additional Notes (if applicable) during the Subscription Period.

Additional information	
Type of company	Credit institution incorporated in Spain duly registered in the Official Register of the Bank of Spain.
Business address	Calle Serrano, 37. Madrid (Spain).
Tax Identification Number (NIF)	A86701711.
Registration	Commercial registry of Madrid at page M- 561208, 1 <sup>st</sup> entry. Likewise, it is also registered with the register of the Bank of Spain under number ES1544.
Credit rating	Has not been assigned any credit rating by rating agencies.
LEI Code	95980020140005310927.
Other information	N/A.

- (iii) **INTERMONEY VALORES, S.V., S.A.** participates as:

- (1) Sole Arranger, and
- (2) if applicable, Lead Manager for the Additional Notes.

In its capacity as Sole Arranger, and upon the terms set forth in article 35.1 of Royal Decree 1310/2005, it has been appointed to direct operations concerning the design of the temporary and commercial financial conditions of the issue.

In its capacity as Lead Manager, has agreed on a best-efforts basis and upon the satisfaction of certain Conditions Precedent for the Issuance and Extension of the Additional Notes to procure subscription for and placement of the Additional Notes (if applicable) during the Subscription Period.

It expects to receive fees according to the Management and Subscription Agreement.

IM VALORES, SV, S.A., belongs to CIMD Group, as well as INTERMONEY TITULIZACIÓN, S.G.F.T., S.A., referred above.

Additional information	
Type of company	Limited company incorporated in Spain, in the modality of securities company ( <i>sociedad de valores</i> ).
Business address	Calle Príncipe de Vergara, 131 Madrid (Spain).
Tax Identification Number (NIF)	A82037458
Registration	Commercial registry of Madrid at volume 13.186, sheet 164, page M-213521, 1 <sup>st</sup> entry. Likewise, it is also registered with the special register of companies agencies of securities ( <i>registro especial de sociedades y agencias de valores</i> ) the Spanish Securities Commission (CNMV) under number 169.
Credit rating	Has not been assigned any credit rating by rating agencies.
LEI Code	529900GS9BX04BZ5JP94.
Other information	N/A.

(iv) **BANCO SANTANDER, S.A.** ("**Banco Santander**") acts as:

- (1) Paying Agent; and
- (2) Bank Account Provider.

Additional information	
Type of company	Credit institution incorporated in Spain.
Business address	Paseo de Pereda 9-12, 39004 Santander (Spain), and with its operational headquarters located at: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte, Madrid (Spain).
Tax Identification Number (NIF)	A-39000013.
Registration	Commercial registry of Madrid at volume 5, page 286, first entry. Likewise, it is also registered with the register of the Bank of Spain under number 0049.
Credit rating	The latest credit ratings made public by the Rating Agencies, for the unsubordinated and unsecured short- and long-term debt are the following: <ul style="list-style-type: none"> <li>- <u>DBRS Ratings Gmbh</u>: A (High) (Long-Term Issuer Rating) and R-1 (Middle) (Short-Term Issuer Rating) (confirmed both in October 2020) with a stable outlook.</li> <li>- <u>S&amp;P GLOBAL RATINGS EUROPE LIMITED</u>: A and A-1 (short-term) (confirmed both in December 2020) with a negative outlook. registered and authorised on 31 October 2011 by ESMA as a credit rating agency in the European Union pursuant to the terms of the CRA Regulation.</li> </ul>
LEI Code	5493006QMFDDMYWIAM13.

(v) **DBRS RATINGS, GMBH, BRANCH IN SPAIN** ("**DBRS**") acts as credit rating agency, rating:



- (1) Class A Notes;
- (2) Class B Notes; and
- (3) Class C Notes;

Additional information	
Business address	Neue Mainzer Straße 75b Frankfurt am Main 60311 (Germany).
Business address in Spain	Calle del Pinar, 5, Madrid (Spain).
ESMA registration	Registered and authorised by the ESMA on December 14, 2018 as a credit rating agency in the European Union pursuant to the terms of the CRA Regulation.
LEI Code	54930033N1HPUEY7I370.

- (vi) **MOODY'S INVESTORS SERVICE ESPAÑA, S.A. ("Moody's")** acts as credit rating agency, rating:

- (1) Class A Notes;
- (2) Class B Notes; and
- (3) Class C Notes;

Additional information	
Business address	Príncipe De Vergara, 131, Madrid (Spain).
ESMA registration	Registered and authorised by the ESMA on 31 October 2011 as a credit rating agency in the European Union pursuant to the terms of the CRA Regulation.
LEI Code	5493005X59ILY4BGJK90 .

- (vii) **Ernst & Young, S.L. ("EY")** participates as:

- (1) independent company for the verification of a series of characteristics of the Mortgage Loans in the Preliminary Portfolio, for the purposes of complying with the provisions of EU Securitisation Regulation;
- (2) in addition, has verified the accuracy of the data disclosed in the stratification tables included in section 2.2.2.4 of the Additional Information, the compliance of the underlying exposures in the provisional portfolio with the eligibility criteria described on the Prospectus that are able to be tested prior to the issuance and the CPR tables to be included in the Final Conditions, under the hypothesis referred in section 4.10 of the Securities Notes and to be included in the relevant Final Conditions ("**Special Securitisation Report on the Preliminary Portfolio**"); and
- (3) Auditor of the Fund.

Additional information	
Business address	Plaza Pablo Ruiz Picasso, 1, Madrid (Spain).
ROAC	S0530 ( <i>Registro Oficial de Auditores de Cuentas</i> ).
LEI	549300XKOPS8K24LYK28.

- (viii) **CUATRECASAS, GONÇALVES PEREIRA, S.L.P. ("Cuatrecasas")** acts as legal adviser in respect of the transaction structure and has reviewed the legal regime and tax rules

applicable to the Fund (established in section 4.5.4 of the Registration Document), and issues the legal opinion required under article 20.1 of the EU Securitisation Regulation.

A new legal opinion may only be issued (either by Cuatrecasas, Gonçalves Pereira, S.L.P. or the relevant legal firm appointed by the Management Company, on behalf of the Fund) if the structure or legal framework is modified in a manner than affects the content of such legal opinion.

Additional information	
Business address	Avenida Diagonal 191 – 08018 Barcelona (Spain).
LEI	959800N5JA57B79VUW35.

- (ix) **PRIME COLLATERALISED SECURITIES (EU) SAS** (the “**Third Party Verification Agent (STS)**” or “**PCS**”) shall act as a verification agent authorised under article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation (the “**STS Verification**”). It is not expected any update of this report unless regulatorily required.

Additional information	
Business address	4 Place de l’Opéra, Paris, 75002 (France).
Registration	Has obtained authorisation as a third-party verification agent as contemplated in article 28 of EU Securitisation Regulation.

- (x) **EUROPEAN DATA WAREHOUSE (“EDW”)** is a company created with the support of the European Central Bank, founded and governed by market participants. It operates as a service company to respond to the need to providing information to investors in asset-backed securities.

Additional information	
Business address	Cronbert, Platz 2, 60593 Frankfurt am Main (Germany).
LEI Code	529900IUR3CZBV87LI37.

EDW has been appointed by the Management Company, on behalf of the Fund, as securitisation repository in accordance with articles 10 and 12 of the EU Securitisation Regulation as securitisation repository to satisfy the reporting obligations under article 7 of the EU Securitisation Regulation (the “**SR Repository**”).

In this regard, EDW has been registered as a securitisation repository authorised and supervised by ESMA, effective from 30 June 2021.

- (xi) Additional information.

For the purposes of article 5 of the Securities Markets Act, the following is disclosed:

- (1) DBRS has a 7.00% interest in the share capital of EDW.
- (2) There is no knowledge of the existence of any other relationship involving direct or indirect ownership or control between the aforementioned legal persons that participate in the securitisation transaction.

In addition, it should be noted that certain parties to the transaction have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Fund, the Seller or its affiliates and the Management Company

in the ordinary course of business. Other parties to the transaction may also perform multiple roles.

Accordingly, conflicts of interest may exist or may arise as a result of parties having previously engaged or in the future engaging in transactions with other parties, having multiple roles or carrying out other transactions for third parties. The parties to the transaction may be replaced by one or more new parties. It cannot be excluded that such a new party could also have a potential conflicting interest, which might ultimately have a negative impact on the ability of the Fund to perform its obligations in respect of the Notes.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction:

- (1) having previously engaged or in the future engaging in transactions with other parties to the transaction; and/or
- (2) having multiple roles in this transaction; and/or
- (3) carrying out other roles or transactions for third parties.

### **3.2. The use and estimated net amount of the proceeds**

The issuance proceeds of the issuance Class A Notes, Class B Notes and Class C Notes will be used by the Fund to pay, inter alia, the portion of the purchase price related to the Receivables and, in certain cases, if issued over par, to fund the increases of the Reserve Fund according to the described in section 3.4.2.2 of the Additional Information, if needed to meet conditions precedent (v) and (vi) of section 4.1.6. below.

The issuance proceeds of the issuance of Class Z Notes will be used to fund the Reserve Fund up to the Minimum Reserve Fund Level on each Issuance Date.

In case that the proceeds from (i) the issuance of Class Z Notes and (ii) the premiums from the subscription over par of any Rated Notes, are higher than the Minimum Reserve Fund Level, as stated in section 3.4.2.2 of the Additional Information, will be used as Available Funds on the relevant Payment Date for the application according to the Pre-Enforcement Priority of Payments.

## **4. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING**

### **4.1. Total amount of the securities being admitted to trading.**

#### **4.1.1. Notes Maximum Outstanding Amount.**

The Notes Outstanding Nominal Balance to be issued by the Fund under the programme (the "**Programme**") during the Issuance Period will at no time exceed € 313,500,000 (the "**Notes Maximum Outstanding Amount**"), provided that after each issuance the rating assigned by the Rating Agencies to the Class A Notes, Class B Notes and Class C Notes is equal or higher than the rating for such notes immediately before any additional issuance of Notes (each, an "**Additional Issuance**").

For the avoidance of doubt, the maximum aggregated Notes Outstanding Balance to be Issued by the Fund for the Class A Notes, Class B Notes and Class C notes is € 300,000,000 (the "**Rated Notes Maximum Outstanding Amount**"). The remaining € 13,500,000 will be used for issuing the Class Z Notes.

#### **4.1.2. Issuance Period.**

The “**Issuance Period**” is defined by correspondence with the Purchase Period. The Issuance Period will start on the Date of Incorporation of the Fund, and will last until the earliest of the following dates (the “**Issuance Period End Date**”):

- (i) The date (included) in which the Issuer has issued the Notes Maximum Outstanding Amount.
- (ii) On the Purchase Period End Date (excluded) according to section 3.3.4 of the Additional Information; or
- (iii) The Payment Date (included) corresponding to immediately prior to year anniversary of the date of this Prospectus (i.e. 23 December 2022).

Under the Programme and during the Issuance Period, provided the Conditions Precedent for the Issuance and Extension of the Notes set out in section 4.1.6 of the Securities Note are met, successive Notes issues (each of them, an “**Issuance**”, and collectively, the “**Issuances**”), including the first issue under the Programme (the “**Initial Issuance**”) on each issue date (each of them, an “**Issuance Date**”) may be carried out, until the Fund Maximum Issuance Amount is reached.

#### 4.1.3. **Classes of Notes**

Notes belonging to four (4) Classes of Notes (“**Class of Notes**”):

- (i) Class A Notes;
- (ii) Class B Notes;
- (iii) Class C Notes; and
- (iv) Class Z Notes.

may be issued under each of the Issuances on each Issuance Date.

The reference to a certain Class of Notes will be understood to have been made to all the Issuance of Notes of said Class of Notes.

In respect of each Class of Notes, an original of Final Conditions will be filed at the CNMV. A standard form Final Conditions document is attached to this Prospectus as **Annex II**.

For the Initial Issuance, each Class of Notes will be issued on the Date of Incorporation with the amounts and proportions for each Class of Notes specified in the relevant Final Conditions. However, there is no commitment to maintaining the initial proportions on each Additional Issuance on each relevant Issuance Date provided that the conditions precedents stated in section 4.1.6 of the Securities Notes below are met.

Additional Issuance of any Class of Notes may not require the Issuance of Notes for all Class of Notes provided that conditions precedents stated in section 4.1.6 of the Securities Note below.

The “**Outstanding Nominal Balance of the Rated Notes**” means, at any given time, the sum of the Outstanding Balance of the Class A Notes, the Class B Notes and the Class C Notes.

#### 4.1.4. **Common terms to all the Notes.**

The following conditions will be common to all Notes issued:

- (i) The Notes shall be subject to the terms of this Prospectus and the specific conditions of said Issuance set out in the relevant Final Conditions as well as in the Deed of Incorporation.
- (ii) The Notes shall be listed on AIAF.
- (iii) The Notes shall have the same monthly frequency of payment of interest and redemption, which will take place on each Payment Date.
- (iv) All the Notes of the same Class, regardless the Issuance Date, shall bear the same interest rate in accordance with section 4.8 of the Securities Note. Accordingly, Additional Notes will be issued at par, below par or over par as set out in the relevant Final Conditions.
- (v) All the Notes of the same Class, regardless the Issuance Date, shall be redeemed from the first Payment Date once the Issuance Period has ended in accordance with the terms of section 4.9 of the Securities Note.
- (vi) The Notes shall be denominated in EUROS (€).
- (vii) Nominal value of the Notes shall be one hundred thousand euros (€100,000).
- (viii) The Notes shall be issued under Act 5/2015, holding fixed-income security status, homogenous, standardised and, as such, eligible for trading on official secondary markets.

#### **4.1.5. Validity of the Programme, renewal and potential supplement(s).**

The Programme will have a duration of one (1) year as of the registration date of this Prospectus, notwithstanding the registration of the corresponding supplements to the Prospectus.

The registration of supplements to the Prospectus will take place in case any of the events referred in article 23 of the Prospectus Regulation occurs.

#### **4.1.6. Conditions Precedent for the Issuance of Additional Notes**

Under this Programme, on each Issuance Date, existing Notes of all Classes may be extended by the Issuer, to fund the acquisition of Additional Receivables, for the Class A, Class B and Class C Notes, and to fund the Reserve Fund, for the Class Z Notes, provided that the following conditions are met ("**Conditions Precedent for the Issuance and Extension of the Notes**"):

- (i) the Outstanding Nominal Balance of the Notes, considering the amount of the Notes after the relevant Issue, does not exceed the Notes Maximum Outstanding Amount and the Rated Notes Maximum Outstanding Amount;
- (ii) if has not yet arrived the Issuance Period End Date nor is due to arrive on that date as a result of the relevant Issuance itself;
- (iii) if applicable, the Lead Managers acknowledge and confirm that there is a sufficient subscription commitment from investors in relation to the Additional Notes to be issued;
- (iv) the Reserve Fund will be funded up to the Minimum Reserve Fund Level. For avoidance of doubt the Minimum Reserve Fund Level will be calculated including the relevant Additional Issuance for the Class Z Notes and, in its case, any premium from the Issuance Price of the Rated Class Notes on each relevant Additional Issuance Date;

- (v) In the Management Company's reasonable opinion, formed on the basis of due consideration and consultation with Rating Agencies (including, as applicable, upon receipt of a written confirmation from an appropriately authorised person at each Rating Agency), such Additional Issuance would not result in a downgrading on the Rated Notes;
- (vi) a valid Prospectus is recorded in the official registries of the CNMV on the relevant Issuance Date;

The Additional Issuances may be made without the need to obtain the consent of the Noteholders of the existing Notes issued prior to the relevant Additional Issuance.

Failure to comply with any of the above conditions will not lead to the early liquidation or termination of the Issuer, nor the early cancellation of any of the Classes of Notes already issued by the Issuer.

#### **4.1.7. Issuance Dates and requirements to proceed with the issuance of additional Notes.**

The Seller will instruct the Management Company to proceed with the issuance of Additional Notes by the Issuer, with at least thirty (30) days in advance to the relevant Disbursement Date. The relevant Disbursement Date of any Additional Issuance will be made on the Payment Date after the Purchase Date taking place in that month.

The Issuance Expenses of each Issuance will be borne by the Issuer.

Class A, Class B and Class C proceeds from any Additional Issuance shall exclusively be applied to pay the Purchase Price of Additional Receivables, and Class Z Additional Issuance proceeds only shall exclusively be applied to build up the Reserve Fund.

#### **4.2. Description of the type and the class of the securities being offered and admitted to trading and ISIN. Note Issuance Price and Underwriting and Placement of the Notes. Description of the type and class of the securities**

##### **4.2.1. Description of the type and the class of the securities being admitted to trading.**

The Notes will have the legal nature of negotiable fixed-income securities with a specified yield and are subject to the rules established in the securities market act and the regulations in implementation thereof and are issued pursuant to the Law 5/2015. The Notes are redeemable through early redemption or upon final maturity.

The structure and characteristics of each Class of Notes is described in section 4.1.1 of this Securities Note above.

<b>Class of Notes</b>	<b>ISIN</b>
Class A Notes	ES0305564009
Class B Notes	ES0305564017
Class C Notes	ES0305564025
Class Z Notes	ES0305564033

The subscription and/or holding of Notes in one Class do not imply the subscription and/or holding of Notes of other Classes.

In any event, noteholders who acquire Notes of a certain Class, shall not be entitled to oppose or argue against the issue of additional Notes - meaning that the consent of Noteholders of already issued Notes is not required.

The Seller may reserve the right to subscribe all or part of any Issuance of any Class of Notes.

#### 4.2.2. Fungibility among Notes of the same Class.

The Issuer may issue additional Notes of all Classes during the Issuance Period.

The Notes issued at any Issuance Date shall have the same terms and conditions as the rest of the Notes of the Class to which they belong and will be considered fungible with each other, as of the moment of the relevant Additional Issuance. To that end, their fungibility will be envisaged in that as of the Disbursement Date of the corresponding Issuance they will have the same characteristics, as set out in this Prospectus and in accordance with article 18 of Royal Decree 878/2015.

Therefore, the additional Notes of each Class issued will be registered with IBERCLEAR, as of the date on which their fungibility is fulfilled, under the same ISIN code (*International Securities Identification Number*) to be granted by the NATIONAL CODING AGENCY (AGENCIA NACIONAL DE VERIFICACIÓN DE VALORES).

In this regard, investors who acquire additional Notes waive, by the mere fact of subscribing them, and as a legal characteristic of the same, any right of priority that may correspond to them under Spanish legislation, if applicable, with regard to the holders of other Notes of the same Class issued by the Issuer in successive Issuances.

#### 4.2.3. Terms of the Initial Issuance

The Final Conditions in connection with the Initial Issuance will reflect terms and conditions of such Initial Issuance (i.e. nominal amount of each Class, number of Notes, issuance price, denomination and interests), and they will be filed to CNMV once agreed in the same Incorporation Date.

The Initial Issuance will be executed as follows:

Issuance Date	14 January 2022
Subscription Date	19 January 2022
Disbursement Date	20 January 2022
Legal Maturity Date	23 June 2056

#### 4.2.4. Use of proceeds

The proceeds of the issue of each Class of Notes may be used as follows:

Class of Notes	Use of proceeds
Class A Notes	Acquisition of Additional Receivables. Premiums in Issuance Price may be applied to fund Reserve Fund
Class B Notes	
Class C Notes	
Class Z Notes	Funding of the Reserve Fund.

The amounts derived from the disbursement of each Issuance will be considered Available Funds and will be applied in accordance with the relevant Pre-Enforcement Priority of Payments or Liquidation Priority of Payments (the "**Priority of Payments**"), as the case may be. In case of Class A, Class B and Class C proceeds from any Additional Issuance shall be applied to pay the Purchase Price of Additional Receivables, and, in certain cases, if issued over par, to fund the increases of the Reserve Fund according to the described in section 3.4.2.2 of the Additional Information, if needed to meet conditions precedent (v) and (vi) of

section 4.1.6. above. In case of Class Z, Additional Issuance proceeds only shall exclusively be applied to build up the Reserve Fund.

#### 4.2.5. Underwriting and Placement of the Notes

The Management Company, in the name and on behalf of the Issuer, shall enter into a Management, Placement and Subscription agreement with Andbank as the Seller and the Subscriber when applicable, the Lead Manager and the Sole Arranger on the Date of Incorporation (the "**Management, Placement and Subscription Agreement**").

**Initial Issuance:** The Notes under the Initial Issuance will be subscribed by Andbank as Subscriber. Andbank, as the Subscriber, will not receive any fee as consideration for the subscription of the Notes.

**Additional Issuances:** the corresponding Final Conditions will determine whether an Additional Issuance will be:

- (i) *Retained Additional Issuance:* Either directly subscribed by Andbank as Seller (in its role as Subscriber), or either
- (ii) *Placed Additional Issuance:* placed among qualified investors.

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If the Final Conditions select the option of "*Retained Additional Issuance*":

- 
- (1) The Additional Notes will be subscribed, by Andbank as Subscriber. Andbank, as the Subscriber, will not receive any fee as consideration for the subscription of Additional Notes.

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If the Final Conditions select the option of "*Placed Additional Issuance*":

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- (1) Intermoney Valores, S.V., S.A., as Lead Manager will, on a best-efforts basis (for the Additional Notes) and upon the satisfaction of the Conditions Precedent for the Issuance and Extension of the Notes (for the Additional Issuance of Notes), procure subscription for and/or place the Additional Notes during the Subscription Period with qualified investors (for the purposes of article 39 of Royal Decree 1310/2005). No underwriting commitment by Intermoney Valores, S.V., S.A., as Lead Manager, is agreed in the Management, Placement and Subscription Agreement.
- (2) Andbank, as Lead Manager will, on a best-efforts basis (for the Additional Notes) and upon the satisfaction of the Conditions Precedent for the Issuance and Extension of the Notes (for the Additional Issuance of Notes), procure subscription for and/or place the Additional Notes during the Subscription Period with qualified investors (for the purposes of article 39 of Royal Decree 1310/2005), and
- (3) Andbank as Subscriber will subscribe those Additional Notes not placed among qualified investors by the Lead Managers. The Seller will receive no fee in consideration thereof.
- 

The Sole Arranger may give a termination notice to the Seller and the Management Company, prior to the disbursement of the Notes on any Disbursement Date upon occurrence of, amongst others, the following termination events:



- (i) **Breach of obligations:** any Party (other than the Sole Arranger) fails to perform any of its obligations under the Management, Placement and Subscription Agreement; in particular, (i) in case that by the end of the Subscription Date for the Initial Issuance, the Seller fails to subscribe the Notes under the Initial Issuance, the Management and Subscription Agreement shall automatically terminate, and (ii) in case that the Seller elects not to, or otherwise fails to, subscribe for and purchase any remaining Additional Notes that the Lead Managers have not procured subscription for, by the end of the relevant Subscription Period; and
- (ii) **Force majeure:** since the date of the Management, Placement and Subscription Agreement there has been, in the reasonable opinion of the Sole Arranger in consultation with the Management Company, an event that could not be foreseen or, even if foreseen, is inevitable rendering it impossible to perform the subscription or disbursement of the Notes or the success of the subscription of the Notes pursuant to article 1,105 of the Civil Code (force majeure).

In case of occurrence of any of the termination events above on the Subscription Date for the Initial Issuance, it will cause the termination of the Fund. If they occur on the Subscription Date for any the Additional Issuance, it will cause the cancellation of the relevant Issuance.

The "**Subscription Period**" will start at 9:00 CET and end at 12:00 CET on the date on which the Notes of each Issuance are expected to be fully subscribed pursuant to the Final Conditions (the "**Subscription Date**"). The Subscription Date for the Initial Issuance will be 19 January 2022.

#### 4.2.6. Selling restrictions

The distribution of this Prospectus and the offer, sale and delivery of the Notes in certain jurisdictions may be restricted by law and by the Transaction Documents, in particular, as provided for by the Management, Placement and Subscription Agreement. Persons into whose possession this Prospectus (or any part of it) comes are required by the Issuer to inform themselves about, and to observe, any such restrictions. Neither this Prospectus nor any part of it constitutes an offer or may be used for the purpose of an offer to sell any of the Notes, or a solicitation of an offer to buy any of the Notes, by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this Prospectus should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the portfolio of Receivables and of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

To the fullest extent permitted by law, the Sole Arranger in no circumstances accepts any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Sole Arranger or on their behalf, in connection with the Fund, the Seller, any other Transaction Party or the issue and offering of the Notes. The Sole Arranger accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement.

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

In particular, the following selling restrictions apply:

- (i) **Prohibition of sales to EEA retail investors**

The Notes shall not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision the expression retail investor means a person who is one (or more) of the following:

- (1) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (2) a customer within the meaning of 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
- (3) not a qualified investor as defined in the Prospectus Regulation;

For these purposes, the expression of 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.

(ii) United States

The Notes have not been, and will not be, registered under the Securities Act or the "blue sky" laws of any state of the U.S. or other jurisdiction and the securities, may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. The Notes are in dematerialised form and are subject to U.S. tax law requirements. The Notes are being offered for sale outside the United States in accordance with Regulation S under the Securities Act. Neither the United States Securities and Exchange Commission, nor any state securities commission or any other regulatory authority, has approved or disapproved the Notes or determined that this Prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

Neither Sole Arranger nor the Management Company or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Date of Incorporation or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

#### 4.2.7. **VOLCKER RULE**

Under section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules (the "**Volcker Rule**"), U.S. banks, non-U.S. banks with U.S. branches or agencies, companies that control U.S. banks, and their U.S. and non-U.S. affiliates (collectively, the "*Relevant Banking Entities*" as defined under the Volcker Rule) are prohibited from, inter alia, acquiring or retaining any ownership interest in, or acting as sponsor in respect of, certain investment entities referred to in the Volcker Rule as covered funds, except as may be permitted by an applicable exclusion or exception from the Volcker Rule. In addition, in certain circumstances, the Volcker Rule restricts Relevant Banking Entities from entering into certain credit exposure related transactions with covered funds.

Neither the Issuer nor the Sole Arranger, nor the Lead Managers, nor the Seller as Subscriber when applicable, nor the Management Company have made any determination as to whether the Issuer would be a "covered fund" for the purposes of the Volcker Rule. If the Issuer was considered as a "covered fund", the price and liquidity of the market for the Notes may be materially and adversely affected.

There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "*Relevant Banking Entity*" and is considering an investment in the Notes should

consider the potential impact of the Volcker Rule, including the recent revisions, in respect of such investment and on its portfolio generally. Each purchaser must determine for itself whether it is a Relevant Banking Entity. Neither the Issuer nor the Sole Arranger or the Management Company makes any representation regarding the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

#### **4.3. Legislation under which the securities are created**

The Notes are issued in accordance with the laws of the Kingdom of Spain, and particularly in accordance with the legal provisions set forth in

- (i) Law 5/2015 and implementing provisions;
- (ii) Securities Market Act;
- (iii) Royal Decree 1310/2005;
- (iv) Royal Decree 878/2015, of October 2, 2015, on compensation, settlement and registration of negotiable securities represented through book entries; and
- (v) any such other legal and regulatory provisions as may be in force and applicable from time to time.

In addition, the requirements set out in the EU Securitisation Regulation shall apply to the Issuer and the Notes.

This Securities Note has been prepared in accordance with the Prospectus Regulation and the Annex 15 of the Prospectus Delegated Regulation.

Any issue, discrepancy or dispute relating to the Issuer or the Notes issued with the backing of the Fund and arising during the operation or liquidation thereof, whether among the Noteholders or between the Noteholders and the Management Company, will be submitted to the courts of the city of Madrid, with the parties expressly waiving any other forum to which they may be entitled.

#### **4.4. Indication of whether the securities are nominative or bearer and if they are in the form of certificates or book entries. Name and address of the entity in charge of keeping the records**

The Notes will be exclusively represented by book-entries (*anotaciones en cuenta*) in accordance with the provisions of Law 5/2015 and Royal Decree 878/2015. The Notes will be created as such by virtue of their corresponding book-entry and will be made out to the bearer.

The corresponding Final Conditions will have the effects envisaged in article 7 of the Securities Market Act.

In accordance with the terms of article 7 of Royal Decree 878/2015, the denomination, number of units, face value and other characteristics and conditions of the Notes represented by the book entries will be those included in the corresponding Final Conditions.

The Noteholders will be identified as such (for their own account or that of third parties) as recorded in the book-entry register maintained by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. ("**IBERCLEAR**") (and its participant entities), with a registered office in Madrid, at Calle Plaza de la Lealtad 1, 28014, which has been appointed as the entity in charge of the book-entry registry of the Notes (or the entity

that replaces it in the future). This appointment being made in the corresponding Final Conditions for the purposes of article 48 of Royal Decree 878/2015.

Noteholders will be identified as such (on their own behalf or that of third parties) according to the book-entry register kept by IBERCLEAR.

Clearing and settlement of the Notes will be performed in accordance with the rules of operation that are or may hereafter be established by Iberclear regarding securities admitted to trading in the AIAF Fixed-Income Market ("AIAF") and represented by the book-entries.

#### **4.5. Currency of the securities issue**

The Notes will be denominated in EUROS.

#### **4.6. The relative seniority of the securities in the issuer's capital structure in the event of insolvency, including, where applicable, information on the level of subordination of the securities and the potential impact on the investment in the event of a resolution under Directive 2014/59/EU**

The relative seniority of the payment of interest among the Classes of Notes is the following:

- (i) The interest on the Class A Notes is the most senior.
- (ii) The interest on the Class B Notes is subordinated to that of the Class A Notes.
- (iii) The interest on the Class C Notes is subordinated to that of the Class A and Class B Notes.
- (iv) The interest on the Class Z Notes is subordinated to that of the Class A, Class B Notes and Class C Notes.

Notwithstanding the rules established in section 4.9 of the Securities Note, relative seniority of the payment of principal among the Classes of Notes is the following:

- (i) Redemption of the Class A Notes is the most senior.
- (ii) Redemption of the Class B Notes is subordinated to that of the Class A Notes.
- (iii) The redemption of the Class C Notes is subordinated to that of the Class A and Class B Notes.
- (iv) Redemption of the Class Z Notes is subordinated to that of the Class A, Class B Notes and Class C Notes.

##### **4.6.1. Reference to the payment of interest in the priority of payments of the Fund**

The payment of interest on each of the Classes of Notes take the following positions in the relevant Priority of Payments:

Class of Notes	Interest rank in the relevant Priority of Payments	
	Pre-Enforcement	Liquidation
Class A Notes	2	2
Class B Notes	3, or 7 if Class B Theoretical Redemption Deficit.	4
Class C Notes	4 or 8 if Class C Theoretical Redemption Deficit.	6
Class Z Notes	9.	8

#### 4.6.2. Reference to the payment of principal in the priority of payments of the Fund

The payment of principal on each of the Classes of Notes occupy the following positions in the relevant Priority of Payments:

Class of Notes	Principal rank in the relevant Priority of Payments	
	Pre-Enforcement	Liquidation
Class A Notes	5	3
Class B Notes	5	5
Class C Notes	5	7
Class Z Notes	10	9

Prior to the occurrence of a Subordination Event, Class A, Class B and Class C Notes will be redeemed on a *pro rata* basis in the Pre-Enforcement Priority of Payments, in the terms described in section 3.4.7.2 of the Additional Information.

Notwithstanding the above:

- upon the occurrence of a Subordination Event of Class C Notes, pro-rata amortization will be limited to Class A Notes and Class B Notes. Therefore, redemption of Class C Notes will be subordinated to Class A Notes and Class B Notes; and
- upon the occurrence of a Subordination Event of Class B Notes, amortization will be limited to Class A Notes. Therefore, redemption of Class C Notes will be subordinated to Class B Notes and redemption of Class B Notes will be subordinated to Class A Notes.

Class Z Notes will be subordinated to Class A Notes, Class B Notes, Class C Notes without benefiting from any subordination and ranking in item (10) of the Pre-Enforcement Priority of Payments.

#### 4.7. **Description of the rights, including any limitations of these, attached to the securities and procedure for the exercise of said rights**

In accordance with the legislation in force, the Notes to which this Programme refers will not grant investors acquiring them any present or future political rights in the Fund, except for those applicable to their participation in the Meeting of Creditors.

The economic and financial rights for the investor associated with the acquisition and holding of the Notes will be those derived from the interest rate, earnings and redemption price conditions with which they are issued and that are set out in sections 4.8 and 4.9 below as well as the corresponding Final Conditions.

In the event of non-payment of any amount owed to the Noteholders, they will only be able to take recourse against the Management Company when it has failed to comply with its obligations under the Deed of Incorporation and this Prospectus. The Management Company is the sole authorised representative of the Fund *vis-à-vis* third parties and in any legal proceedings, according to the applicable legislation.

The obligations of the Originator and rest of the entities who are participating in the operation, in one way or another, are limited to those set out in the corresponding agreements in relation to the Fund, the most relevant aspects of which are described in this Prospectus and in the Deed of Incorporation.

Any issue, disagreement or dispute in relation to the Fund or the Notes issued under it that may arise during its operation or liquidation, whether between Noteholders or between them and the Management Company, will be submitted to the Courts of the city of Madrid, waiving any other forum that may correspond to the parties.

#### **4.8. Nominal interest rate and provisions relating to interest payable**

The nominal interest rate for the Notes issued during the Issuance Period will be set according to this section and in the corresponding Final Conditions, and announced by the Management Company using the generally accepted channels on the market that guarantee adequate disclosure of the information in time and form, specifically via:

- (i) the AIAF bulletin, and
- (ii) the website of the Management Company ([www.imtitulizacion.com](http://www.imtitulizacion.com)).

The relevant Nominal Interest Rate will never be negative.

The Nominal Interest Rate will be paid on each Payment Date and will be calculated on the Outstanding Nominal Balance of each Class at the start of each Interest Accrual Period, according to the Priority of Payments applicable at any given time.

The Notes shall accrue, from each relevant Disbursement Date until their full redemption, an interest rate accrued on its Outstanding Principal Balance, payable monthly on each Payment Date (as defined below) according with the Pre-Enforcement Priority of Payments or with the Post-Enforcement Priority of Payments, as the case may be (the "**Interest Rate**").

Withholdings, interim payments, contributions and taxes now or hereafter established on Note principal, interest or returns shall be borne exclusively by Noteholders, and their amount, if any, shall be deducted by the Management Company, for and on behalf of the Fund, or through Banco Santander (here, the "**Paying Agent**"), as provided by law.

##### **4.8.1. Interest accrual**

Each Note shall bear interests on a daily basis. Interest accrued will be settled and calculated for each "**Interest Accrual Period**" defined as the time elapsed between two consecutive Payment Dates (including the initial Payment Date and excluding the last).

The first Interest Accrual Period will run from the Initial Disbursement Date (included) until the first Payment Date (excluded).

For each Additional Note, the Interest Accrual Period will start on its relevant Disbursement Date (included) and end on the immediately following Payment Date (excluded).

##### **4.8.2. Nominal Interest Rate**

###### **4.8.2.1. Nominal Interest Rate for the Notes**

The Interest Rate applicable to Class A Notes, Class B Notes, Class C Notes and Class Z Notes and determined for each Interest Accrual Period shall be the higher of:

- (i) zero percent (0%); and
- (ii) the result of adding:
  - (1) the Reference Rate, as established in the following section, and

- (2) a margin for each Class set out in the Final Conditions of the Initial Issuance. Final Conditions of Additional Issuances shall set the same margin for each Class.

#### 4.8.3. Reference Rate

A reference rate ("**Reference Rate**") for the calculation of the Interest Rate applicable to the Notes will be set as follows:

- (i) The rate equal to EURIBOR ("**Euro Interbank Offered Rate**") for one month deposits in euros, set at 11am ("**CET**" or "**Central European Time**") on the Interest Rate Fixing Date described below, which is currently published on electronic page EURIBOR01 supplied by Reuters, or any other page taking its place providing these services.

By way of exception, the Reference Interest Rate for the First Interest Accrual Period starting on the Initial Disbursement Date will be from the result of the linear interpolation of the 1- month EURIBOR rate and the 3-month EURIBOR rate quoted at 11:00 CET on the relevant screen page, considering the number of days of the First Interest Accrual Period, according to the following formula:

$$R = E_1 + \left[ \frac{E_3 - E_1}{d_3 - d_1} \right] \times (d_t - d_1)$$

Where:

Variable	Meaning
<b>R</b>	the Reference Rate for the First Interest Accrual Period.
<b>dt</b>	the number of days of the First Interest Accrual Period.
<b>d1</b>	the number of days corresponding to the 1-month Euribor.
<b>d3</b>	the number of days corresponding to the 3-month Euribor.
<b>E1</b>	the 1-month Euribor rate.
<b>E3</b>	the 3-month Euribor rate.

If the definition, methodology, formula or any other form of calculation related to the Euribor were modified (including any modification or amendment derived of the compliance of the Benchmark Regulation) the modifications shall be considered made for the purposes of the Reference Rate relating to Euribor without the need to modify the terms of the Reference Rate and without the need to notify to the Noteholders, as such references to the Euribor rate shall be made to the Euribor rate such as this had been modified.

- (ii) In the event that the rate established in paragraph (i) above should not be available or be impossible to obtain, the substitute Reference Rate shall be the interest rate resulting from the simple arithmetic mean of the interbank offered interest rates for non-transferable one (1) month deposit transactions in Euros in an amount equivalent to the Outstanding Principal Balance of the Notes, offered by four (4) prime banks in the Euro zone, following a simultaneous request to each of their headquarters by the Paying Agent as soon as possible after 11am (CET) on the Interest Rate Fixing Date.

The resulting nominal interest rate shall be expressed as a percentage to three decimal places rounding off the relevant number to the nearest thousandth, rounding up when equidistant.

Should it be impossible to apply the above substitute Reference Rate, upon the failure by any or several of the banks to provide written quotations as provided for in (i) and (ii), the interest rate resulting from applying the simple arithmetic mean of the interest rates declared by at least two of the other banks shall be applicable.

- (iii) If the rates established in (i) and (ii), and also in any other event as described in section 4.8.3.2 below, but in any case, in the meanwhile the Reference Rate should not be available or be impossible to obtain, the last Reference Rate or substitute Reference Rate shall be applied to the next Interest Accrual Period, and so on for subsequent Interest Accrual Periods.

On each Interest Rate Fixing Date, the Paying Agent shall notify the Management Company the Reference Rate determined in accordance with paragraphs i) and ii) above. The Management Company shall keep the supporting documents on which the Paying Agent shall notify it the Reference Rate determined.

#### 4.8.3.1. Benchmark Regulation.

As at the date of this Prospectus, EURIBOR is provided and administered by the EUROPEAN MONEY MARKETS INSTITUTE ("**EMMI**"). EMMI is included on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant to article 36 of the Benchmark Regulation.

All Classes of Notes are referenced to the EURIBOR which calculation and determination is subject from 1 January 2018 to the Benchmark Regulation published in the Official Journal of the EU on 29 June 2016, entered into force on 30 June 2016 and is applied from 1 January 2018. The Benchmark Regulation applies to "contributors", "administrators" and "users of" benchmarks (such as Euribor and Libor) in the EU, and, inter alia, (i) requires benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) ban the use of benchmarks of unauthorised administrators.

#### 4.8.3.2. Fallback provisions.

- (i) Notwithstanding anything to the contrary, the following provisions will apply if the Management Company in the name and on behalf of the Fund (acting on the advice of the Seller) determines that any of the following events (each a "**Base Rate Modification Event**") has occurred:
  - (1) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published; or
  - (2) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed); or
  - (3) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR or will be changed in an adverse manner); or
  - (4) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner; or
  - (5) a public statement by the supervisor of the EURIBOR administrator which means that EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or
  - (6) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Notes; or
  - (7) the reasonable expectation of the Management Company, in the name and on behalf of the Fund (acting on the advice of the Seller) that any of the events



specified in sub-paragraphs (1), (2), (3), (4), (5) or (6) above will occur or exist within six (6) months of the proposed effective date of such Base Rate Modification.

- (ii) Following the occurrence of a Base Rate Modification Event, the Management Company in the name and on behalf of the Fund (acting on the advice of the Seller) will appoint a rate determination agent to carry out the tasks referred to in this section 4.8.3.2 (the "**Rate Determination Agent**").
- (iii) The Rate Determination Agent shall determine an alternative base rate (the "**Alternative Base Rate**") to replace EURIBOR as the Reference Rate of the Notes and those amendments to the Transaction Documents to be made by the Management Company, in the name and on behalf of the Fund, as are necessary or advisable to facilitate such change (the "**Base Rate Modification**"), provided that no such Base Rate Modification will be made unless the Rate Determination Agent has determined and confirmed to the Management Company in writing that:
  - (1) such Base Rate Modification is being undertaken due to the occurrence of a Base Rate Modification Event and, in each case, such modification is required solely for such purpose and it has been drafted solely to such effect; and
  - (2) such Alternative Base Rate is:
    - a base rate published, endorsed, approved or recognised by the relevant regulatory authority or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing; or
    - a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification; or
    - a base 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 an affiliate of the Seller banking group; or
    - such other base rate as the Rate Determination Agent reasonably determines (and in relation to which the Rate Determination Agent has provided reasonable justification of its determination to the Management Company),

provided that, for the avoidance of doubt (I) in each case, the change to the Alternative Base Rate will not, in the Management Company's opinion, be materially prejudicial to the interest of the Noteholders; (II) for the avoidance of doubt, the Management Company may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this paragraph (iii) are satisfied, and (III) the Alternative Base Rate shall fulfil the Benchmark Regulation.

By subscribing the Notes, each Noteholder acknowledges and agrees with any amendments to the Transaction Documents made by the Management Company, in the name and on behalf of the Fund, which may be necessary or advisable in order to facilitate the Base Rate Modification.

- (iv) It is a condition to any such Base Rate Modification that:

- (1) the Seller pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Management Company and each other applicable party including, without limitation, any of the transaction parties, in connection with such modifications. For the avoidance of doubt, such costs shall not include any amount in respect of any reduction in the interest payable to a Noteholder; and
  - (2) with respect to each Rating Agency, the Management Company has notified such Rating Agency of the proposed modification and, in the Management Company's reasonable opinion, formed on the basis of due consideration and consultation with such Rating Agency (including, as applicable, upon receipt of oral confirmation from an appropriately authorised person at such Rating Agency), such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing the Rated Notes on rating watch negative (or equivalent).
- (v) When implementing any modification pursuant to this section 4.8.3.2 of the Securities Note, the Rate Determination Agent, the Management Company and the Seller, as applicable, shall act in good faith and (in the absence of gross negligence or wilful misconduct), shall have no responsibility whatsoever to the Noteholders or any other party.
  - (vi) If a Base Rate Modification is not made as a result of the application of paragraph (iii) above, and for so long as the Management Company (acting on the advice of the Seller) considers that a Base Rate Modification Event is continuing, the Management Company may or, upon request of the Seller, must initiate the procedure for a Base Rate Modification as set out in this section 4.8.3.2 of the Securities Note.
  - (vii) Any modification pursuant to this section 4.8.3.2. must comply with the rules of any stock exchange on which the Notes are from time to time listed or admitted to trading and may be made on more than one occasion.
  - (viii) As long as a Base Rate Modification is not deemed final and binding in accordance with this section 4.8.3.2, the Reference Rate applicable to the Notes will be equal to the last Reference Rate available on the relevant applicable screen rate pursuant to section 4.8.3 above.
  - (ix) This section 4.8.3.2 shall be without prejudice to the application of any higher interest under applicable mandatory law.
  - (x) The Management Company, acting in the name and on behalf of the Fund, will give at least 10 Business Days' prior written notice of the proposed Base Rate Modification to the Noteholders and the Paying Agent before publishing a Base Rate Modification Noteholder Notice (by means of publishing a material fact (*otra información relevante* or *información privilegiada*)).
  - (xi) The Management Company, acting in the name and on behalf of the Fund, will provide to the Noteholders a Base Rate Modification Noteholder Notice, at least 40 calendar days prior to the date on which it is proposed that the Base Rate Modification would take effect (such date being no less than 10 Business Days prior to the next determination date).
  - (xii) Noteholders representing at least 10 per cent of the Outstanding Nominal Balance of the Most Senior Class of Notes on the Base Rate Modification Record Date have not directed the Management Company in writing (or otherwise directed the Paying Agent (acting on behalf of the Fund) in accordance with the then current practice of any

applicable clearing system through which such Most Senior Class of Notes may be held) within such notification period that such Noteholders of the Most Senior Class of Notes do not consent to the Base Rate Modification.

#### Negative consent right

If Noteholders representing at least 10 per cent of the Outstanding Nominal Balance of the Most Senior Class of Notes on the Base Rate Modification Record Date have directed the Management Company in writing (otherwise directed the Paying Agent in accordance with the current practice of any applicable clearing system through which such Most Senior Class of Notes may be held) within the notification period referred to above that such Noteholders of the Most Senior Class of Notes do not consent to the proposed Base Rate Modification, then the proposed Base Rate Modification will not be made unless an Ordinary Resolution is passed in favour of such proposed Base Rate Modification in accordance with section 4.11 of this Securities Note (*Meeting of Noteholders*) by each Class of Noteholders. While the proposed Base Rate Modification is rejected, as set out in paragraph (viii) above, the Reference Rate applicable to the Notes will be equal to the last Reference Rate available on the relevant applicable screen rate pursuant to section 4.8.3 above.

For these purposes:

**"Base Rate Modification Noteholder Notice"** means a written notice (by means of publishing a material fact (*otra información relevante* or *información privilegiada*) from the Issuer to notify Noteholders of a proposed Base Rate Modification confirming the following:

- (i) the date on which it is proposed that the Base Rate Modification shall take effect;
- (ii) the period during which Noteholders of the Most Senior Class of Notes who are Noteholder on the base Rate Modification Record Date may object to the proposed Base Rate Modification (which notice period shall commence at least 40 calendar days prior to the date on which it is proposed that the Base 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;
- (iii) the Base Rate Modification Event or Events which has or have occurred;
- (iv) the Alternative Base Rate which is proposed to be adopted pursuant section 4.8.3.2.(iii) of the Securities Note and the rationale for choosing the proposed Alternative Base Rate; and
- (v) details of (i) any amendments which the Issuer proposes to make to these conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to this section 4.8.3.

**"Most Senior Class of Notes"** means:

- (i) the Class A Notes (for so long there are Class A Notes outstanding), or
- (ii) if no Class A Notes are outstanding, the Class B Notes (for so long there are Class B Notes outstanding).
- (iii) if no Class B Notes are outstanding, the Class C Notes (for so long there are Class C Notes outstanding).
- (iv) if no Class C Notes are outstanding, the Class Z Notes (for so long there are Class Z Notes outstanding).

**"Base Rate Modification Record Date"** means the date specified to be the Base Rate Modification Record Date in the Base Rate Modification Noteholder Notice.

#### 4.8.4. Interest Rate Fixing Date

The Management Company shall, for and on behalf of the Fund, determine the Interest Rate applicable to the Notes for every Interest Accrual Period as provided for in sections 4.8.2 and 4.8.3 above, on the second Business Day preceding each Payment Date (the **"Interest Rate Fixing Date"**), and it will apply for the following Interest Accrual Period.

For the first Interest Accrual Period, the Interest Rate Fixing Date shall be the second Business Day immediately prior to the Initial Disbursement Date.

The Nominal Interest Rates determined for the Notes for subsequent Interest Accrual Periods shall be communicated to Noteholders within the deadline and in the manner for which provision is made in section 4.2.1 of the Additional Information.

#### 4.8.5. Business Day Convention

The determination of the Fund Payment Dates, and as such, the Interest Accrual Periods, will be subject to the **"Modified Following"** convention, by virtue of which in the event a Payment Date is not a Business Day for the Fund, said date will be transferred to the next day that is a Business Day, unless that day falls in the following calendar month, in which case the date will be the closest preceding one that is a Business Day (the **"Business Days Convention"**).

For the purposes of the Fund, business days (**"Business Days"**) will be considered all days other than:

- (i) Saturday,
- (ii) Sunday,
- (iii) Public holidays in the city of Madrid;
- (iv) Non-business days according to the TARGET2 (TRANS EUROPEAN AUTOMATED REAL-TIME GROSS SETTLEMENT EXPRESS TRANSFER SYSTEM) calendar (on the understanding that, in accordance with technical application 5/2010 of the Directorate General of Operations, Markets and Payment Systems of the Bank of Spain, TARGET 2 operates every day except for Saturdays, Sundays, New Year's Day, Holy Friday and Easter Monday (according to the calendar applicable at the offices of the BCE), 1 May, Christmas day and 26 December).

#### 4.8.6. Interest payable

The calculation of the interest accrued by each of the Class A Notes, the Class B Notes, the Class C Notes and the Class Z Notes in any corresponding Interest Accrual Period, will be made by the Management Company using the following formula:

$$I = N * r * \frac{n}{360}$$

Where:

Variable	Meaning
N	Outstanding Nominal Balance of the Notes at the start of the Interest Accrual Period
I	Total amount of interest accrued by the Notes in the Interest Accrual Period

r	Interest Rate of the Notes as a percentage on an annual basis
n	Number of calendar days in the Interest Accrual Period

The Noteholders will be notified of the interest through the CNMV, AIAF and Iberclear, calculated as established above, and the amount of the interest accrued and unpaid as described in section 4 of the Additional Information, at least two (2) calendar days in advance of each Payment Date.

#### **4.8.7. Payment**

The interest on the Notes and, if applicable, the principal of the same in accordance with the terms of section 4.9 of the Securities Note, will be assessed and settled monthly in arrears on each Payment Date, as of the first Payment Date following the corresponding Disbursement Date, until maturity of the Notes.

Payment Date is defined as the 23 of each month subject to the Business Days Convention.

In the event that on a Payment Date, and despite the mechanisms established for the protection of the rights of Noteholders, the Available Funds are insufficient to cover the interest payment obligations of the Notes, the amount available for the payment of interest will be distributed according to the Pre-Enforcement Priority of Payments and the Liquidation Priority of Payments set out in sections 3.4.7.2 and 3.4.7.4 of the Additional Information and, in the event the Available Funds were only sufficient to partially cover obligations with the same rank for payment, each one independently, the amount available will be distributed among the Notes affected, in proportion to the Outstanding Nominal Balance of the Notes, and the amounts that the Noteholders fail to receive shall be deferred to the next Payment Date on which its payment may be effected. These outstanding amounts will not accrue an additional or default rate of interest when affecting the Rated Notes Payments so outstanding due to the Noteholders under the Rated Notes will be settled on the following Payment Date (when there are Available Funds) ranking immediately senior to the payments to Noteholders corresponding to said period and in accordance with the terms of section 3.4.7 of the Additional Information.

Withholdings, payments on account and capital taxes established now or in the future, interest or earnings on these Notes will be borne exclusively by the Noteholders and the amounts will be deducted by the corresponding entity in the manner established by law, as the case may be.

The payment will be made via the Paying Agent. Payments to be made to Noteholders by the Paying Agent will be made via the corresponding IBERCLEAR participant entities in whose registers the Notes are recorded, pursuant to the current procedures in such systems. Payment of interest and redemption will be notified to the Noteholders in the scenarios and with the notice envisaged for each case in section 4.2.1 of the Additional Information.

#### **4.8.8. No default interest**

Any deferred interest payment under the Notes will not accrue default interest.

#### **4.8.9. Description of any market disruption or settlement disruption events that affect the underlying**

Not applicable.

#### **4.8.10. Adjustment rules with relation to events concerning the underlying**

Not applicable.

#### **4.8.11. Calculation Agent**

The Management Company shall determine the Interest Rate applicable to the Notes for the Interest Accrual Period (and in respect of the Notes, based on the information provided by the Paying Agent).

#### **4.9. Redemption of the securities**

##### **4.9.1. Maturity date**

The maturity of the Notes will occur:

- (i) on the Payment Date on which they are redeemed in full. or
- (ii) on the Legal Maturity Date of the Fund (defined as 23 June 2056),

notwithstanding to the provisions related to the Early Liquidation of the Fund in accordance with section 4.4.3 of the Registration Document.

The redemption of the Notes on the Legal Maturity Date or the date on which, pursuant to the terms of section 4.4.3. of the Registration Document the Early Liquidation of the Fund takes place, will be carried out according to the Liquidation Priority of Payments set out in section 3.4.7.4. of the Additional Information.

##### **4.9.2. Redemption price**

Each Class of Notes shall be redeemed in an amount equivalent to their nominal value at their respective Issuance Date, free of charges and taxes for the Noteholder, payable progressively on each principal Payment Date, as set out in the following sections.

Each one of the Notes corresponding a same Class will be redeemed for the same amount by means of the reduction of the face value of each one.

##### **4.9.3. Redemption of the Notes during the Redemption Period**

The standard redemption of the Rated Notes will be carried out on each Payment Date during the Redemption Period. Redemption of the Rated Notes will be made pro rata among the ones belonging to each Class until the full nominal will be repaid. Redemption of the Class Z Notes will be made according to the described in Clause 4.9.3.2 below.

The "**Redemption Period**" will start on the next immediate Payment Date after the Issuance Period End Date and will terminate on the Legal Maturity Date or upon an Early Liquidation of the Fund.

"**Principal Amount Available**" on any Payment Date shall be, the lower between

- (i) The difference between the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on the previous Payment Date and the Outstanding Nominal Balance of the Receivables that are not a Defaulted Receivable (the "**Non-Defaulted Receivables**") at the end of the immediately previous Collection Period; and
- (ii) The amounts standing to the credit to the Treasury Account after paying items (1) to (4) of the Pre-Enforcement Priority of Payments.

"**Redemption Deficit**" on any Payment Date will occur if the difference between (i) and (ii) above is greater than zero (0).

"**Theoretical Redemption Deficit**" on any Payment Date will occur if the difference between (x) item (i) defined under the definition of Principal Amount Available; and (y) the remaining

Available Funds after payments done until item (4) of the Pre-Enforcement Priority of Payments assuming (even if applicable) no postponement in the payment of interest on Class B and Class C, is equal to or greater than zero (0).

4.9.3.1. Class A, Class B and Class C Notes Redemption.

**"Subordination Events"** will refer to both **"Class B Reversible Subordination Events"**, to **"Class B Non-Reversible Subordination Events"** (together, **"Class B Subordination Events"**), **"Class C Reversible Subordination Events"**, to **"Class C Non-Reversible Subordination Events"** (together, **"Class C Subordination Events"**).

**"Reversible Subordination Events"** will refer to Class B Reversible Subordination Events and Class C Reversible Subordination Events.

**"Non-Reversible Subordination Events"** will refer to Class B Non-Reversible Subordination Events and Class C Non-Reversible Subordination Events.

(i) Prior to the occurrence of any Subordination Event:

- (1) Redemption of Class A Notes, Class B Notes and Class C Notes will commence on the first Payment Date of the Redemption Period (each one a **"Redemption Payment Date"**).
- (2) Redemption of the principal of the Class A Notes, the Class B Notes and the Class C Notes will be by means of partial redemptions on each of the Redemption Payment Dates for the Principal Amount Available applied, distributed *pro rata* between all these Classes, and according to the Pre-Enforcement Priority of Payments.

(ii) Notwithstanding (iii) and (iv) below, upon occurrence of a Reversible Subordination Event:

- (1) If a Class C Reversible Subordination Event occurs (but not a Class B Reversible Subordination Event)
  - a) Principal Amount Available shall be distributed *pro rata* between Class A Notes and Class B Notes and shall be applied ranking in position (5) of the Pre-Enforcement Priority of Payments until the full nominal of such Classes shall be redeemed.
  - b) Whilst the Class C Reversible Subordination Event is not remedied, only once Class A Notes and Class B Notes shall be redeemed in full Principal Amount Available will be applied to the redemption of Class C Notes according to the Pre-Enforcement Priority of Payments.
  - c) From the Redemption Payment Date in which Class C Reversible Subordination Event is remedied, and meanwhile a Class C Reversible Subordination Event is not occurring, Principal Amount Available will be applied again *pro rata* between Class A Notes, the Class B Notes and the Class C Notes.
- (2) If a Class C Reversible Subordination Event occurs together with a Class B Reversible Subordination Event,
  - a) Principal Amount Available shall be applied in full to redeem Class A Notes ranking in position (5) of the Pre-Enforcement Priority of Payments until the full nominal shall be redeemed.

- b) If Class B Reversible Subordination Event is remedied (but not Class C Reversible Subordination Event), meanwhile a Class B Notes Subordination Event is not occurring it shall apply (1) b) above.
  - c) If Class C Reversible Subordination Event and Class B Reversible Subordination Event are not occurring it shall apply (1) c) above.
- (iii) Upon occurrence of a Class C Non-Reversible Subordination Event (but not a Class B Non-Reversible Subordination Event),
  - (1) Unless and while no Class B Reversible Subordination Event is occurring, Principal Amount Available shall be distributed pro rata between Class A Notes and Class B Notes and shall be applied ranking in position (5) of the Pre-Enforcement Priority of Payments until the full nominal of such Classes shall be redeemed.
  - (2) If and while a Class B Reversible Subordination Event is occurring, Principal Amount Available shall be applied in full to redeem Class A Notes ranking in position (5) of the Pre-Enforcement Priority of Payments until the full nominal shall be redeemed.
- (iv) Upon occurrence of a Class B Non-Reversible Subordination Event, Principal Amount Available shall be applied in full to redeem Class A Notes ranking in position (5) of the Pre-Enforcement Priority of Payments until the full nominal shall be redeemed. Once Class A Notes shall have been redeemed in full, Principal Amount Available shall be applied in full to redeem Class B Notes ranking in the same position (5) of the Pre-Enforcement Priority of Payments until the full nominal shall be redeemed. Once Class B Notes shall have been redeemed in full, Principal Amount Available shall be applied in full to redeem Class C Notes ranking in the same position (5) of the Pre-Enforcement Priority of Payments until the full nominal shall be redeemed.
- (v) In any Redemption Payment Date in which a more senior Class is redeemed in full, any excess of Principal Amount Available shall be applied in that same Payment Date to the redemption of the rest of the Classes with the seniority resulting from the application of the rules (i) to (iv) above.

A “**Class B Reversible Subordination Event**” shall take place on any Payment Date if:

- (i) the Cumulative Default Ratio is greater than 0.5%; or
- (ii) a Redemption Deficit arises and is higher than Outstanding Nominal Balance of Class C Note on the immediately previous Payment Date

A “**Class C Reversible Subordination Event**” shall take place on any Payment Date if:

- (i) the Cumulative Default Ratio is greater than 0.35%; or
- (ii) a Redemption Deficit arises and is higher than zero on the immediately previous Payment Date

The “**Cumulative Default Ratio**” is calculated as follows:  $A/B$ , where

Variable	Meaning
A	Outstanding Nominal Balance of the Receivables that have become Defaulted Receivables in the last 12 Collection Periods prior to any Payment Date.
B	Outstanding Nominal Balance of the non-Defaulted Receivables at the end of the twelfth (12 <sup>th</sup> ) previous Collection Period.



A “**Class B Non-Reversible Subordination Event**” shall take place on any Payment Date in any of the following situations:

- (i) An Early Liquidation Event occurs; or
- (ii) The Initial Weighted Average LTV of the Non-Defaulted Receivables which have not been amortised at the end of the previous Collection Period is greater than 65%; “**Initial Weighted Average LTV**” will be the one calculated among the ratios between the Outstanding Nominal Balance on the Offer Date of each outstanding Receivable and the appraisal value of the property at such moment; or
- (iii) The Weighted Average DTI of the Non-Defaulted Receivables at the end of the previous Collection Period is greater than 40%; “**Weighted Average DTI**” will be the one calculated among the debt to income ratios attributed to each Loan on the Offer Date of each outstanding Receivable; or
- (iv) Concentration on the 10 biggest Main Borrowers from Non-Defaulted Receivables at the end of the previous Collection Period is greater than 6% of the Outstanding Nominal Balance of the Non-Defaulted Receivables; or
- (v) The number of Main Borrowers from Non- Defaulted Receivables at the end of the previous Collection Period is lower than 500; or
- (vi) Outstanding Nominal Balance of the Non-Defaulted Receivables at the end of the previous Collection Period is lower than 5% of the aggregate of the Outstanding Nominal Balance (on their relevant Offer Date) of all the Receivables; or
- (vii) A Redemption Deficit arises and is higher than the sum of Outstanding Nominal Balance of Class B Notes and Class C Notes on the immediately previous Payment Date.

A “**Class C Non-Reversible Subordination Event**” shall take place on any Payment Date in any of the following situations:

- (i) If occurs any of Class B Non-Reversible Subordination Events referred in (i) to (v) (both included) above; or
- (ii) Outstanding Nominal Balance of the Non-Defaulted Receivables at the end of the previous Collection Period is lower than 10% of the sum of the Outstanding Nominal Balances of the Receivables on their relevant Offer Date; or
- (iii) A Redemption Deficit arises and is higher than Outstanding Nominal Balance of Class C Notes on the immediately previous Payment Date.

#### 4.9.3.2. Class Z Notes Redemption.

Redemption of Class Z Notes will take place on any Payment Date during the Redemption Period with the remaining Available Funds after application to the rest of the items that rank senior to it according to Priority of Payments. When applicable the Pre-Enforcement Priority of Payments, remaining Available Resources after item (9) will be used for Class Z Notes redemption, whilst Available Resources after item (8) if Liquidation Priority of Payments was applicable.

#### 4.10. Indication of investor yield and calculation method

The average lifespan, profitability, duration and final maturity of the Notes depend on a variety of factors, with the following being the most significant:

- (i) The calendar and system of repayment of each of the Loans from which the Receivables are derived, according to their corresponding agreements.

- (ii) The capacity of the Borrowers to repay all or part of the Loans from which the Receivables are derived in advance and the rate at which, if applicable, this early repayment takes place on aggregate over the lifespan of the Fund.
- (iii) Defaults by the Borrowers on repayments of the Loans from which the Receivables are derived.
- (iv) The existence of enough Receivables on each Purchase Date making it possible to replace the amounts repaid under existing Receivables.
- (v) The exercise by the Seller of the Clean-up Call Option, and
- (vi) The occurrence of an Early Liquidation Event.

The performance of the Notes for the investor who maintains them until maturity will be established in the corresponding Final Conditions together with the hypotheses and assumptions used for calculating them, including:

- (i) The Issuance Date and Disbursement of the Classes.
- (ii) The assignment of Additional Receivables up to an amount equal to the Issuance of Class A, Class B and Class C Notes net of any amortisation of the assigned Receivables during the Purchase Period will equal the aggregate Issuance of Class A, Class B and Class C Notes until the relevant reference date. Additional Issuance of Class A, Class B and Class C Notes are equal to the ones stated in the relevant Final Conditions. The Purchase of Additional Receivables meets the Eligibility Criteria stated in Clause 2.2.8.2 of the Additional Information.
- (iii) Proportions and amounts issued for each Class of Notes will be the ones included in the Final Conditions.
- (iv) Issuance of Class Z Notes will be for an amount equal to the one needed for maintaining the Reserve Fund at a level which allows the issuance of the Rated Notes to satisfy paragraph (iv) of the Conditions Precedent for the Issuance and Extension of the Notes. For clarification purposes that level will in no case be lower than that corresponding to the Minimum Reserve Fund Level.
- (v) Delinquency and default rates of the Receivables will be that set in the corresponding Final Conditions, which will be consistent with the experienced rates in similar loans by the Seller.
- (vi) Delinquency and default recovery rate of the Receivables will be that set in the corresponding Final Conditions, which will be consistent with the experienced rates in similar loans by the Seller.
- (vii) Available funds shall be distributed according to the Pre-Enforcement Priority of Payments or, when applicable, to the Post-Enforcement Priority of Payments defined in section 3.4.7 of the Additional Information.
- (viii) The prepayment rate used for calculating repayment of the Receivables, is that specified in the corresponding Final Conditions, which will be consistent with the experienced rates in similar loans by the Seller.
- (ix) No event corresponding to the Mandatory Early Liquidation of the Fund is considered.
- (x) Payment of principal and interest on the Notes will take place on each Payment Date and the (i) margin used for each Class of Notes is the one specified in the Initial Final Conditions; and (ii) the reference rate will be the one specified in the relevant Final Conditions and will be considered constant through the life of the issued Notes.

- (xi) The amounts deposited in the Treasury Account will be remunerated at constant rate which will be specified in the corresponding Final Conditions equal to that applicable by virtue of the Paying Agency Agreement on the corresponding Issuance Date. The excess liquidity fee payable by the Fund to the Bank Account Provider shall be equal to 0.50%, according to the described in section 3.4.5 of the Additional Information.
- (xii) No moratoriums are granted by the Seller after the assignment of the Receivables.
- (xiii) The interest rate of the Mortgage Loans used to calculate the repayments and interest on each of the Mortgage Loans is the one applied for each Mortgage Loan on the relevant reference date.
- (xiv) No early termination of the Purchase Period will occur.
- (xv) Subordination Events will be calculated following the described in section 4.9.3 of the Securities Notes and under the assumptions, among others, of delinquency, default and recoveries rates abovementioned and stated in the Final Conditions. The application or not of any Subordination Event will be included in the corresponding Final Conditions.

Data regarding average life of the Notes, duration, internal rate of return and cumulative default ratio will be shown in the relevant Final Conditions, calculated on an Act/365 basis and adjusted in accordance with the Business Day Convention. Issuance price of the Notes will impact in the Internal rate of return for subscribers of such Notes and also will be reflected in the relevant Final Conditions.

The details of the modelling platform appointed for the purposes of providing a cash flow model in compliance with article 22.3 of the Securitisation Regulation in relation to the issue of the Notes will be specified in the applicable Issuing Document (i.e. Final Conditions) prepared in relation to such Notes.

**4.11. Representation of debt security holders including an identification of the organisation representing the investors and provisions applying to such representation. Indication of the website where investors may have free access to the contracts relating to these forms of representation**

Pursuant to Article 26 of Law 5/2015, the Management Company will act with utmost diligence and transparency in defence of the best interests of the Noteholders and the other creditors of the Fund.

Additionally, the “**Meeting of Creditors**” will be established upon and by virtue of the Deed of Incorporation and will remain in force and in effect until repayment of the Notes in full or cancellation of the Fund. The provisions relating to the Meeting of Creditors are contained in the Rules.

The terms and conditions of the rules for the Meeting of Creditors (the “**Rules**” or the “**Rules for the Meeting of Creditors**”) are the following:

**RULES FOR THE MEETING OF CREDITORS**

**TITLE I**

**GENERAL PROVISIONS**

**Article 1**

**General**

- 1.1 According to Article 37 of Law 5/2015, the Meeting of Creditors will be validly constituted upon execution of the Deed of Incorporation of the Fund.

- 1.2 The terms and conditions of these Rules are deemed to form part of each Note issued by the Fund.
- 1.3 The Rules also govern the relationship of the Noteholders with the Subordinated Loan Provider (the **"Other Creditor"**). For the avoidance of doubt, the Subordinated Loan Provider will be considered each as a different class of creditor that shall adopt any decision individually from the other and from the rest of the Classes of Notes. No creditor of the Fund other than the Noteholders and the Other Creditor shall have the right to vote at any Meeting of Creditors, although they will be bound by any resolution adopted by such Meeting according to the Rules. Nevertheless, the Meeting of Creditors will not be entitled to adopt any resolution affecting the rights of any third party which is a service provider to the Fund to receive its remuneration pursuant to a valid agreement entered into the Fund and whose payments rank senior to any payments to be made to the Noteholders or the Other Creditor according to the Priority of Payments.
- 1.4 Any matter relating to the Meeting of Creditors which is not regulated under these Rules shall be regulated in accordance with Article 37 of the Law 5/2015 and, if applicable, in accordance with the provisions contained in the Capital Companies Act, as amended, relating to the Security-holders' Syndicate.
- 1.5 Any and all Noteholders and the Other Creditor are members of the Meeting of Creditors and shall be subject to the provisions established in these Rules (as these may be modified by the Meeting of Creditors from time to time).
- 1.6 The Meeting of Creditors shall be convened by the Management Company and have the objective of defending the interests of the Noteholders and the Other Creditors, without distinction between the Noteholders and the Other Creditor. Any information given to Noteholders must be given to the Other Creditor.

## Article 2

### Definitions

All capitalised terms of these Rules not otherwise defined herein shall have the same meaning set forth in the Prospectus and the Deed of Incorporation.

- **"Early Liquidation Resolution"** means an Extraordinary Resolution to decide on the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015.-
- **"Extraordinary Resolution"** means a resolution in relation to a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.
- **"Ordinary Resolution"** means a resolution in relation to any matter other than a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.
- **"Written Resolution"** means a resolution in writing signed by or on behalf of all Noteholders and the Other Creditor who are then entitled to receive notice of a meeting in accordance with the Rules for the Meeting of Creditors, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders or by or on behalf of one or more of the Other Creditor;
- **"Resolution"** means a resolution passed by the Noteholders or the Other Creditor (i) at a Meeting of Creditors of one or several Classes of Notes and/or the Other Creditor or (ii) by virtue of a Written Resolution.
- **"Transaction Party"** means any person who is a party to a Transaction Document and **"Transaction Parties"** means some or all of them;
- **"Transaction Documents"** means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management, Placement and Subscription Agreement; (iii) the Subordinated Loan for Initial Expenses Agreement; (iv) the Bank Account Agreement; (v) the Paying Agency Agreement; (vi) the Servicing Agreement, and (vii) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

## Article 3

### Separate and combined meetings

- 3.1 An Ordinary Resolution or an Extraordinary Resolution which affects the Noteholders of one or more Classes of Notes and/or the Other Creditor but does not give rise to an actual or potential conflict of interest between the Noteholders of different Classes of Notes and/or the Other Creditor shall be transacted at a separate Meeting of Creditors for the Noteholders of each Class of Notes or the Other Creditor, or at a single Meeting of Creditors of the Noteholders of all Classes of Notes and the Other Creditor, as the Management Company shall determine at its absolute discretion.
- 3.2 An Ordinary Resolution or an Extraordinary Resolution which affects the Noteholders of different Classes of Notes and/or the Other Creditor and gives rise to an actual or potential conflict of interest between the Noteholders of any such Classes of Notes and/or the Other Creditor shall be transacted at separate Meetings of Creditors of the Noteholders of each of the affected Classes of Notes and, if applicable, of the Other Creditor.

## Article 4

### Meetings convened by Noteholders and the Other Creditor

- 4.1 A Meeting of Creditors shall be convened by the Management Company upon the request in writing of:
- (i) Noteholders of a Class or Classes holding no less than 10 per cent of the aggregate Outstanding Principal Balance of Notes of the relevant Class or Classes or
  - (ii) The Other Creditor holding no less than 10 per cent of the outstanding principal amount due to such Other Creditor.
- Noteholders and the Other Creditor can also participate in a Meeting of Creditors convened by the Management Company to consider any matter affecting their interests.
- 4.2 However, unless the Management Company, on behalf of the Fund, has an obligation to take such action under these Rules, the Noteholders and the Other Creditor are not entitled to instruct or direct the Management Company to take any actions without the consent of the Meeting of Creditors.

## TITLE II

### MEETING PROVISIONS

#### Article 5

##### **Convening of Meeting**

- 5.1 The Management Company:
- (i) may, at its discretion and at any time, convene a Meeting of Creditors in relation to one or several Classes of Notes and/or the Other Creditor; and
  - (ii) shall convene a meeting in relation to one or several Classes of Notes and/or the Other Creditor if so instructed by the relevant percentage of Noteholders or the Other Creditor set forth in section 4.1 above.
- 5.2 Whenever the Management Company is about to convene any such meeting, it shall immediately give notice of the date thereof and of the nature of the matters to be transacted thereat, through the publication of a privileged information (*información privilegiada*) or other material event (*información relevante*), as applicable, with the CNMV.
- 5.3 The resources required and the costs incurred for each Meeting of Creditors shall be provided for and borne by the Fund as Extraordinary Expenses.
- 5.4 For each Meeting of Creditors, the Management Company shall designate a representative and, therefore, no commissioner (*comisario*) shall be appointed for any Meeting of Creditors.

#### Article 6

##### **Notice**

- 6.1 The Management Company shall give at least 21 calendar days' notice by means of the procedure established in section 4.3 of the Additional Information (exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the initial Meeting of Creditors (the "**Initial Meeting**") to the Noteholders and the Other Creditor. In any case, the Initial Meeting shall take place in the maximum term of 90 calendar days as from the date in which the notice is given.
- 6.2 Without prejudice to the above, in the event that the relevant quorum for the Initial Meeting is not met, the Management Company may adjourn such Initial Meeting for 10 calendar days ("**Adjourned Meeting**"), within the maximum 90 calendar days' term set forth in section 6.1 above.

#### Article 7

##### **Quorums at Initial Meeting and Adjourned Meetings**

##### Quorums at Initial Meetings:

- 7.1 The quorum at any Initial Meeting for one or several Classes of Notes and/or the Other Creditor convened to vote on an Ordinary Resolution shall be at least one or more persons holding or representing a representing 50.01% of the Outstanding Balance of the Notes of each of the Class or Classes convened.
- 7.2 The quorum at any Initial Meeting for one or several Classes of Notes convened to decide on:
- (i) an Extraordinary Resolution (other than an Early Liquidation Resolution) shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Class or Classes convened;
  - (ii) an Early Liquidation Resolution in accordance with Article 23.2 b) of Law 5/2015, in which case it shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Class or Classes and seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditor.

##### Quorums at Adjourned Meetings:

- 7.3 The quorum at any Adjourned Meeting for one or several Classes of Notes convened to decide on an Ordinary Resolution shall be at least one or more persons being or representing Noteholders of the relevant Class or Classes convened (irrespective of the aggregate Outstanding Balance of the Notes held by the Noteholders of such Class or Classes) .
- 7.4 The quorum at any Adjourned Meeting for one or several Classes of Notes convened to decide on:
- (i) an Extraordinary Resolution (other than an Early Liquidation Resolution) shall be at least one or more persons holding or representing not less than thirty-three per cent (33%) of the Outstanding Balance of the Notes of the relevant Class or Classes convened;
  - (ii) an Early Liquidation Resolution in accordance with Article 23.2 b) of Law 5/2015 shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Class or Classes and seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditor.
- 7.5 There is no minimum quorum of the Other Creditor for a valid quorum of any Initial Meeting or Adjourned Meeting convened to decide on an Ordinary Resolution or an Extraordinary Resolution (other than an Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015, in which case one or more persons holding or representing not less than seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditor shall attend).
- 7.6 For the purposes of calculating the relevant quorum and the required majority, the entitlement of the Noteholders and the Other Creditor to attend the meeting or to vote shall be determined by reference to the Outstanding Principal Balance of the Notes of the relevant Class or Classes or the outstanding principal due to each of the Other Creditor on the immediately preceding Payment Date to the convening of the Meeting.

#### **Article 8**

##### ***Required Majority***

- 8.1 An Ordinary Resolution or an Extraordinary Resolution is validly passed at any Initial Meeting and/or Adjourned Meeting when:
- (i) in respect of an Ordinary Resolution or an Extraordinary Resolution (other than an Early Liquidation Resolution), not less than seventy-five per cent (75%) of the votes cast by the Noteholders of each of the Classes of Notes and/or the Other Creditor attending the meeting have been cast in favour thereof, or
  - (ii) in respect of an Early Liquidation Resolution, not less than seventy-five per cent (75%) of the total outstanding principal held by the Noteholders of each Class and not less than seventy-five per cent (75%) of the total outstanding principal held by the Other Creditor have been cast in favour thereof, also taking into account those not attending the relevant meeting.
- 8.2 For the purposes of calculating the relevant required majority, the voting rights of the Noteholders and the Other Creditor shall be determined by reference to the Outstanding Balance of the Notes of the relevant Class or Classes or the outstanding principal due to the Other Creditor on the immediately preceding Payment Date to the convening of the Meeting.

#### **Article 9**

##### ***Written Resolution***

- 9.1 A Written Resolution in relation to an Ordinary Resolution or an Extraordinary Resolution is validly passed when it has been signed by or on behalf of:
- (i) the Noteholders holding one hundred per cent (100%) of the Outstanding Balance of the Notes of the relevant Class or Classes affected by such resolution; and/or
  - (ii) by and on behalf of the and the Other Creditor holding one hundred per cent (100%) of the outstanding principal held by the Other Creditor.

#### **Article 10**

##### ***Matters requiring an Extraordinary Resolution***

Any Reserved Matter must be approved by an Extraordinary Resolution.

#### **Article 11**

##### ***Reserved Matters***

The following are "**Reserved Matters**":

- (i) to change any date fixed for the payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest due on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes or the Subordinated Loan for Initial Expenses Agreement;
- (ii) to change the currency in which amounts due and payable;
- (iii) to alter the priority of payments;

- (iv) to change the quorum required at any Meeting of Creditors or the majority required to pass an Extraordinary Resolution;
- (v) to authorise the Management Company or (if relevant) any other Transaction Party to take or waive any action which is not expressly regulated under the Deed of Incorporation and other Transaction Documents;
- (vi) to approve the liquidation of the Fund in accordance with Article 23.2.b) of Law 5/2015;
- (vii) to approve any proposal by the Management Company for any relevant modification of the Deed of Incorporation or any arrangement in respect of the obligations of the Fund under or in respect of the Notes;
- (viii) to instruct the Management Company or any other person to do all that may be necessary to give effect to any Extraordinary Resolution;
- (ix) to give any other authorisation or approval which under the Deed of Incorporation or the Notes is required to be given by Extraordinary Resolution;
- (x) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution; and
- (xii) to amend this definition of Reserved Matters.

For the avoidance of doubt, the approval of a Base Rate Modification shall not be considered a Reserved Matter.

## **Article 12**

### ***Relationships between Noteholders and Other Creditor***

- 12.1 Resolutions of the Senior Notes will bind holders of the Class B Notes, the Class C Notes and the Class Z Notes as well as the Other Creditor, save where they relate to a Reserved Matter. However, neither holders of the Class B Notes, Class C Notes, Class Z Notes nor the Other Creditor may bind the Senior Notes.
- 12.2 Resolutions of the Class B Notes will bind holders of the Class C Notes and holders of Class Z Notes as well as the Other Creditor, save where they relate to a Reserved Matter. However, neither holders of the Class C Notes, Class Z Notes nor the Other Creditor may bind the Class B Notes.
- 12.3. Resolutions of the Class C Notes will bind holders of the Class Z as well as the Other Creditor, save where they relate to a Reserved Matter. However, neither holders of the Class Z Notes nor the Other Creditor may bind the Class C Notes.
- 12.4 No Extraordinary Resolution involving a Reserved Matter (other than an Early Liquidation Resolution, which shall be approved in accordance with the rules in Article 8.1 (ii) above) that is passed by the holders of one Class of Notes or the Other Creditor shall be effective unless it is approved by an Extraordinary Resolution of the holders of each of the other Classes of Notes then outstanding.
- 12.4 Any resolution passed at a Meeting of Creditors duly convened and held in accordance with these Rules and the Deed of Incorporation shall be binding upon all Noteholders and the Other Creditor, whether or not present at such meeting and whether or not voting.
- 12.5 In addition, so long as any Notes are outstanding and there is a conflict between the interests of the Noteholders and the Other Creditor, the Management Company shall have regard solely to the interests of the Noteholders in the exercise of its discretion.
- 12.6 The Management Company shall not be obliged to solve any conflict of interest between Noteholders of different Classes of Notes. No challenge or claim may be pursued against the Management Company for any action taken as a result of the implementation of any Ordinary or Extraordinary or Written Resolution duly passed by the Meeting of Creditors according to the Rules, even if it could result in any conflict of interests between Noteholders of the same or different Classes and/or the Other Creditor, and regardless the rights of the conflicted parties to claim to each other.

## **Article 13**

### ***Domicile***

- 13.1 The Meeting of Creditors' domicile is located at the Management Company's registered office, i.e., Príncipe de Vergara 131, 28002 Madrid.
- 13.2 However, the Meeting of Creditors may meet whenever appropriate at any other venue in the city of Madrid, with express specification in the notice of call to meeting.

## **TITLE III**

### **GOVERNING LAW AND JURISDICTION**

## **Article 14**

### **Governing law and jurisdiction**

- 14.1 These Rules and any non-contractual obligations arising therefrom or in connection therewith are governed by, and will be construed in accordance with, the laws of Spain.
- 14.2 All disputes arising out of or in connection with these Rules, including those concerning the validity, interpretation, performance and termination hereof, shall be exclusively settled by the Courts of the city of Madrid.

#### **4.12. Resolutions, authorisations and approvals by virtue of which the securities are created and/or issued**

##### **4.12.1. Company resolutions:**

Resolutions to create the Fund, acquire the Receivables, subscribe the MTs and issue the Notes:

##### **(i) Resolution of the Management Company**

By virtue of the mandate received by the Seller, which was confirmed by a resolution of its board of directors, the Management Company, through its board of directors, agreed at its meeting held on 15 April 2021:

- (1) To incorporate the Fund.
- (2) To subscribe the MTs representing the Receivables arising from the Mortgage Loans to be pooled in the Fund.
- (3) To issue Notes under the Fund while respecting the Fund Maximum Issuance Amount.
- (4) To appoint EY as an Auditor of the Fund.

##### **(ii) Resolution of the Seller.**

The board of directors of the Seller, at a meeting held on 21 May 2021, approved to assign the Mortgage Loans, by means of the issue, one or several times, of the MTs representing the Receivables arising from the Mortgage Loans and their subscription / acquisition by the Fund. Such resolution was complemented under a resolution of the board of directors of the Seller, at a meeting held on 12 July 2021.

##### **4.12.2. Registration by the CNMV:**

The incorporation of the Fund and the registration of the Programme is subject to the prior filing of a prospectus and other required documentation at the official registries of the CNMV in accordance with the terms of article 22.1.d) Act 5/2015.

The Prospectus of the Fund was recorded in the official registries of the CNMV on 13 January 2022. By virtue of the Prospectus of the Fund, the Programme would have a term of one (1) year as of the date of filing at the CNMV.

##### **4.12.3. Registration of Prospectus updates**

This Programme will have a term of one (1) year as of the registration date of this Prospectus, notwithstanding the registration of any supplements necessary during the term of the Programme pursuant to article 22 of Royal Decree 1310/2005.

##### **4.12.4. Execution of the public deed of incorporation of the Fund:**



Once the CNMV has registered the Prospectus prior to the incorporation of the Fund, the Management Company and the Seller will execute the Deed of Incorporation of the Fund on the Date of Incorporation.

The Management Company represents that the contents of the Deed of Incorporation will be consistent with the draft of the Deed of Incorporation delivered to the CNMV, and in no case will the terms of the Deed of Incorporation contradict, modify, alter or invalidate the rules set forth in this Prospectus.

The Management Company will submit:

- (i) a PDF copy of the Deed of Incorporation to the CNMV for filing with the official registers, and
- (ii) a copy of the Deed of Incorporation to Iberclear.

#### **4.12.5. Final conditions:**

The Issuances will be implemented by means of the respective Final Conditions that will be filed with IBERCLEAR and AIAF prior to the Disbursement Date of the corresponding Issue. A copy of the Final Conditions will be sent to IBERCLEAR and AIAF for its inclusion in the public registers and to CNMV for its admission to listing.

#### **4.13. The issue date of the securities**

“**Issuance Date**”, means the Issuance Date of a Note that will coincide with the date of execution of the Issuance document consisting of the Final Conditions as appropriate. This date will be the fifth (5th) Business Day prior to the relevant Disbursement Date. The Issuance Date for the Initial Issuance will be the 14 January 2022.

“**Disbursement Date**”, means the date according to section 4.13.4 of the Securities Note.

The Issue, Subscription and Disbursement Dates of each Issuance carried out in the Issuance Period will be specified in the corresponding Final Conditions.

#### **4.13.1. Collective of potential investors**

The subscription of the Notes implies, for each Noteholder, the knowledge, understanding and acceptance of the terms of the Deed of Incorporation, this Prospectus and the Final Conditions.

The issue of Notes is directed at qualified investors, as this term is defined in article 39 of Royal Decree 1310/2005, of 4 November, which partially implements the Securities Market Act in relation to the admission to trading on official secondary markets, of public offerings for sale or subscription and of the prospectus required to that end or to equivalent categories of investors under the legislation that applies. The conditions set forth each Class do not constitute an estimation of the prices at which the Notes may be sold in the secondary market or of the valuations that may potentially be carried out on the Eurosystem.

#### **4.13.2. Subscription period**

The Subscription Period for each of the Issuances will be determined in the corresponding Final Conditions.

#### **4.13.3. Where and with whom can subscription be processed**

Requests to subscribe the Notes will be presented during the Subscription Period through the placement and underwriting entities, in accordance with the procedures established in the following sections, and according to section 4.2.5 of the Securities Note above.

#### **4.13.4. Disbursement form and date**

A Disbursement Date will be any of the following:

- (i) Disbursement Date of the Initial Issuance will be 20 January 2022 (the "**Initial Disbursement Date**"). All Class of Notes will be subscribed at par.
- (ii) Disbursement as Date of Additional Issuances will coincide with a Payment Date of the Issuance Period (the "**Additional Disbursement Dates**"). Additional Notes may be issued at par, below par or over par as set out in the relevant Final Conditions.

The Noteholders (and, if applicable, the Seller with respect to the Additional Notes not placed amongst investors by the Lead Managers) must pay the issue price of each Note on the Disbursement Date, for value that same day, into the Treasury Account.

#### **4.13.5. Subscription of Securities. Arrangers, managers and underwriters.**

The Management Company, on behalf of the Fund, will enter into a Management and Subscription Agreement on the Date of Incorporation with Andbank as the Seller (and the Subscriber when applicable), the Lead Managers and the Sole Arranger.

For any Additional Issuance, the Sole Arranger may appoint more arrangers, managers or underwriters in relation to each of the Classes. These entities will have the minimum capacities necessary to perform the functions entrusted to them, in particular the ability to disburse the Notes on the corresponding Disbursement Date, in accordance with the terms of the Management and Subscription Agreement and the Final Conditions.

The Sole Arranger, managers and/or underwriters undertake to supply to the Management Company, CNMV, IBERCLEAR or the Governing Body of AIAF, Mercado de Renta Fija, on the same day as the Disbursement Date or within the timeframe they set, the information on the subscription that is necessary for the purpose of making the corresponding recordings in the Book-Entry Register and for the admission of the Notes to trading on AIAF, Mercado de Renta Fija.

The Sole Arranger, managers and/or underwriters will, in relation to the other aspects regulated, assume the obligations contained in the respective Management and Subscription Agreement.

#### **4.14. Restrictions on free transferability of securities**

The Notes may be freely transferred by any means permitted by law and in accordance with the rules of AIAF or the equivalent regulated secondary market it is replaced. The ownership of each Note will be transferred by means of book transfers. The recording of the transfer in favour of the acquirer in the book-entry register will have the same effect as the handover of the instruments and as of that moment the transfer will be valid vis-à-vis third parties. In this regard, third parties acquiring the Notes represented by book-entries for a consideration from a person who, according to the book-entry register, appears as entitled to transfer them, will not be the subject of claims, unless the acquisition involved bad faith or serious negligence in accordance with article 13 of Royal Decree 878/2015.

#### **4.15. If different from the Issuer, identity and contact data of the securities offeror and/or person applying for admission of securities to trading**

Not applicable.

## 5. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

### 5.1. **An indication of the regulated market, or other third country market, SME, Growth Market or MTF where the securities will be traded and for which a prospectus has been published**

In accordance with Act 5/2015, the Management Company will use its best endeavours to have the Notes of each Issuance listed for trading on the AIAF Market, and organised, official secondary securities market, created by the ASSOCIATION OF INTERMEDIARIES OF FINANCIAL ASSETS (ASOCIACIÓN DE INTERMEDIARIOS DE ACTIVOS FINANCIEROS), within a term not exceeding thirty (30) calendar days as of the corresponding Disbursement Date established in the Final Conditions.

The Management Company expressly states for the record that it is aware of the requirements and conditions that apply to admission, remaining and de-listing of securities on AIAF according to the legislation in force and the requirements of its governing body, and the Management Company, on behalf of the Fund, agrees to comply with the same.

In the event of a failure to comply with the timeframe for the admission of the Notes for trading, the Management Company will immediately notify the Noteholders of the fact and of the causes that led to such non-compliance, by publication in the AIAF bulletin. This is all notwithstanding the potential contractual liability of the Management Company if the non-compliance is for reasons attributable to it.

Moreover, the Management Company will request the inclusion of the Notes in the book-entry register kept by IBERCLEAR so that the compensation and settlement of the same is carried out in accordance with the rules governing securities listed for trading on AIAF and represented by book-entries as established or approved by IBERCLEAR in the future.

### 5.2. **Paying Agent and Depository institutions**

#### 5.2.1. **Paying Agent**

The Management Company, on behalf of the Fund, will appoint Banco Santander S.A. ("**Banco Santander**") as Paying Agent.

The Management Company in the name and on behalf of the Fund, shall enter a paying agency agreement with Banco Santander (the "**Paying Agency Agreement**") to service the issue of the Notes, the most significant terms of which are giving in section 3.4.8.1 of the Additional Information. Payment of interest and redemptions will be announced using generally accepted market channels (AIAF and IBERCLEAR) that guarantee appropriate dissemination of the information, in time and form.

The notification dates for the payments to be made by the Fund on each Payment Date will be the second Business Day prior to each Payment Date. The periodic information to be provided by the Fund is described in section 4.1 of the Additional Information.

#### 5.2.2. **Depository Institutions**

Not applicable.

## 6. EXPENSES OF THE ADMISSION TO TRADING

### 6.1. **An estimate of the total expenses related to the admission to trading**

The expected expenses deriving from setting up the Fund amount to € 290,000.00. These expenses include, *inter alia*, the registration of the prospectus with the CNMV, AIAF and Iberclear, Management Company, Third-Party Verification Agent and notarial services (the “Initial Expenses”).

The expenses incurred by the Fund in relation to each Additional Issuance, will be borne by the Issuer and will be paid pursuant to the Priority of Payments described in section 3.4.7.2.

## 7. **ADDITIONAL INFORMATION**

### 7.1. **Statement of the capacity in which the advisors have acted**

Cuatrecasas participates as legal advisor with respect to the structure of the transaction, has reviewed the legal regime and tax rules applicable to the Fund set forth in section 4.5.4 of the Registration Document in its capacity as an independent third party, and shall issue the legal opinion required under article 20.1 of the EU Securitisation Regulation. The Issuer does not expect to obtain further legal opinions unless an amendment to the structure or a regulatory change will require such.

PCS has been designated as the Third-Party Verification Agent (STS) and shall prepare the PCS Assessment at closing. No further assessment is expected unless required by regulations in force.

EY has issued a Special Securitisation Report on the Preliminary Portfolio for the purposes of complying with the provisions of article 22 of the EU Securitisation Regulation, on the fulfilment of the Eligibility Criteria set forth in section 2.2.8.2 of the Additional Information. No other reports different to the ones mentioned in section 4.2 of the Additional Information are expected unless required by regulations in force.

In addition, EY has verified the accuracy of the data disclosed in the stratification tables included in section 2.2.2.4 of the Additional Information, the compliance of the underlying exposures in the provisional portfolio with the eligibility criteria described on the Prospectus that are able to be tested prior to the issuance and the CPR tables to be included in the relevant Final Conditions, under the hypothesis stated in section 4.10 of the Securities Notes. No further reports are expected unless required by regulations in force.

### 7.2. **An indication of other information in the Securities Note which has been audited or reviewed by auditors and where auditors have produced a report.**

Not applicable.

### 7.3. **Credit ratings assigned to the securities at the request or with the cooperation of the issuer in the rating process. A brief explanation of the meaning of the ratings if this has previously been published by the rating provider**

#### 7.3.1. **Ratings**

As described in section 4.1.6 of the Securities Note, the execution of an Additional Issuance requires that the rating of the Class A Notes, Class B Notes or Class C Notes, outstanding prior to such issuance shall not be affected. Class A Notes, Class B Notes and Class C Notes have been rated by the Rating Agencies and will be rated at any moment by at least two credit rating agencies.

Class Z Notes have not been rated.

The preliminary ratings for each Class will be specified in the relevant Final Conditions and will be confirmed as final or on before the disbursement of the corresponding Issuance. If, prior to disbursement, the Rating Agencies of the Issuance fail to confirm the preliminary ratings assigned to a Class as final, the CNMV will be immediately notified of this circumstance and it will be made public in the manner envisaged in section 4 of the Additional Information. Moreover, this circumstance would give rise to cancelation of such Additional Issuance, and the subscribers of the Notes will be released of their disbursement obligations. For avoidance of doubt, prescriptions on section 4.4.5 of the Registration Document will only be applicable to the Initial Issuance of the Notes.

### 7.3.2. Rating considerations

The meaning of the ratings granted by the Rating Agencies can be consulted on the websites of the agencies, namely, [www.dbrs.com](http://www.dbrs.com), and [www.moodys.com](http://www.moodys.com).

The ratings assigned by the Rating Agencies do not constitute an evaluation of the likelihood of Borrowers prepaying principal, nor indeed of the extent to which such payments differ from what was originally forecast and should not prevent potential investors from conducting their own analysis of the Notes to be acquired. The ratings are not by any means a rating of the level of actuarial performance.

The Rating Agencies may revise, suspend or withdraw the final ratings assigned at any time, based on any information that may come to their notice. Those events, which shall not constitute early liquidation events of the Fund, shall forthwith be notified to both the CNMV and the Noteholders, in accordance with the provisions of section 4.1 of the Additional Information.

### 7.3.3. Registration of Rating Agencies

- (i) As of 31 October 2011, Moody's is registered and authorised by the ESMA as European Union Credit Rating Agencies in accordance with the provisions of Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended, the "**CRA Regulation**").
- (ii) As of 14 December 2018, DBRS is registered and authorised by ESMA as European Union Credit Rating Agency in accordance with the provisions of CRA Regulation.

### 7.3.4. DBRS®

The DBRS® long-term rating scale provide an opinion on the risk of default. That is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligations has been issued. All rating categories other than AAA and D also contain subcategories "(high)" and "(low)". The absence of either a "(high)" and "(low)" designation indicates the rating is in middle of the category. Descriptions on the meaning of each individual relevant rating is as follows:

- (i) **AAA (sf)**: Highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.
- (ii) **AA (sf)**: Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significant vulnerable to future events.
- (iii) **A (sf)**: Good Credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.

- (iv) **BBB (sf)**: Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.
- (v) **BB (sf)**: Speculative, non-investment-grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.
- (vi) **B (sf)**: Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.
- (vii) **CCC / CC / C (sf)**: Very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although CC and C ratings are normally applied to obligations that are seen as highly likely to default, or subordinated to obligations rated in the CCC to B range. Obligations in respect of which default has not technically taken place but is considered inevitable may be rated in the C category.
- (viii) **D (sf)**: When the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods, a downgrade to D may occur. DBRS® may also use SD (*Selective Default*) in cases where only some securities are impacted, such as the case of a “distressed exchange”. See Default Definition for more information.

### 7.3.5. **Moody's**

Moody's *Global Long-Term Rating Scale* appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

- (i) **Aaa (sf)**: Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
- (ii) **Aa (sf)**: Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
- (iii) **A (sf)**: Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.
- (iv) **Baa (sf)**: Obligations rated Ba are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
- (v) **Ba (sf)**: Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.
- (vi) **B (sf)**: Obligations rated B are considered speculative and are subject to high credit risk.
- (vii) **Caa (sf)**: Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.
- (viii) **Ca (sf)**: Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
- (ix) **C (sf)**: Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

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**ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION TO ASSET-BACKED SECURITIES**

(Annex 19 of the Prospectus Delegated Regulation)

**1. THE SECURITIES****1.1. A statement that a notification has been, or is intended to be communicated to ESMA, as regards simple, transparent and standardised securitisation ('STS') compliance, where applicable**

The securitisation transaction described in this Prospectus is intended to qualify as a simple, transparent and standardised securitisation (STS securitisation) within the meaning of article 18 of the EU Securitisation Regulation. Consequently, Andbank, as Originator, will submit on or about the Date of Incorporation (and in any case within 15 days from the Date of Incorporation), a STS notification to ESMA in accordance with article 27 of the EU Securitisation Regulation (the "**STS Notification**"), pursuant to which compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation shall be notified to ESMA with the intention that the securitisation transaction described in this Prospectus is included in the list administered by ESMA within the meaning of article 27(5) of the EU Securitisation Regulation. The Management Company, by virtue of a delegation by the Originator, shall notify the CNMV -in its capacity as competent authority- of the submission of such mandatory STS Notification to ESMA, attaching said notification. Such notification will be made once on the above-mentioned date for the Initial Issuance. For the Additional Issuances, taking into account these will be made according to the terms contained in this Prospectus, it will not be needed additional notifications and the Originator considers they will continue to meet the requirements of articles 19 to 22 of the EU Securitisation Regulation. If at any moment those requirements are not met, the Originator will notify so according to the EU Securitisation Regulations

Please refer to: <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>

**1.2. STS compliance**

None of the Management Company, on behalf of the Fund, the Seller (in its capacity as Originator), the Sole Arranger, the Lead Managers, or any other party to the Transaction Documents gives any explicit or implied representation or warranty as to (i) the inclusion of this securitisation transaction in the list administered by ESMA within the meaning of article 27(5) of the EU Securitisation Regulation, and (ii) that this securitisation transaction shall 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 notification to ESMA. Investors should conduct their own research regarding the status of the STS Notification on the ESMA website (<https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>).

The Seller, as Originator, shall be responsible for the fulfilment of the requirements of articles 19 to 22 of the EU Securitisation Regulation and shall immediately notify ESMA and inform its competent authority when the transaction no longer meets the requirements of article 19 to 22 of the EU Securitisation Regulation.

The Seller, as Originator, has used the service of PCS, as a Third-Party Verification Agent (STS) in connection with an assessment of the compliance with the requirements of articles

19 to 22 of the EU Securitisation Regulation (the STS Verification). It is expected that the STS Verification prepared by PCS:

- (i) will be issued on or prior to the Date of Incorporation of the Fund, and
- (ii) will be available for investors on the PCS website (<https://pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at <https://pcsmarket.org/sts-disclaimer/>.

The STS Verification is not a recommendation to buy, sell or hold securities, is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and are 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, the "Exchange Act"). PCS is not an "expert" as defined in the Securities Act.

It is expected that the STS Verification prepared by PCS, together with detailed explanations of its scope, will be available on the website of such agent (<https://pcsmarket.org/sts-verification-transactions/>).

There can be no assurance that the securitisation transaction described in this Prospectus will receive the STS Verification (either before the Initial Issuance or at any time thereafter) and if the securitisation transaction described in this Prospectus does not receive the STS Verification, this shall not, under any circumstances, affect the liability of the Originator and the Fund in respect of its 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.

Investors should conduct their own research regarding the nature of the STS Verification and must read the information available in [www.pcsmarket.org](http://www.pcsmarket.org). In the provision of STS Verification, PCS bases its decision on information provided directly and indirectly by the Originator. For the avoidance of doubt, the PCS website and the contents thereof do not form part of this Prospectus.

### **1.3. The minimum denomination of an issuance**

The aggregate Notes Outstanding Nominal Balance during the Issuance Period will not exceed the Fund Maximum Issuance Amount at any time, i.e., the figure of THREE HUNDRED AND THIRTEEN MILLION FIVE HUNDRED THOUSAND EUROS (€ 313,500,000).

### **1.4. Confirmation that the information relating to an undertaking/obligor not involved in the issue has been accurately reproduced from the information published by the undertaking/obligor**

Not applicable.

## **2. UNDERLYING ASSETS**

### **2.1. Confirmation that the securitised assets backing the issue have characteristics that demonstrate the capacity to produce funds to service any payments due and payable on the securities**

The Management Company considers, based on the information provided by all participants, and making reasonable assumptions arising from it, that the flows of principal and interest generated by the Loans securitised will make possible, pursuant to the agreement characteristics and commensurate to the different levels of risk, seniority and rating, to cover the payments owed and payable derived from the Notes issued.



Nevertheless, in order to cover possible payment defaults by the Borrowers of the securitised assets, a series of credit enhancements have been envisaged that make it possible cover the amounts payable on the Notes to differing degrees. Even so, in exceptional situations, these credit enhancements could be insufficient. The credit enhancements are described in section 3.4.2 of the Additional Information.

As described in section 7.3 of the Securities Note, the Rating Agencies may assign different ratings to each Class of Notes reflecting the differing degree of risk of default associated to them.

In the event any of the scenarios envisaged in section 4.4.3 of the Registration Document arises, the Management Company may carry out the Early Liquidation of the Fund and the early redemption of the Notes in the terms envisaged in said section.

## 2.2. **Assets backing the issue**

### Mortgage Loans

The Fund will pool in its assets certain Receivables arising from mortgage loans (the “**Mortgage Loans**” or the “**Loans**”) granted by the Seller to individuals resident in Spain or Spanish nationals (the “**Borrowers**”) for the acquisition, construction or refurbishment of finished residences in Spain. Subject to the Eligibility Criteria described in Clause 2.2.8.2.B)(iv) of the Additional Information there may be some residual loans granted to Borrowers non-resident in Spain and with no Spanish nationality

None of the Mortgage Loans have been granted to real estate developers. All Mortgage Loans are secured with finished residences.

The Mortgage Loans shall bear a floating interest rate, that will reset each year.

### Form of assignment of the Receivables

The assignment of the Receivables will be implemented by means of the issue by the Seller and the subscription/acquisition by the Fund of the following mortgage titles (“**Mortgage Titles**” or “**MTs**”):

- (i) mortgage transfer certificates (*certificados de transmisión de hipoteca*) (the “**Mortgage Transfer Certificates**” or “**MTCs**”), with respect to those underlying Mortgage Loans that do not meet all the requirements set forth in Mortgage Market Law and Chapter II of Royal Decree 716/2009 (as from 8 July 2022, with respect to those underlying Mortgage Loans that do not meet all the requirements set forth in article 23 of Royal Decree-Law 24/2021), and
- (ii) mortgage participations (*participaciones hipotecarias*) (the “**Mortgage Participations**” or “**MPs**”), with respect to those underlying Mortgage Loans that meet all the requirements set forth in the Mortgage Market Law and chapter II of Royal Decree 716/2009 (as from 8 July 2022, with respect to those underlying Mortgage Loans that meet all the requirements set forth in article 23 of Royal Decree-Law 24/2021).

On the Date of Incorporation, the Originator will issue and the Fund will subscribe the MPs derived from the Loans that comprise the Preliminary Portfolio, in the terms contained in section 3.3.1(i) of the Additional Information, with a distribution that is as close as possible to that of the Preliminary Portfolio (the “**Initial Receivables**”).

During the Purchase Period (until the End Date of the Purchase Period), the Fund will acquire the Receivables derived from the new Loans (“**Additional Receivables**”) and will subscribe

the relevant MTs (MPs or MTCs) derived from such new Loans in the terms contained in section 3.3.1(ii) of the Additional Information.

The Receivables are linked to the payments made by the Borrowers, and are therefore directly affected by the evolution, delays, advances or any other incident related to them.

#### Maximum Amount of Receivables

The maximum amount of the Outstanding Nominal Balance of the Receivables pooled in the Fund will be equal to or slightly lower than THREE HUNDRED MILLION EUROS (€ 300,000,000.00) (the “**Maximum Receivables Amount**”), equivalent to the nominal value of the issue of the Class A Notes, the Class B Notes, and the Class C Notes.

### **2.2.1. Legal jurisdiction governing the group of assets to be securitised**

The Receivables are governed by the laws of Spain as well as by the laws, if any, at any regional level.

The laws applicable all over Spain include, without limitation, the following:

- (i) the current text of Law 1/2013, of 14 May, on measures to strengthen the protections for mortgage debtors, debt restructuring and social rent (“**Law 1/2013**”), as amended by Law 25/2015, of 28 July, on the second-chance mechanism, reduction of financial burden and other social measures (“**Law 25/2015**”) as amended by Royal Decree-law 5/2017 of 17 March, and Royal Decree-law 6/2020, of March,
- (ii) Law 5/2019 of 15 March regulating real estate credit agreements (“**Law 5/2019**”),
- (iii) Regional laws, and
- (iv) Particular COVID-19 legislative acts.

The above-mentioned applicable legal provisions are further explained below:

#### **2.2.1.1. Law 1/2013**

Law 1/2013 establishes special provisions for consumers considered to be under the risk of social exclusion, such as, setting out that evictions from the main house of the mortgage debtors at risk of social exclusion which the creditor has adjudicated in the context of a judicial or extra-judicial mortgage enforcement will be delayed up to four years. Besides, Law 1/2013 (i) limit the applicable maximum default interest rate (which shall not be higher than three times the legal interest rate and accrue over the outstanding principal of the loan) and (ii) foresee potential prolonged periods for foreclosure proceedings, whether in court or out-of-court (in particular, in order for a lender to accelerate a loan in full, the Borrower must have generally failed to pay at least three (3) monthly instalments or equivalent), which in the end could cause a delay in the collection of the Receivables transferred to the Fund and/or obtaining lower amounts.

#### **2.2.1.2. Law 5/2019**

Law 5/2019, which was published in the Spanish Official Gazette (BOE) on 16 March 2019 and entered into force on 16 June 2019 implements in Spain Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property. This said, Law 5/2019 goes beyond this Directive and extends the scope of application to any natural person acting as Borrower, surety or guarantor, regardless of whether he or she is a consumer or not. Law 5/2019 also regulates aspects not provided for in the Directive, such as the distribution of expenses associated with the contracting of loans or the regulation of lenders' early termination rights.

In accordance with its first transitory provision, it applies to loan agreements entered into after its entry into force, unless those agreements are amended or subject to subrogation after its entry into force (i.e. 16 June 2019). Subrogation also comprises the subrogation of the debtor due to the transfer of the mortgaged property (sixth additional provision). It also foresees retroactive application of the new rules on early termination and the exercise of the debtor's right to early repayment in certain cases.

Some of the most relevant provisions of Law 5/2019 are summarized below:

(i) Early termination of mortgage loan agreements:

The lenders' right to early termination will depend on the number of unpaid loan instalments already due and payable and on the dates throughout the life of the loan in which the payment default occurs:

- (1) If the default occurs during the first half of the term of the loan, early termination is only allowed after a default equivalent to 3 per cent of the total commitments undrawn under the loan agreement. Such percentage shall be deemed unpaid if there are 12 outstanding monthly instalments or of a number of instalments that means that the debtor has failed to repay an amount at least equivalent to a 12-month period.
- (2) If the default occurs during the second half of the term of the loan, early termination is only allowed after a default equal to 7 per cent of the total commitments undrawn under the loan agreement. This requirement shall be deemed met if there are 15 outstanding monthly instalments or of a number of instalments that means that the debtor has failed to repay an amount at least equivalent to a 15-month period.

In addition, for the lenders to terminate a loan early, Law 5/2019 requires that the lender, when demanding payment, grants the borrower one month to fulfil his or her obligations and flags that the lack of payment in that timeframe will imply that full repayment of the loan shall be claimed.

(ii) Early repayment:

As a rule, the lender must not charge any (full or partial) early repayment fee on loans, other than with certain exceptions.

(iii) Default interest:

Law 5/2019 provides that in loans or credit facilities concluded by individuals and backed by a mortgage on real estate properties for residential use, default interest will be calculated in any case by adding three percentage points to the ordinary interest. This rule does not admit agreement to the contrary.

#### 2.2.1.3. Regional laws

In addition to the above, certain Spanish autonomous communities, such as Catalonia have developed protective measures that may be applicable at a regional level. Some of these measures may impact on mortgagees or on foreclosure proceedings.

In particular, in Catalonia, the above laws are complemented, among others, by Catalan Law 11/2020, of 18 September, on urgent measures to contain income in housing leases in Catalonia ("**Law 11/2020**") which tackle the problem of rents increases by capping rental prices in areas which have experienced sustained rental increases above the average of Catalan territory or the increase in the demand outstrips the availability of affordable

housing or if the rent increases have significantly risen above the reference index rent pricing of the relevant area.

Additionally, in Catalonia there are several provisions in force that could affect the Mortgage Loans with Receivables that are assigned to the Fund through MTs and secured with a mortgage over a property located in Catalonia.

Amongst others, these measures in Catalonia include (i) the extrajudicial procedure to resolve over indebtedness situations and measures in relation to housing owned by securitization funds aimed at avoiding evictions that could lead to a situation of homelessness for persons or family units that lack an alternative housing option and are at risk of residential exclusion, provided for in Law 24/2015; (ii) the pre-emption and withdrawal rights in favour of the Government of Catalonia (Generalitat de Catalunya) in relation to the transfer of certain properties acquired in a foreclosure proceeding established in Decree-Law 1/2015; and (iii) the obligation provided for in Catalan Law 4/2016 imposing on some types of lenders, prior to a number of conditions affecting mortgaged residential property taking place –including the acquisition by means of compensation agreements, the friendly repossession (dación en pago), the execution of the sales agreement, or filing an enforcement proceeding— to grant a subsidized rental lease for a minimum duration of time to certain vulnerable borrowers.

#### 2.2.1.4. Past COVID-19 Moratoriums

##### Covid-19 Legal Moratoriums

In order to tackle the Covid-19 crisis, measures under the moratorium established under Royal Decree-Law 11/2020 implied, for persons that provide evidence of circumstances of economic vulnerability: (i) a temporary suspension of the contractual obligations under the relevant loan or credit (i.e. while the moratorium is in force, no principal or interests must be paid under the relevant loan or credit and no interests (either ordinary or default interests) shall be accrued); (ii) an extension of the final maturity of these loans or credits equivalent to the duration of the moratorium (therefore, instalments affected by the moratorium shall not be payable upon the end of the three-month suspension and the remaining instalments must be postponed on the same duration of the moratorium); and (iii) personal guarantors in circumstances of economic vulnerability due to the Covid-19 crisis can benefit from the moratorium, being entitled to request lenders to pursue and exhaust the main debtors' assets before claiming the secured debt from them, even in those cases where the relevant guarantor or security provider has expressly waived the excussion benefit (beneficio de excusión) foreseen in Spanish Civil Code. Additional extensions and measures were adopted during the year 2020. The deadline for the submissions of requests for these moratoriums already expired on 30 March 2021.

Hereinafter, the above-mentioned moratoriums foreseen in Royal Decree-Law 11/2020 (as amended or complemented by, among others, Royal Decree-Law 26/2020 and Royal Decree-Law 3/2021), together with any future measures (i.e., settlement, suspension of payments, rescheduling of the amortisation plan or other contractual amendments resulting from or arising from mandatory provisions of law or regulation granted in connection with measures in force to tackle the effects of the Covid-19) will be referred to as the “**Covid-19 Legal Moratoriums**”.

##### Covid-19 Contractual Moratoriums

In addition to Covid-19 Legal Moratoriums, any party to a loan agreement -and not only those in circumstances of economic vulnerability- could request an additional voluntary moratorium provided that the lender adhered to the provisions of an industry-wide decision that were in line with the guidelines published by the EBA on 2 April 2020, which recognised voluntary moratoriums or deferment of payments arising from credit transactions, when they result from, among others, the agreement of an industry-wide association. Such non-legislative moratorium could be requested until 30 September 2020 and, among other options, implied a temporary suspension of the contractual obligations relating to principal repayment and

interest payments. Additional guidelines were published by the EBA on 2 December 2020 (EBA/GL/2020/15) and, in line with the latter guidelines, AEB issued an addendum to the industry-wide decision establishing extensions and additional measures.

The Seller did not adhere to the industry-wide decision sponsored by AEB (ASOCIACIÓN ESPAÑOLA DE BANCA) on 16 April 2020 (as amended from time to time, the **"AEB Industry-wide Decision"**) on the deferment of financing transactions for clients affected by Covid-19.

Hereinafter, such voluntary moratoriums or deferment of payments, together with any future measures (decisions or recommendations of public authorities or conventions, arrangements or recommendations of institutional or industry associations granted in connection with measures in force to tackle the effects of the Covid-19), will be referred to as the **"Covid-19 Contractual Moratoriums"**.

Hereinafter, the Covid-19 Contractual Moratoriums and the Covid-19 Legal Moratoriums will be referred to as the **"Covid-19 Moratoriums"**.

For clarification purposes, and in accordance with the representation given by the Seller under section 2.2.8.1(ii) (39) of the Additional Information, no Receivables assigned to the Fund shall be affected by Covid-19 Moratoriums at the time of their assignment to the Fund.

Notwithstanding the above, it cannot be discarded that a number of Borrowers (and eventually their guarantors) may adhere to a Covid-19 Legal Moratorium in the event that those measures are adopted at some point in time after the Date of Incorporation or if similar measures are put in place. This could imply a temporary reduction and/or postponement of cash flows under the Mortgage Loans and, ultimately, the Available Funds to pay the amounts due under the Notes and the consequent increase of the average yield, duration and final maturity of the Notes.

## **2.2.2. General characteristics of the Borrowers, the Receivables and the economic environment, as well as any global statistical data referred to the securitised assets**

### **2.2.2.1. Borrowers**

Each Mortgage Loan has been granted to a Borrower which is an individual resident in Spain or Spanish national. Subject to the Eligibility Criteria described in Clause 2.2.8.2.B)(iv) of the Additional Information there may be some residual loans granted to Borrowers non-resident in Spain and with no Spanish nationality.

### **2.2.2.2. Mortgage Loans**

The Mortgage Loans:

- (i) are backed by first-ranking mortgages over the relevant properties, with the exception of those where there is a prior ranking mortgage registered with the relevant Land Registry and the mortgage loan which they secure has been repaid but the relevant entry is still pending cancellation in the relevant Land Registry;
- (ii) have no grace period (neither for principal nor for interest); and
- (iii) are based on monthly instalments (principal and interest) and on the French amortisation system.
- (iv) have not been granted to real estate developers. All Mortgage Loans are secured with finished residences.
- (v) are granted for the financing of the acquisition, construction or refurbishing of a residence.

- (vi) Some of them can benefit from additional guarantees different to the mortgage over a property. No information regarding such additional guarantees has been disclosed. Such additional guarantees can be both personal, guarantees granted by third parties, or in rem securities (including any type of pledges), which may not be recordable in any public registry.

Several stratified analysis charts of the Mortgage Loan portfolio are included in this section (2.2.2.) and the following sections (up to 2.2.6.). All these charts were prepared with data as of 14 December 2021.

#### 2.2.2.3. Audit of the Receivables

EY has reviewed a sample of 461 loans from the Preliminary Portfolio from which the Receivables shall be selected. The results, applying a confidence level of 99%, are set out in a special report prepared by EY.

EY has also performed agreed upon procedures in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate and has verified the compliance of the underlying exposures in the provisional portfolio with the eligibility criteria described on the Prospectus that are able to be tested prior to the issuance.

An equivalent review to the one described in the first paragraph of this section on of the Additional Receivables will be performed by EY or by any other audit firm appointed by the Management Company on any pool of Mortgage Loans to be purchased during the Purchase Period. According to criteria set forth in the final report on the «Guidelines of the STS criteria for non-ABCP securitisations» (EBA/GL/2018/09, 12 December 2018), paragraph Q.9, section 22(2), the data verified by such audit firm will not be dated more than one year before the relevant Purchase Date. The Issuer will bear the cost of such review.

None of the Fund, the Management Company, the Sole Arranger, the Paying Agent or any other party to the Transaction Documents other than the Seller has undertaken or will undertake any investigation, search or other action to verify the details of the Receivables and the Mortgage Loan agreements or to assess the creditworthiness of the Borrowers. Notwithstanding the fact that the standard characteristics of the loans that the Seller grant are in line with the above description, it is possible that some loans exceptionally deviate from the same and may be assigned to the Fund provided they meet the Eligibility Criteria established in section 2.2.8.2 of the Additional Information. As indicated in section 2.2.7 of the Additional Information, the Seller has the option, via its transaction approval bodies, and subject to the corresponding faculties, of accepting exceptions to the limits established in the entity's origination policy.

The Management Company has requested from the CNMV the exemption to submitting the special securitisation report required under the second paragraph of article 22.1 c) of Law 5/2015. For the avoidance of doubt, such exemption is also referred to the special report mentioned on the paragraph below.

#### 2.2.2.4. Distribution of the Mortgage Loans according to type of security, options and type of product.

##### **List of Distribution Tables**

- 1** Origination Year
- 2** Seasoning
- 3** Original Balance
- 4** Outstanding Balance
- 5** Current All-In Interest Rate

- 6** Reference Rate Type
- 7** Interest rate bonus
- 8** Interest rate bonus - Floating interest rate
- 9** Interest Margin
- 10** Principal and Interest Payment frequency
- 11** Reset rate frequency
- 12** Remaining Terms
- 13** Original Final Maturity
- 14** Breakdown by Loan Purpose
- 15** Borrower Region
- 16** Borrower Concentration
- 17** Employment type
- 18** Borrower's Nationality
- 19** Borrower's Residency
- 20** Debt to Income
- 21** Current LTV
- 22** Days in Arrears
- 23** Type of Guarantee
- 24** Guarantee Region
- 25** Use Type of the Guarantee
- 26** Mortgage Participations/Mortgage Transfer Certificates
- 27** Seller's Internal Scoring

All the distribution tables shown in this section refer to the Preliminary Portfolio.

#### 1. Breakdown by Origination Year

Year of Origination	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
2018	7	786,028.20	0.49%	192	229	0.40
2019	287	45,857,916.50	28.48%	231	263	0.38
2020	426	69,960,945.88	43.45%	248	266	0.56
2021	257	44,395,887.66	27.57%	263	273	1.48
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Min (date)	30/11/2018
Max (date)	09/08/2021

## 2. Breakdown by Seasoning

Seasoning	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
[0 - 12)	257	44,395,887.66	27.57%	263	273	1.48
[12 - 24)	426	69,960,945.88	43.45%	248	266	0.56
[24 - 36)	287	45,857,916.50	28.48%	231	263	0.38
[36- 48)	7	786,028.20	0.49%	192	229	0.40
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Min	4 months
Max	37 months
WA	18 months

## 3. Breakdown by Original Balance

Original Balance	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
[60.000 - 80.000)	44	2,798,449.72	1.74%	212	232	0.71
[80.000 - 100.000)	102	8,220,765.80	5.11%	218	239	0.65
[100.000 - 120.000)	130	12,515,296.75	7.77%	222	241	0.84
[120.000 - 140.000)	109	12,974,893.59	8.06%	226	246	0.76
[140.000 - 160.000)	112	14,982,680.80	9.31%	244	264	0.77
[160.000 - 180.000)	96	14,625,061.47	9.08%	234	255	0.72
[180.000 - 200.000)	68	11,515,143.14	7.15%	247	271	0.66
[200.000 - 350.000)	262	60,808,630.96	37.77%	255	275	0.75
[350.000 - 500.000)	42	15,630,914.91	9.71%	280	299	0.82
[500.000 - 1.000.000)	12	6,928,941.10	4.30%	270	288	0.96
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Min	60,000.00 €
Max	800,000.00 €
Avg	180,661.31 €

## 4. Breakdown by Outstanding Principal Balance Not Due

Outstanding Principal Balance Not Due	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
[10.000 - 12.000)	1	11,679.16	0.01%	275	301	0.40
[12.000 - 14.000)	2	25,289.28	0.02%	157	259	0.32
[14.000 - 16.000)	1	14,221.69	0.01%	43	289	0.40
[18.000 - 20.000)	1	18,789.85	0.01%	57	181	0.38
[30.000 - 35.000)	1	34,420.32	0.02%	37	121	0.39
[35.000 - 40.000)	3	108,664.14	0.07%	147	211	0.37
[40.000 - 45.000)	1	42,515.10	0.03%	153	182	1.79
[45.000 - 50.000)	2	97,974.63	0.06%	218	240	1.08
[50.000 - 55.000)	5	259,728.88	0.16%	146	217	0.40
[55.000 - 60.000)	7	403,349.29	0.25%	196	229	0.40
[60.000 - 80.000)	74	5,295,238.71	3.29%	206	233	0.62
[80.000 - 100.000)	144	12,977,037.38	8.06%	219	240	0.75
[100.000 - 120.000)	109	12,035,155.58	7.48%	220	240	0.73
[120.000 - 140.000)	117	15,129,936.11	9.40%	231	253	0.72
[140.000 - 160.000)	108	16,135,958.20	10.02%	241	262	0.72
[160.000 - 180.000)	86	14,588,620.30	9.06%	247	268	0.76
[180.000 - 200.000)	56	10,589,994.94	6.58%	245	265	0.75
[200.000 - 350.000)	214	53,390,371.73	33.16%	260	279	0.75
[350.000 - 500.000)	36	14,356,963.57	8.92%	280	297	0.90
[500.000 - 1.000.000)	9	5,484,869.38	3.41%	280	296	1.04
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Min	11,679.16 €
Max	775,622.66 €
Avg	164,790.97 €



## 5. Breakdown by Current Interest Rate

Current Interest Rate	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
[0,00 - 0,50)	646	103,219,976.22	64.11%	239	264	0.37
[0,50 - 1,00)	8	1,458,198.55	0.91%	228	240	0.97
[1,00 - 1,50)	172	27,165,134.32	16.87%	250	261	1.19
[1,50 - 2,00)	151	29,157,469.15	18.11%	275	285	1.75
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Min (%)	0.02
Max (%)	1.89
WA (%)	0.76

## 6. Breakdown by Interest Rate Type

Interest Type	Reference Type	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)	Weighted Average Margin (%)
Floating	EURH	977	161,000,778.24	100.00%	247	267	0.76	0.87
<b>Total</b>		<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>	<b>0.87</b>

EURH: Monthly average for EUR12 published by the Bank of Spain

Floating: Some floating loans can also be subject to modifications in the applicable margin according to cross selling relationship with Andbank. In addition, floating loans can have an initial fixed rate applicable no longer than 1 year from its relevant granted date. There are 309 loans currently applying an initial fixed rate representing a 33.61% over the Preliminary Portfolio with a current weighted average rate of 1.47%.

If the reference interest rate, plus the margin, were to be negative, it would mean that neither would the Borrower pay any interest amount nor would the Seller pay any amount to the Borrower for the negative interest.

There are no loans in the Preliminary Portfolio with floors or caps on the interest rate.

## 7. Breakdown by Interest Bonus

Interest Bonus	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
No Bonus	627	99,279,098.15	61.66%	242	264	0.74
With Bonus	350	61,721,680.09	38.34%	254	273	0.79
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

With Bonus: Loans that can benefit from bonus in their interest rate according to cross selling policies of the Seller. Except one loan, all remaining loans with bonus are currently applying discount on their interest rates.

Under the hypothesis that all floating interest loans are in their floating period, the reset reference rate of the loans is the Monthly average for EUR12 published by the Bank of Spain as of 30/11/2021 (-0.487%), and all maximum bonus on interest rates are applied. Weighted average rate of the portfolio would be 0.33%.

## 8. Breakdown by Interest rate bonus - Floating interest rate

Max. Bonus (%)	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)	Weighted Average Margin (%)
0.1	35	6,229,908.96	3.87%	270	277	1.52	0.89
0.2	310	53,987,785.27	33.53%	252	272	0.70	0.83
0.23	1	255,055.61	0.16%	228	241	1.56	0.89
0.3	4	1,248,930.25	0.78%	266	287	0.57	0.76
No Bonus	627	99,279,098.15	61.66%	242	264	0.74	0.88
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>	<b>0.87</b>

In case all maximum the bonuses on interest rates are applied, the weighted average margin of the floating portfolio would be 0.81%. Therefore, the weighted average rate would be 0.33% (assuming a Monthly average for EUR12 published by the Bank of Spain as of 30/11/2021 of -0.487%).

## 9. Breakdown by Interest Margin

Interest Margin	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)	Weighted Average Margin (%)
(0-0.50]	1	154,968.54	0.10%	276	301	0.02	0.50
(0.50-0.70]	28	5,798,360.77	3.60%	244	266	0.23	0.69
(0.70-0.80]	87	16,418,857.97	10.20%	255	277	0.35	0.78
(0.80-0.90]	861	138,628,590.96	86.10%	246	266	0.83	0.88
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>	<b>0.87</b>

## 10. Breakdown by Principal &amp; Interest Payment frequency

Payment frequency	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Monthly	977	161,000,778.24	100.00%	247	267	0.76
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 11. Breakdown by Reset rate frequency

Reset rate frequency	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Annual	977	161,000,778.24	100.00%	247	267	0.76
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 12. Breakdown by Remaining Term

Remaining Term	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
[24 - 36)	2	68,875.43	0.04%	34	89	0.38
[36 - 48)	3	126,607.75	0.08%	42	140	0.40
[48 - 60)	2	54,236.30	0.03%	57	180	0.39
[60 - 72)	1	54,195.23	0.03%	70	211	0.39
[72 - 84)	1	63,914.53	0.04%	75	97	0.39
[84 - 96)	9	909,180.65	0.56%	91	113	0.66
[96 - 108)	10	878,966.15	0.55%	100	124	0.56
[108 - 120)	14	1,524,727.80	0.95%	112	138	0.97
[120 - 132)	12	1,326,156.50	0.82%	127	155	0.80
[132 - 144)	20	2,472,100.76	1.54%	136	161	0.72
[144 - 156)	36	4,101,884.55	2.55%	149	176	0.60
[156 - 168)	46	5,368,548.06	3.33%	161	183	0.44
[168 - 180)	36	5,398,165.62	3.35%	174	187	1.12
[180 - 192)	24	3,121,096.91	1.94%	185	215	0.68
[192 - 204)	33	4,297,316.21	2.67%	198	228	0.62
[204 - 216)	61	10,266,678.81	6.38%	211	238	0.52
[216 - 228)	73	11,551,493.68	7.17%	221	242	0.43
[228 - 240)	71	12,293,557.83	7.64%	232	251	1.05
[240 - 252)	37	7,110,190.03	4.42%	245	266	0.78
[252 - 264)	41	6,757,922.83	4.20%	257	280	0.70
[264 - 276)	122	20,758,076.53	12.89%	271	297	0.46
[276 - 288)	188	34,468,387.61	21.41%	281	300	0.45
[288 - 300)	93	18,347,995.70	11.40%	290	302	1.46
[300 - 312)	2	420,972.40	0.26%	307	314	1.59
[312 - 324)	2	399,522.70	0.25%	317	325	1.74
[324 - 336)	7	1,150,163.79	0.71%	329	337	1.21
[336 - 348)	1	218,064.91	0.14%	344	349	1.79
[348 - 360)	30	7,491,778.97	4.65%	353	361	1.71
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Min (months)	27
Max (months)	355
Max maturity date	24/06/2051

## 13. Breakdown by Year of the Original Final Maturity

Year of the Original Final Maturity	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
2024	1	56,279.09	0.03%	35	60	0.40
2028	1	63,914.53	0.04%	75	97	0.39
2029	9	994,794.87	0.62%	91	112	0.64
2030	10	864,443.90	0.54%	94	120	0.77
2031	11	1,211,117.63	0.75%	113	130	0.98
2032	16	1,805,622.75	1.12%	126	145	0.97
2033	18	2,154,779.53	1.34%	138	161	0.57
2034	38	4,357,658.58	2.71%	149	175	0.53
2035	43	5,057,489.63	3.14%	162	181	0.55
2036	35	5,291,198.61	3.29%	174	188	1.11
2037	20	2,292,695.78	1.42%	183	209	0.66
2038	33	4,424,473.81	2.75%	195	219	0.68
2039	65	10,860,800.15	6.75%	210	238	0.48
2040	81	12,505,814.34	7.77%	221	242	0.50
2041	59	10,314,874.68	6.41%	232	249	1.08
2042	39	7,237,340.49	4.50%	244	263	0.78
2043	33	5,156,451.99	3.20%	256	277	0.72
2044	156	26,590,482.25	16.52%	269	298	0.45
2045	206	38,671,350.42	24.02%	282	300	0.65
2046	59	10,952,573.47	6.80%	290	301	1.45
2047	3	609,946.60	0.38%	302	314	1.47
2048	2	399,522.70	0.25%	317	325	1.74
2049	7	1,150,163.79	0.71%	329	337	1.21
2050	1	218,064.91	0.14%	344	349	1.79
2051	31	7,758,923.74	4.82%	351	361	1.71
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Min (year)	2024
Max (year)	2051
Avg (year)	2042

## 14. Breakdown by Loan Purpose

Loan Purpose	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Residential. Acquisition	928	153,961,271.85	95.63%	247	267	0.76
Residential. Acquisition for renting	34	4,766,899.91	2.96%	258	279	0.81
Residential. Construction	9	1,306,602.92	0.81%	193	216	0.54
Residential. Refurbishing	6	966,003.56	0.60%	241	256	0.84
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

There are no loans for the acquisition of social housing ("VPO").

There are no loans for the acquisition of social housing ("VPO").

## 15. Breakdown by Main Borrower Region

Borrower Region	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Madrid	426	76,872,276.54	47.75%	248	268	0.79
Cataluña	235	40,472,423.14	25.14%	246	268	0.68
Andalucía	81	10,691,449.44	6.64%	239	260	0.75
Cdad Valenciana	54	7,286,570.96	4.53%	247	263	0.91
Pais Vasco	22	3,069,323.03	1.91%	243	269	0.55
Galicia	23	2,877,490.45	1.79%	252	271	0.75
Aragón	20	2,722,740.40	1.69%	225	246	0.94
Baleares	18	2,472,023.58	1.54%	232	250	0.80
Canarias	15	2,178,171.36	1.35%	247	269	0.74
Castilla y León	15	1,784,936.00	1.11%	231	255	0.64
Castilla-La Mancha	16	1,713,219.00	1.06%	241	261	0.88
Extremadura	10	1,436,199.69	0.89%	232	255	0.53
Murcia	10	1,142,593.40	0.71%	201	222	0.65
Asturias	5	840,855.69	0.52%	273	295	0.57
La Rioja	3	709,274.05	0.44%	309	323	1.07
Navarra	3	389,189.68	0.24%	258	270	0.99
Ceuta	1	253,346.09	0.16%	274	301	0.30
Cantabria	1	55,336.42	0.03%	245	301	0.39
Non resident	19	4,033,359.32	2.51%	278	296	0.89
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 16. Breakdown by Main Borrower Concentration

Borrower id	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Debtor 1	2	883,938.10	0.55%	284	301	0.92
Debtor 2	1	775,622.66	0.48%	289	301	1.49
Debtor 3	1	722,835.30	0.45%	280	289	1.50
Debtor 4	5	704,294.68	0.44%	151	175	0.48
Debtor 5	1	620,999.78	0.39%	243	253	1.77
Debtor 6	1	606,415.75	0.38%	274	301	0.24
Debtor 7	1	597,633.11	0.37%	243	265	0.39
Debtor 8	1	533,147.31	0.33%	354	360	1.77
Debtor 9	1	525,862.91	0.33%	281	301	0.41
Debtor 10	2	524,270.45	0.33%	215	241	0.20
Debtor 11	1	504,328.25	0.31%	272	301	0.21
Debtor 12	1	493,970.24	0.31%	288	301	1.17
Debtor 13	1	481,130.57	0.30%	289	301	1.59
Debtor 14	1	480,561.98	0.30%	232	265	0.39
Debtor 15	1	469,539.50	0.29%	178	205	0.39
Debtor 16	1	460,081.11	0.29%	351	361	1.79
Debtor 17	1	458,117.53	0.28%	351	361	1.77
Debtor 18	1	455,097.99	0.28%	279	301	0.29
Debtor 19	2	449,224.78	0.28%	353	361	1.75
Debtor 20	2	432,616.62	0.27%	287	301	0.30
Debtor 21	1	423,520.61	0.26%	254	271	0.29
Debtor 22	1	418,288.05	0.26%	276	301	0.41
Debtor 23	1	418,238.13	0.26%	281	301	0.41
Debtor 24	1	417,056.84	0.26%	354	361	1.79
Rest	945	148,143,985.99	92.01%	245	265	0.75
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Top 10 debtors represent a 4.03%

Top 20 debtors represent a 6.94%

## 17. Breakdown by Employment type of the Main Borrower

Employment type	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Employed	965	158,965,188.36	98.74%	247	267	0.76
Civil servant	5	824,199.46	0.51%	248	266	0.85
Student	3	479,100.95	0.30%	237	260	0.38
Homemaker	1	418,288.05	0.26%	276	301	0.41
Unemployed	1	119,462.74	0.07%	226	241	0.39
Pensioner	1	98,884.70	0.06%	249	301	0.41
Self-employed	1	95,653.98	0.06%	204	217	1.19
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 18. Breakdown by Borrower's Nationality

Borrower's Nationality	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Spanish	918	151,094,937.21	93.85%	247	267	0.76
Non-Spanish	59	9,905,841.03	6.15%	243	262	0.75
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 19. Breakdown by Borrower's Residency

Borrower's Residency	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Spain	958	156,967,418.92	97.49%	246	266	0.76
Non-Spanish resident	19	4,033,359.32	2.51%	278	296	0.89
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 20. Breakdown by Debt to Income ratio

Debt to Income ratio (%)	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
[0-10)	77	8,961,759.08	5.57%	246	266	0.78
[10-20)	402	60,038,715.32	37.29%	246	266	0.75
[20-30)	387	68,206,804.94	42.36%	248	269	0.77
[30-40)	105	22,808,331.85	14.17%	244	265	0.74
[40-50)	5	899,381.28	0.56%	272	290	0.36
[50-60]	1	85,785.77	0.05%	193	229	0.41
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

Average	21.73
Max	50.53

DTI has been calculated accounting the total payments under any debt of the Borrower (including the Mortgage Loan) and net income of the Borrower (both on a yearly basis), according to internal data of the Seller on or around the granted date of its loan.

## 21. Breakdown by Current LTV

Current LTV	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)	Weighted Average LTV (%)
< 10	6	108,141.79	0.07%	179	269	0.38	5.91
[10 - 20)	26	2,129,972.45	1.32%	171	207	0.51	16.20
[20 - 30)	80	10,492,540.93	6.52%	215	240	0.65	26.30
[30 - 40)	133	18,935,793.17	11.76%	221	244	0.70	35.26
[40 - 50)	200	30,747,988.19	19.10%	239	259	0.74	45.08
[50 - 60)	220	36,734,974.58	22.82%	243	264	0.73	54.96
[60 - 70)	275	53,807,865.69	33.42%	266	285	0.79	65.08
[70 - 80]	37	8,043,501.44	5.00%	291	305	1.18	73.56
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>	<b>52.65</b>

Min	3.11
Max	78.98

## 22. Breakdown by Days in Arrears

Days in Arrears	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
No Arrears	977	161,000,778.24	100.00%	247	267	0.76
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 23. Breakdown by Guarantee Type

Type of Guarantee	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Flat	753	121,666,557.81	75.57%	245	266	0.73
Detached house	223	39,171,795.68	24.33%	252	271	0.86
Terraced house	1	162,424.75	0.10%	239	265	0.38
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 24. Breakdown by Guarantee Region

Guarantee Region	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Madrid	406	76,011,274.12	47.21%	250	270	0.80
Cataluña	238	41,221,406.31	25.60%	246	267	0.67
Andalucía	96	12,804,303.64	7.95%	239	260	0.79
Cdad Valenciana	73	9,423,335.56	5.85%	250	268	0.85
Pais Vasco	19	3,142,857.63	1.95%	262	284	0.73
Aragón	21	2,825,704.50	1.76%	233	253	1.01
Galicía	22	2,585,690.69	1.61%	246	266	0.64
Canarias	17	2,340,368.73	1.45%	247	268	0.79
Baleares	16	2,262,618.70	1.41%	234	252	0.78
Castilla y León	18	2,045,669.15	1.27%	224	245	0.73
Castilla-La Mancha	14	1,502,217.19	0.93%	229	252	0.69
Murcia	11	1,241,561.51	0.77%	206	229	0.69
Extremadura	9	1,198,042.18	0.74%	221	243	0.55
Asturias	7	1,020,862.04	0.63%	273	295	0.67
Navarra	3	389,189.68	0.24%	258	270	0.99
Cantabria	4	378,487.99	0.24%	255	282	0.45
La Rioja	2	353,842.53	0.22%	264	284	0.37
Ceuta	1	253,346.09	0.16%	274	301	0.30
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 25. Breakdown by Use Type of the Guarantee

Use Type of the Guarantee	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
First home	756	128,919,887.26	80.07%	246	267	0.74
Second home	189	27,889,600.82	17.32%	251	269	0.85
Buy to let	32	4,191,290.16	2.60%	248	271	0.72
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 26. Breakdown by Mortgage Participations/Mortgage Transfer Certificates

Mortgage Participations/Mortgage Transfer Certificates	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
Mortgage Participations	977	161,000,778.24	100.00%	247	267	0.76
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>

## 27. Breakdown by Scoring

Scoring	Number of loans	Outstanding Principal Balance Not Due (€)	Outstanding Principal Balance Not Due (%)	Weighted Average Term to Maturity (months)	Weighted Average Initial Maturity (months)	Weighted Average Current Rate (%)
[80-90)	19	3,249,119.22	2.02%	287	300	1.43
[90-100)	97	18,132,271.50	11.26%	248	268	0.75
[100-110)	722	117,114,089.97	72.74%	247	268	0.75
[110-120)	131	20,721,538.31	12.87%	242	261	0.76
[120-140)	7	1,632,092.96	1.01%	209	231	0.43
[140-170]	1	151,666.28	0.09%	167	184	0.41
<b>Total</b>	<b>977</b>	<b>161,000,778.24</b>	<b>100.00%</b>	<b>247</b>	<b>267</b>	<b>0.76</b>
<b>Average</b>	104.62					



### 2.2.3. Legal nature of the Receivables

The main features of the legal nature of the Receivables are the following:

- (i) The Receivables securitised by means of the assignment of the MTs to the Fund will be credit rights arising from the Mortgage Loans.
- (ii) The Receivables will be assigned by means of the issuance by the Seller of the MTs which will be fully subscribed by the Fund through the Management Company, in accordance with the Deed of Incorporation and upon the terms established therein and in this Prospectus.
- (iii) The MTs will be issued and subscribed in accordance with:
  - (1) the fourth additional provision of Law 5/2015 (in the case of the MTCs) (as from 8 July 2022, the second additional provision of Royal Decree-Law 24/2021),
  - (2) the Mortgage Market Law,
  - (3) the Royal Decree 716/2009, and
  - (4) other regulations in force at the time of transfer and relating to the acquisition of mortgage market titles (in particular, as from 8 July 2022, the Royal Decree-Law 24/2021).
- (iv) Each MT will represent 100 per cent. of the Outstanding Nominal Balance of the relevant Mortgage Loan and the right to receive payments under the corresponding Mortgage Loan, including, without limitation, late payment interest corresponding to the accrued amounts and any other rights attached to the corresponding Mortgage Loan. For the avoidance of doubts, early prepayment fees, delinquent fees and amendment fees shall not be assigned to the Issuer, hence they will belong to the Seller.
- (v) No transfer to the Issuer of the formal title of the loans, the mortgages nor any other security for the Mortgage Loans or accessory rights (including the insurances) shall occur by means of the subscription of the MTs. However, all rights to the proceeds of the enforcement of such mortgages and accessory rights will be transferred to the Issuer (as holder of the MTs).
- (vi) Each set of MTCs and each set of MPs issued by the Originator on each Purchase Date will be represented in one multiple title (one per the MTCs and the other for the MPs) containing the minimum requirements provided for in Royal Decree 716/2009 (and, as from 8 July 2022, the Royal Decree-Law 24/2021).
- (vii) Each MTs relates to 100% of the outstanding principal of each of the Mortgage Loans from which it arises; it will have the same term and will accrue an interest rate equal to the nominal rate duly accrued on the corresponding Mortgage Loan.

### 2.2.4. Expiration or maturity date(s) of the assets

Each of the Mortgage Loans selected has a final maturity date notwithstanding the periodic partial repayments, pursuant to the conditions of each one.

At any time in the lifetime of the Mortgage Loans, the Borrowers can repay all or part of the capital pending repayment in advance.

The maturity date of any Mortgage Loan from which the Receivables arise will take place in no event after 23 December 2052 (the "**Final Maturity Date**").

### 2.2.5. The amount of the assets

The maximum amount of the Outstanding Nominal Balance corresponding to the Non-Defaulted Receivables pooled into the Fund shall not, at any time during the lifespan of the transaction, exceed the Maximum Receivables Amount.

### 2.2.6. Loan to value ratio (or level of collateralization)

With respect to the Initial Receivables, the loan-to-value ratio ("**LTV**"), expressed as a percentage of the principal amount of the Mortgage Loan and the original value available, of the relevant mortgaged properties (according to Order ECO/805/2003), ranges between 3.11% and 78.98%, and the average weighted ratio is 52.65% (weighted by outstanding principal amount). Additional Receivables shall meet Eligibility Criteria of section 2.2.8.2., hence their individual LTV will not be higher than 80.00% and the weighted average LTV of the Receivables will not exceed 60%.

### 2.2.7. The method of origination or creation of the assets, and for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances

The origination policy (the "**Origination Policy**") applied by the Seller is described in this section.

Receivables selected in the Preliminary Portfolio arise from mortgage loans granted by the Seller following its customary credit risk analysis and appraisal procedures. The procedure followed for granting the mortgage loans is described in this section.

The origination of each and every Mortgage Loan has taken place during the ordinary course of Seller's business pursuant to underwriting standards that are no less stringent than those that the Seller applied at the time of origination to similar exposures that are not securitised, faithfully following the policy of loans' origination in force at any given time.

The Seller has represented that none of the Mortgage Loans were marketed nor underwritten on the premise that the loan applicant were made aware that the information provided under the approval process might not be verified by the Seller.

The Seller applied to the Mortgage Loans included in the Preliminary Portfolio the same sound and well-defined criteria for credit-granting which they apply to non-securitised exposures. To that end, the same clearly established processes for approving and, where relevant, amending, renewing and refinancing credits were applied. The Seller has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the debtor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the debtor meeting its obligations under the Mortgage Loan Agreements.

In addition, the Originator has not selected the Mortgage Loans in the Preliminary Portfolio with the aim of rendering losses on the Receivables transferred to the Issuer over a maximum of four (4) years, higher than the losses over the same period on comparable assets held on the balance sheet of the Originator.

The most significant aspects of the origination policies and procedures (*Procedimiento de Admisión del Riesgo de Crédito*) are described below and coincide with those in force at the different times during which the loans included in the Preliminary Portfolio were originated. The Seller undertakes to disclose to the Management Company, who in turn will disclose to potential investors, without delay any material change in the Origination Policy.

All admission processes are contained in the Seller's credit risk management and control policies and procedures, which include, among other things, the principles and standards to

be applied to such credit risk management and control. This complies with the provisions of Annex IX "Credit Risk" of Bank of Spain Circular 4/2004, as amended.

### **Admission procedures and approval committees**

The analysis of any credit risk transaction, included the Mortgage Loans of the preliminary Portfolio, involves the branch's recording of all data related thereto (personal, guarantees and security, and characteristics of the chosen product) that comprise the initial electronic file for the transaction. This file is construed directly by the customer (if the channel is internet) or by a banker on any of the branches of the Seller. Original documentation is sent to the Risk Department for study and verification.

Satisfactory Know-Your-Client and Anti-Money Laundering checks passed by the Anti-Money Laundering Department will be a prerequisite to any further risk analysis.

The Risk Department is entitled to verify the customer's solvency and the adequacy of any guarantee provided to cover the credit risk of the proposed transaction over the relevant documentation collected. It will use an internal scoring to classify the risk associated to the customer.

A) Key points of analysis are:

- a. Ability and capacity to pay obligations under the relevant transaction based on the customer's regular income. To that aim, it will be considered the following:
  - i. For individuals
    - Affordability.
    - Total indebtedness (data obtain from Cirbe).
    - Employment stability/"soundness" of income proceeds.
  - ii. For corporates:
    - Cash-flow generation.
    - Effective Profit.
    - Total indebtedness (data obtain from Cirbe).
    - Business soundness and track record.
    - Industry.
- b. No negative internal (with the Seller) or external (no negative credit bureau, no Cirbe or ASNEF defaults) credit history.
- c. Guarantees:
  - i. Liquidity
  - ii. Volatility
  - iii. Term
  - iv. Appraisal value on real estate guarantees: it will be required an official valuation report issued by a valuation company registered in Bank of Spain.
  - v. Financial assets will be valued with specific haircuts depending on the asset type.

- vi. Several borrowers: a loan may be granted to several or jointly to more than one borrower. Although the analysis will rely taking into account the relevant information, the income and the savings of all of them, a main-borrower may be defined for certain measures related with the underwriting process, the risk follow process and for other administrative tasks.

B) Approvals and risk admission capacity levels

- a. Overdraft up to € 6,000: branch director.
- b. Credit cards up to €12,000: director of a branch when the customer shows assets positions deposited in the Seller at least ten times the requested limit of risk.
- c. Standard credit risk transaction up to €100,000: Credit Analyst and Credit Risk Manager.
- d. Standard credit risk transaction over €100,000 and under €1,500,000 or a non-standard credit risk transaction: Seller's Credit Risk Committee.
- e. Credit risks over €1,500,000:
  - i. Seller's Credit Risk Committee shall approve the transaction previously to address it to the Credit Risk Committee of Andbank Andorra (parent bank of the Seller).
  - ii. Approval from Credit Risk Committee of Andbank Andorra.
- f. Mortgage loans will only be approved by the Credit Committee, with the following limitations depending on maximum LTV (Loan to value):
  - i. Residential: 70% up to 1 million euros, 75% up to 0.5 million euros  
Maximum 80% in first habitual residence.
  - ii. Commercial: 60%.

General mortgage loans requirements:

- i. Monthly net income €4,000. Not regular income (such as bonus, rental houses income, dividends) with 50% haircut. €3,000 for public servants.
- ii. Debt to income 30%. All debts are considered. CIRBE check
- iii. Stable job. At least 2 years
- iv. Up to 30 years loan. Maximum age at maturity of the main debtor: 70 years old.
- v. Restrictions over self-employees/freelance/entrepreneurs
- vi. Restrictions over pandemic affected sectors (applied from loans granted since June 2020).
- vii. Acquisition of residential houses. Restrictions over rental houses. Restrictions over singular houses&places

- viii. Individual analysis&approval. No automatic approvals on quantitative data
- ix. 2 annual IRPF reports / 3 annual financial data
- x. Work life report
- xi. Wealth report: the economic requirements (such as monthly net income & debt to income & stable job) are balanced with a deep wealth report. Therefore, clients with savings higher than the loan amount (savings after loan expenses), demand softer economic requirements and there are an additional criteria for decision making on risk admission.

### C) Scoring.

The Seller uses a single scoring system to obtain a 100 point-based score that take into account 7 main factors. The result of the scoring will be a final average weighted score that will only be used as a guide and a summary of the loan proposal, and it is an information taken into account in the analysis process, but high scores never give an automatic approval. The scoring is only an aid tool for decision-making but it is not considered as the sole element to be taken into consideration for risk admission, which is in any case subject to section B) above. A scoring resulting above 100 would imply that the transaction would meet on an average weighted base the 7 scoring factors abovementioned. Otherwise, scoring below 100 would imply a worse result.

The 7 scoring factors, with 100 points assigned to a reference level for each of them (i.e monthly net income €4,000 euros), introduces high penalties to any worsening deviation from such reference levels (i.e less 25 points for each minus €1,000 euros of lower monthly net income under the reference level), and soft bonuses on any improvement over the reference level (plus 5 points for each €1,000 euros of higher monthly net income over the reference level), which implies a difficult compensation system to recover the required levels. The factors and their respective weight are the following:

1. Net income adjusted, 15%
2. Debt to income, 20%
3. LTV, 20%
4. Final age, 10%
5. Quality job / work life, 10%
6. Stable job, 10%
7. First habitual residence, 15%

Credit Committee has the authorization to decide on any exceptions on the general granting criteria, subject to approval by the Board of Directors in special situations.

## **2.2.8. Representations and warranties on the collateral given by the seller to the issuer relating to the assets**

### **2.2.8.1. Representations & Warranties**

The Management Company has obtained from the Seller the representations and warranties on the characteristics of the Seller and the Receivables set out below, which apply both on the Purchase Date of the Initial Receivables and on any subsequent Offer Dates of Additional Receivables. As established in section 3.3.6 of the Additional Information, by sending an Assignment Binding Offer by the Seller in relation to the Additional Receivables, on a Purchase Date, will entail the reiteration of the representations regarding the same and regarding the assets made in this section.

(i) Regarding the Seller:

- (1) It is a credit financial institution (i) duly incorporated in the Kingdom of Spain in accordance with the laws in force, (ii) registered with the commercial registry and (iii) authorised to grant mortgage loans.
- (2) Neither on the Date of Incorporation of the Fund, nor at any time when there is an assignment of Receivables to the Fund, it is insolvent or bankrupt.
- (3) It has obtained all necessary authorisations, both administrative and corporate, including from third parties, if applicable, in relation to the assignment of the Initial Receivables and the Additional Receivables to the Fund, and for the valid execution of the Deed of Incorporation, the commitments given in the same and the other agreements related to the incorporation of the Fund.
- (4) Has audited annual accounts for the two (2) financial years preceding each Purchase Date, without qualifications and such annual accounts and audit reports have been filed at the CNMV and the commercial registry in accordance with the laws in force. In relation to the assignment of the Initial Receivables to the Fund, the Seller represents that it has audited annual accounts for the financial years ending 31 December 2019 and 31 December 2020 without qualifications, and annual accounts and audit reports have been filed at the CNMV and the Commercial Registry in accordance with the legislation in force.
- (5) It will audit its annual accounts and file them at the commercial registry and the CNMV during the Purchase Period.
- (6) It complies with the applicable legislation in force on personal data protection, any anti-money laundering regulations and Law 5/2019.
- (7) Will provide in a timely manner to the Management Company, insofar as acting the latter as Reporting Agent, any reports, data and other information in correct format to fulfil the reporting requirements under Article 7 of the Securitisation Regulation.

(ii) Regarding the Mortgage Loans and the Receivables assigned to the Fund:

- (1) That the granting of the Mortgage Loans and all aspects relating thereto are ordinary actions during the course of its business and have been and will be granted at arm's basis.
- (2) The Mortgage Loans were originated in the ordinary course of business of the Seller, pursuant to underwriting standards in respect of the acceptance of Mortgages Loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitized.
- (3) The Mortgage Loans are homogeneous in terms of asset type, cash flow, credit risk, servicing and prepayment characteristics and contain obligation that are

contractually binding and enforceable, with full recourse to Borrowers, and where applicable, guarantors, within the meaning of article 20.8 of the EU Securitisation Regulation.

- (4) The Mortgage Loans comply with the homogeneity factors within the meaning of Articles 1 and 2 of the Commission Delegated Regulation of 28 May 2019, which supplements Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards relating to the homogeneity of the underlying exposures in securitisations (the "**Commission Delegated Regulation 2019/1851**").
- (5) The Seller is the sole owner of the Mortgage Loans, which are free of liens and encumbrances and has no knowledge that any Borrower may raise any objections to the payment of any amount regarding the Mortgage Loans.
- (6) The Seller has no knowledge that any Borrower is involved in insolvency proceedings.
- (7) Each Mortgage Loan constitutes legal, valid, binding and enforceable contractual obligations with full recourse to the relevant Borrower and, where applicable, the guarantors and such obligations are enforceable in accordance with their respective terms.
- (8) The data concerning the Mortgage Loans included in sections 2.2.2, 2.2.6 and 2.2.8 of the Additional Information are complete and faithfully and accurately reflect the reality of such Mortgage Loans.
- (9) The information contained in the Prospectus regarding the Mortgage Loans portfolio is complete and accurate in all material respects.
- (10) As regards the Mortgage Loans, no person has a preferential right to the Fund.
- (11) Each Mortgage Loan has been granted to a Borrower which is an individual resident in Spain or Spanish national. Subject to the Eligibility Criteria described in Clause 2.2.8.2.B)(iv) of the Additional Information there may be some residual loans granted to Borrowers non-resident in Spain and with no Spanish nationality
- (12) The Mortgage Loans have been granted by the Originator to individuals (customers) for the acquisition, construction or refurbishing of finished residences located in Spain. None of the Mortgage Loans have been granted to real estate developers. All Mortgage Loans are secured with finished residences located in Spain.
- (13) The Mortgage Loans have no grace period (either for principal or for interest).
- (14) None of the Mortgage Loans are Equity Release Mortgage Loans.
- (15) None of the Mortgage Loans was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the Seller (i.e. no self-certified mortgage loans).
- (16) The Seller is not aware of any Borrower holding any credit right against the Seller that may entitle them to exercise any set-off rights which may negatively affect the rights conferred by the MTs.

- (17) Both the assignment of the Receivables and the issue of the MTs, as well as any acts relating thereto, have been legally and validly performed or will be legally and validly performed based on usual market standards.
- (18) The Seller has faithfully complied with the Origination Policy standards described in section 2.2.7 of this Additional Information.
- (19) The Mortgage Loans have been and are being serviced in all material respects by the Seller in accordance with customary market procedures.
- (20) The Seller is not aware of the existence of litigation of any kind as regards the Mortgage Loans that may prejudice the validity or enforceability (*exigibilidad*) thereof or give rise to the application of Article 1,535 of the Civil Code.
- (21) All the Mortgage Loans have a maturity falling not later than 23 December 2052 (i.e., forty two (42) months before the Legal Maturity Date).
- (22) The payments of the Borrowers deriving from the Mortgage Loans are not subject to any withholding tax.
- (23) The Mortgage Loan agreements are governed by Spanish law.
- (24) Until the relevant Offer Date (included), the Seller has received no notification of total or partial prepayment of the Mortgage Loans.
- (25) The Mortgage Loans are secured by a first-rank real estate mortgage over the relevant properties, with the exception of those where there is a prior ranking mortgage registered with the relevant land registry and the mortgage loan which they secure has been repaid but the relevant entry is still pending cancellation in the relevant Land Registry. Furthermore, the mortgaged properties (i) are not affected by prohibitions concerning their availability, cancellation or any other ownership limitation and (ii) are not subject to any charges, liens or encumbrances in force ranking ahead the mortgages securing the Mortgage Loans, save preferential statutory credit rights originated in the ordinary course of business.
- (26) All the Mortgage Loans are recorded in public instruments ("*escritura pública*"), and all the mortgages are duly granted and registered with the corresponding Land Registries. The registration of the mortgaged properties is in force and with no contradictions and is not subject to any limitation with priority over the mortgage, in accordance with applicable legal provisions.
- (27) All the original public deeds (*escrituras públicas*) of the mortgages over the properties securing the Mortgage Loans are available to the Management Company, acting on behalf of the Fund, and the Mortgage Loans are clearly identified both in the Seller's systems and by means of the relevant public deeds.
- (28) The Mortgage Loans have not been subject to any change, amendment, modification or waiver of any kind which in any material way adversely affects the enforceability or collectability of all or a material portion of the Receivables being transferred.
- (29) The Mortgage Loans do not meet any of the characteristics of excluded or restricted credits under (i) article 12.1 a), c), d), f) and article 12.2 of Royal Decree 716/2009 (as from 8 July 2022, under section 5. a), b), c), e) the third additional provision of Royal Decree-Law 24/2021) for those assigned by means of MTCs; and (ii) article 12.1 a), c), d), e), f) and article 12.2 of Royal Decree



716/2009 (as from 8 July 2022, under section 5. a), b), c), d), e) the third additional provision of Royal Decree-Law 24/2021) for those assigned by means of MPs.

- (30) The properties securing the Mortgage Loans are not excluded assets that cannot serve as collateral under Article 11.1 of Royal Decree 716/2009.
  - (31) The Mortgage Loans are not subject to any issuance of Mortgage Participations or Mortgage Transfer Certificates other than the issuance of the MTs.
  - (32) Mortgage Loans are fully drawn.
  - (33) The Mortgage Loans are not subject to any contractual provisions preventing assignment of the Receivables or requiring the Borrower's consent for such assignment.
  - (34) None of the Receivables qualifies as exposures in default within the meaning of article 178, paragraph 1, of Regulation (EU) no. 575/2013 pursuant to article 20(11) of the Securitisation Regulation.
  - (35) None of the Receivables includes any derivative, pursuant to article 21(2) of the Securitisation Regulation.
  - (36) For the purposes of article 20(11) of the Securitisation Regulation, none of the Borrowers or the guarantors under the Mortgage Loans is a credit-impaired Borrower 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 3 (three) years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures; nor
    - (ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; nor
    - (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than the ones of comparable exposures held by the relevant Seller which have not been assigned to the Fund.
  - (37) Each Mortgage Loan has been and is being administered by the Seller as Servicer.
  - (38) The assessment of the Borrower's creditworthiness meets the requirements as set out in article 18 of Directive 2014/17/EU.
  - (39) That, in respect of each Mortgage Loan, as of the relevant Offer Date, no Covid-19 Moratoriums have been granted.
  - (40) None of the Mortgage Loans assigned has minimum interest rates (i.e. floors) or maximum interest rates (i.e. caps).
  - (41) That the Mortgage Loans and the Receivables comply with Eligibility Criteria described in 2.2.8.2 of the Additional Information at the date of the relevant assignment.
- (iii) Regarding the MTs:

- (1) MTs (when issued prior to 8 July 2022 as date of entry into force of the Royal Decree-Law 24/2021) issuance will be carried out in accordance with the Mortgage Market Law, Royal Decree 716/2009, the Additional Provision fourth of Law 5/2015 and other applicable legislation (in particular, as from 8 July 2022, the Royal Decree-Law 24/2021)). MT shall have the form of MPs when the relevant Mortgage Loans comply with all the requirements established in the Mortgage Market Law, in its current wording, and Chapter 2 of Royal Decree 716/2009 (and, as from 8 July 2022, according to article 23 of Royal Decree-Law 24/2021), or the form of MTCs when they do not meet such requirements. This information will be coherent with the information reported by the Seller to Bank of Spain. MTs (when issued on or after 8 July 2022 as date of entry into force of the Royal Decree-Law 24/2021) will be carried out in accordance with the first, second and third additional provisions of Royal Decree-Law 24/2021.
  - (2) The MTs are issued for the same period that remains until maturity and for the same interest rate as each of the corresponding Mortgage Loans.
  - (3) On the Date of Incorporation, the Outstanding Nominal Balance of each of the Mortgage Loans will be equivalent to the Outstanding Nominal Balance of the corresponding MT.
  - (4) The respective corporate decision-making body of the Seller has validly adopted all resolutions required for the issuance of the MTs.
  - (5) The MTs are represented by a multiple or individual physical title and not by book entries.
  - (6) The transfer of the MTs shall be done in written form only through a purchase agreement between the parties (and therefore never in an immaterial form through trading systems).
  - (7) The MTs shall not be admitted to trading on any regulated, alternative market or multilateral trading system.
  - (8) The transfer of the MTs acquired by the Fund shall only be made in favour of an institutional investor and provided that such transfer is because of (i) the Liquidation of the Fund or (ii) the foreclosure of the underlying Mortgage Loan.
- (iv) Regarding the MPs:
- (1) That none of the Mortgage Loans with respect to which the Seller issues the MPs will exceed sixty per cent (60%) of the appraisal value of the mortgaged properties, except for the financing of the construction, refurbishing or acquisition of the residential property, in which case that percentage may be up to eighty per cent (80%) of that appraisal value.
  - (2) That all the Mortgage Loans with respect of which the Mortgage Participations will be issued will be secured with first-ranking mortgage over the full domain (*pleno dominio*) and that the registration entry of the mortgaged registral plot (*finca*) is in force and without conflicts, and not subject to limitations deriving from plot registration (*inmatriculación*) or for being registration entries made under Article 298 of the Mortgage Regulation (under Article 716 of Royal Decree 716/2009).
  - (3) That the properties securing the Mortgage Loans from which MPs arise are insured against fire and damages according to mortgage market regulations

either through individual policies or global ones in favour of the Originator (i.e. for a value at least equal to the relevant appraisal value excluding the elements of the property that because of its nature cannot be insured).

#### 2.2.8.2. Eligibility Criteria

The Receivables that are acquired by the Fund on the Date of Incorporation and during the Purchase Period (and the Mortgage Loans from which they arise) must, on the relevant Offer Date, comply with the following "**Eligibility Criteria**":

##### A) **Individual Eligibility Criteria**:

- (i) The Mortgage Loan is denominated and payable exclusively in EUROS (€).
- (ii) The properties securing the Mortgage Loan have been appraised according to Order Eco/805/2003 by an appraiser duly registered in the corresponding Official Registry of the Bank of Spain, and such appraisal is shown in the relevant certificate.
- (iii) None of the properties securing the Mortgage Loans qualify as Official Protection Housing (*Vivienda de Protección Oficial*, or *VPO*).
- (iv) The properties securing the Mortgage Loans have been insured against fire and damages pursuant to the mortgage market regulation.
- (v) The Mortgage Loans have been granted for the construction, refurbishing or acquisition of a residential property.
- (vi) On the relevant Offer Date, the Mortgage Loan has an LTV not higher than 80%.
- (vii) On the relevant Offer Date, the Loan does not contemplate, or is not subject to, clauses that allow for deferral of the periodic payment of interest or principal.
- (viii) The ordinary instalments of the Mortgage Loan are repaid by the Borrowers via direct debit to Bank Account.
- (ix) On the relevant Offer Date, at least one (1) instalment has been already paid by the Borrower.
- (x) Residual life of the Mortgage Loan is equal or lower than 30 years.
- (xi) The Mortgage Loan has not a bullet amortisation.
- (xii) The Mortgage Loan is indexed to the EURIBOR published monthly by the Bank of Spain as an official mortgage market interest rate reference according to *Circular 5/2012*, of 27 of June, of the Bank of Spain or any other that may replace the latter (the "**EURIBORH**") and the reset periods occurs each twelve (12) months as a maximum.
- (xiii) The Mortgage Loan is not subject to the forgiveness, reduction or postponement of principal, interest or fees or a change in the ranking, priority or subordination of such obligation (together, the "**Restructuring Events**"), provided that such decision ("**Restructuring**"), with respect to the Restructuring Events, will be made: (i) with regard to the standards of a reasonable and prudent holder of such obligation (disregarding for such purposes the effect of any securitisation of such Receivable but taking into account any security or collateral allocable to that Receivable); and (ii) with the intent that such Restructuring is to minimise any expected loss in respect of such Receivable.

- (xiv) The Mortgage Loans are not in arrears on the relevant Offer Date.
- (xv) The Mortgage Loans have never been in arrears for more than 31 days. To the best of the Seller's knowledge, none of the Borrowers have defaulted on any other obligation under the Mortgage Loan agreements.
- (xvi) According to originating procedures of the Seller, the Borrower did not show any defaults in the relevant Center of Risk Information of the Bank of Spain (*Central de Información de Riesgos del Banco de España*) ("**CIRBE**").
- (xvii) The debt to income ratio ("**DTI**") of the Borrower is not higher than 56%.
- (xviii) That the Borrower is not an employee of the Seller.

B) **Global Eligibility Criteria:**

For these purposes:

Outstanding Nominal Balance of the Mortgage Loan Portfolio is the sum of: i) the Outstanding Nominal Balance of the Non-defaulted Receivables at the end of the Collection Period prior to the relevant Offer Date plus ii) the Outstanding Nominal Balance of the Receivables on the relevant Offer Date.

- (i) The Mortgage Loan has an Outstanding Nominal Balance, which, together with the aggregate Outstanding Nominal Balance of all other eligible Mortgage Loans owed by the same Main Borrower, does not exceed 0.60% of the aggregate Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.
- (ii) The aggregated Outstanding Nominal Balance of the Mortgage Loans corresponding to the ten (10) biggest Main Borrowers does not exceed the 4.40% of the Outstanding Nominal Balance of the Mortgage Loan portfolio after the relevant Assignment.
- (iii) That the aggregated Outstanding Nominal Balance of the Mortgage Loans granted to a Main Borrower not resident in Spain and with Spanish nationality do not exceed 2.60% of the Outstanding Nominal Balance of the Mortgage Loan portfolio after the relevant Assignment.
- (iv) That the aggregated Outstanding Nominal Balance of the Mortgage Loans granted to a Main Borrower not resident in Spain and with a nationality other than Spanish does not exceed 0.15% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.
- (v) That the aggregated Outstanding Nominal Balance of the Mortgage Loans with a Main Borrower resident in Spain and with a nationality other than the Spanish one does not exceed 10% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.
- (vi) That the weighted average margin of the Mortgage Loans after any applicable bonification is equal or higher than 0.80%.
- (vii) That the aggregated Outstanding Nominal Balance of the Interest Rate Mortgage Loans with a spread after any applicable bonification under 0.65% is equal or lower than the 5% of the Outstanding Nominal Balance of the Mortgage Loans Portfolio after the relevant Assignment.
- (viii) The Outstanding Nominal Balance of the Mortgage Loans with interest payment frequency above one (1) month will not be higher than 1% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.

- (ix) That the weighted average LTV is not higher than 60%.
- (x) The aggregated Outstanding Nominal Balance of the Mortgage Loans with LTV above 70% will not be higher than 15% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.
- (xi) The aggregated Outstanding Nominal Balance of the Mortgage Loans where the Main Borrower is self-employed will not be higher than 0.5% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.
- (xii) That the aggregated Outstanding Nominal Balance of the Mortgage Loans granted to Borrowers different to civil servants, self-employed or employee is not higher than 2% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.
- (xiii) That the Weighted Average DTI of the Borrowers is not higher than 30%.
- (xiv) That the weighted average Seller's Internal Scoring is not lower than 100.
- (xv) The aggregated Outstanding Nominal Balance of the Mortgage Loans secured by second homes (i.e. main guarantee is a second home) is not higher than 20% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.
- (xvi) The aggregates Outstanding Nominal Balance of the *buy to let* Mortgage Loans is not higher than 3,5% of the Outstanding Nominal Balance of the Mortgage Loan Portfolio after the relevant Assignment.

#### 2.2.8.3. Additional provisions

The Seller assumes the obligation to notify the Management Company as soon as it becomes aware of the breach or invalidity of any representations made in this section.

None of the Fund, the Management Company, the Paying Agent, nor any other person has undertaken or will undertake any investigations, searches or other actions to verify the information concerning the Mortgage Loans in the portfolio or to establish the creditworthiness of any Borrower or any other party to the Transaction Documents. Each such person will rely solely on the accuracy of the representations and warranties given by the Seller to the Fund in the Deed of Incorporation in respect of, among other things, itself, the Mortgage Loans in the portfolio, the Receivables, the Borrowers and the Mortgage Loan agreements and which have been reproduced in this section 2.2.8 of the Additional Information.

Should any of the Receivables not comply with the representations and warranties made by the Seller contained in the Deed of Incorporation, the Seller will, if the relevant breach cannot be remedied, be required to fulfil the terms and conditions established in section 2.2.9 of the Additional Information.

The Seller is under no obligation to, and will not, provide the Sole Arranger, the Fund or the Management Company with financial or other personal information specific to individual Borrowers and the Mortgage Loan agreements to which the Receivables relate.

Should the Seller fail to comply with appropriate remedial action under the terms established in section 2.2.9 of the Additional Information this may have an adverse effect on the value of the Receivables and on the ability of the Fund to make payments under the Notes.

#### 2.2.9. **Replacement of the securitised assets**

In the exceptional scenario in which on any moment after the date in which a Receivable had been transferred to the Issuer, and notwithstanding the representations and warranties given by the Seller and the diligence exercised to ensure compliance with them it is detected that any of such Receivables has hidden defects, including a situation in which it does not, on the Offer Date, comply with the representations made in section 2.2.8 above of this Additional Information, and in the Deed of Incorporation of the Fund, the Seller undertakes:

- (i) Remedy. To remedy the defect within a term of 30 Business Days as of the moment it becomes aware of the defect or as of the corresponding notification from the Management Company to the Seller informing it of the existence of the defect; or
- (ii) Replacement. In the event remedy is not possible pursuant to the terms of section i) above, the Management Company will call on the Seller to replace the corresponding MT representing the Receivables arising from the relevant Mortgage Loan with another with at least similar characteristics in terms of:
  - (1) credit quality
  - (2) Outstanding Nominal Balance
  - (3) system of repayment,
  - (4) remaining term,
  - (5) rate of interest,
  - (6) frequency of payment and
  - (7) credit quality in terms of the relationship between (i) the Outstanding Nominal Balance of the ineligible Mortgage Loan and (ii) the appraisal of the property mortgaged as security for the ineligible Mortgage Loan.

and provided it does not negatively affect the rating of the Notes granted by the Rating Agencies, which is accepted by the Management Company in a maximum term of 30 Business Days. In the event there is a positive difference between the balance of the Receivable replaced and the balance of the Receivable incorporated, the difference will be lodged in the Treasury Account.

The replacement will be made through the issue by the Seller of MTs representing Receivables arising from Mortgage Loans in the Seller's portfolio to be subscribed by the Fund and which has the same characteristics as the Mortgage Loan represented by the MT being replaced.

In particular, the Seller will issue a new MT representing a Mortgage Loan with similar characteristics to the one to be, such that the financial structure of the Fund and the rating of the Rated Notes will not be affected by the replacement.

This issue of MTs by the Seller and the replacement by the Management Company, on behalf of the Fund, will be made through the corresponding notarial certificate, which will include the data concerning the MT to be replaced and the underlying Mortgage Loan, and the new MT issued, with the data on the new Mortgage Loan, as well as the grounds for the replacement and the variables determining the homogeneous character of the MTs, as described above. A copy of such notarial certificate will be delivered to the CNMV and to IBERCLEAR.

In addition, the Management Company will deliver the Multiple Title representing the MTs to the Seller, and the Seller will deliver a new Multiple Title including all MTs owned by the Fund (i.e. excluding the replaced ineligible MT and including the new MT).

In any event, in order to replace a Receivable, the Seller will represent and warranty that the replacement Receivable complies with the representations described in section 2.2.8. of this Additional Information, and in the Deed of Incorporation.

- (iii) Repurchase. Alternatively to the obligations assumed in sections (i) and (ii) above and for those cases in which remedy is appropriate but is not carried out or cannot be implemented or where replacement is appropriate but is not possible, in the reasoned opinion of the Management Company, the Seller undertakes to return, in cash, the principal of the corresponding Receivables and any interest accrued and unpaid to date, and any other amount that may correspond to the Fund, this amount being deposited in the Treasury Account.

#### Notification

In any of the above cases, the replacement of the Receivables will be notified to the CNMV and the Rating Agencies.

#### Expenses

Any expenses, including taxes, incurred as a result of the remedy or replacement of Receivables pursuant to the terms of this section will be borne by the Seller. Under no circumstances will the Management Company assume any liability for non-compliance by the Seller with its obligations as set out in this section.

#### Covid-19 Moratoriums

For the avoidance of doubt, as foreseen in Risk Factor 1.1.2 (*Macroeconomic Risk, Covid-19 and Related Potential Circumstances*):

- (i) In the event that a Covid-19 Legal Moratorium is granted in respect of any Loan after the assignment of the relevant Receivables to the Fund, the Seller will neither replace nor repurchase such Receivables affected by the Covid-19 Moratorium.
- (ii) Alternatively, as established under section 3.7.2.6 of the Additional Information, no Covid-19 Contractual Moratoriums shall be granted by the Servicer to a Loan pooled in the Fund after the assignment of the relevant Receivables to the Fund, and therefore the Seller will repurchase such Receivables affected by the Covid-19 Contractual Moratorium in case that such moratoriums breaches the quantitative limits reflected in section 3.7.2.6 of the Additional Information.

#### **2.2.10. A description of any relevant insurance policies relating to the assets. Any consultation with one insurer must be disclosed if it is material to the transaction**

The properties securing the Mortgage Loans, from which the Initial and Additional Receivables derive, are insured against fire and damages, either through individual policies or global ones in favour of the Originator, and the indemnities are not lower to the appraisal value of the mortgaged properties in accordance with Royal Decree 716/2009 and Royal Decree-law 24/2021 (if applicable, for those Mortgage Loans assigned on or after 8 July 2022, as the date of entry into force of the Royal Decree-law 24/2021). Initially, the insurer of the global policy is AXA Seguros Generales, S.A. de Seguros y Reaseguros. However, such insurer may change in the future and, if needed, to increase the amount of the policy.

The main characteristics of the initial policy are:

- a) Insurer: AXA Seguros Generales, S.A. de Seguros y Reaseguros
- b) Insured amount: 53,726,294.52Euros.
- c) Duration: annual and extendable.
- d) Start date: 31 May 2021.

e) Last modification date: 14 December 2021.

f) Holder: Andbank.

The Borrowers may at any time decide to engage any insurance company of their choice provided that the mortgaged property is always insured against fire and damages.

No data on insurance company concentration is provided in this Prospectus given the insurance policies contracted by the Borrowers and their details are not supported by or updated in the Seller's computer records. However, there may be a concentration of insurance policies against fire and damages with some insurance companies given that these were initially contracted with such insurance companies.

**2.2.11. Information relating to the Borrowers in the cases where assets comprise obligations of 5 or fewer obligors which are legal persons or are guaranteed by 5 or fewer legal persons or where an obligor or entity guaranteeing the obligations accounts for 20 % or more of the assets, or where 20 % or more of the assets are guaranteed by a single guarantor, so far as the issuer is aware and/or is able to ascertain from information published by the obligor(s) or guarantor(s).**

Not applicable.

**2.2.12. Details of the relationship between the issuer, the guarantor and the obligor, if significant for the Issue.**

There is no relationship between the Fund, the Management Company and other parties intervening in the operation other than as set out in section 5.2. of the Registration Document.

**2.2.13. If the assets comprise obligations that are traded on regulated or equivalent third country market or SME Growth Market, a brief description of the securities, the market and an electronic link where the documentation in relation to the obligations can be found on the regulated or equivalent third country market or SME Growth Market**

Not applicable.

**2.2.14. Where the assets comprise obligations that are not traded on a regulated or equivalent third country market or SME Growth Market, a description of the principal terms and conditions in relation to the obligations**

Not applicable. The Receivables do not include transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU nor any securitization position, whether traded or not.

**2.2.15. Where the assets comprise equity securities that are admitted to trading on a regulated or equivalent third country market or SME Growth Market indicate, a brief description of the securities; a description of the market on which they are traded including its date of establishment, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country, the name of the market's regulatory authority and an electronic link where the documentation in relation to the securities can be found on the regulated or equivalent third country market or SME Growth Market; and the frequency with which prices of the relevant securities, are published.**

Not applicable.

**2.2.16. Where more than 10 % of the assets comprise equity securities that are not traded on a regulated or equivalent third country market or SME Growth Market, a description of those equity securities and equivalent information to that contained in the registration document for equity securities or where applicable, the registration document for securities issued by closed-end collective investment undertakings in respect of each issuer of those securities**



Not applicable.

**2.2.17. Where a material portion of the assets are secured on or backed by real property, a valuation report relating to the property setting out both the valuation of the property and cash flow/income streams**

The valuations of the properties securing the Mortgage Loans from which the Receivables arise from have been performed by appraisal companies registered with the corresponding registry of the BANK OF SPAIN. Such appraisals are carried out in accordance with the provisions of Order ECO/805/2003.

According to Circular 4/2017 of 27 November of Bank of Spain, all appraisals of the properties securing the Mortgage Loans were performed on or around the date of granting of the Mortgage Loans and none of the properties have been re-appraised, which is line with the Seller's policy for its portfolio of mortgage loans, which will be according to the applicable regulation.

Regarding those Mortgage Loans assigned on or after 8 July 2022 (as the date of entry into force of Royal Decree-Law 24/2021), in the form of MP, the requirements foreseen in article 23 of Royal Decree-Law shall be observed.

**2.3. Actively managed assets backing the Issue.**

Not applicable.

**2.3.1. Information to allow an assessment of the type, quality, sufficient and liquidity of the asset types in the portfolio which will secure the issue**

Not applicable.

**2.3.2. The parameters within which investments can be made, the name and description of the entity responsible for such management including a description of that entity's expertise and experience, a summary of the provisions relating to the termination of the appointment of such entity and the appointment of an alternative management entity and a description of that entity's relationship with any other parties to the issue**

Not applicable.

**2.4. Statement in the event that the issuer intends to issue new securities backed by the same assets, a prominent statement to that effect and unless those further securities are fungible with or are subordinated to those classes of existing debt, a description of how the holders of that class will be informed.**

Not applicable.

**3. STRUCTURE AND CASH FLOW**

**3.1. Description of the structure of the transaction, containing and overview of the transaction and the cash flows, including, if necessary, a structure diagram**

**3.1.1. General**

The Seller will assign to the Fund the Receivables arising from Mortgage Loans selected among those included in the Preliminary Portfolio through the issuance of the MTs. Such assignment will take place:

- (i) On the Date of Incorporation of the Fund, by means of the execution of the Deed of Incorporation of the Fund, with respect to the assignment of the Initial Receivables.

This assignment of Initial Receivables will be formalised, inter alia, through:

- I. the Deed of Incorporation, by virtue of which the Fund is incorporated, the Initial Receivables will be assigned through the issuance and subscription of the MTs and the Notes will be issued, and
- II. the rest of Transaction Documents described in section 3.4. and 3.7 of this Additional Information.

A copy of the Deed of Incorporation will be delivered to the CNMV and to IBERCLEAR to be included in their official registers prior to the start of the Subscription Period.

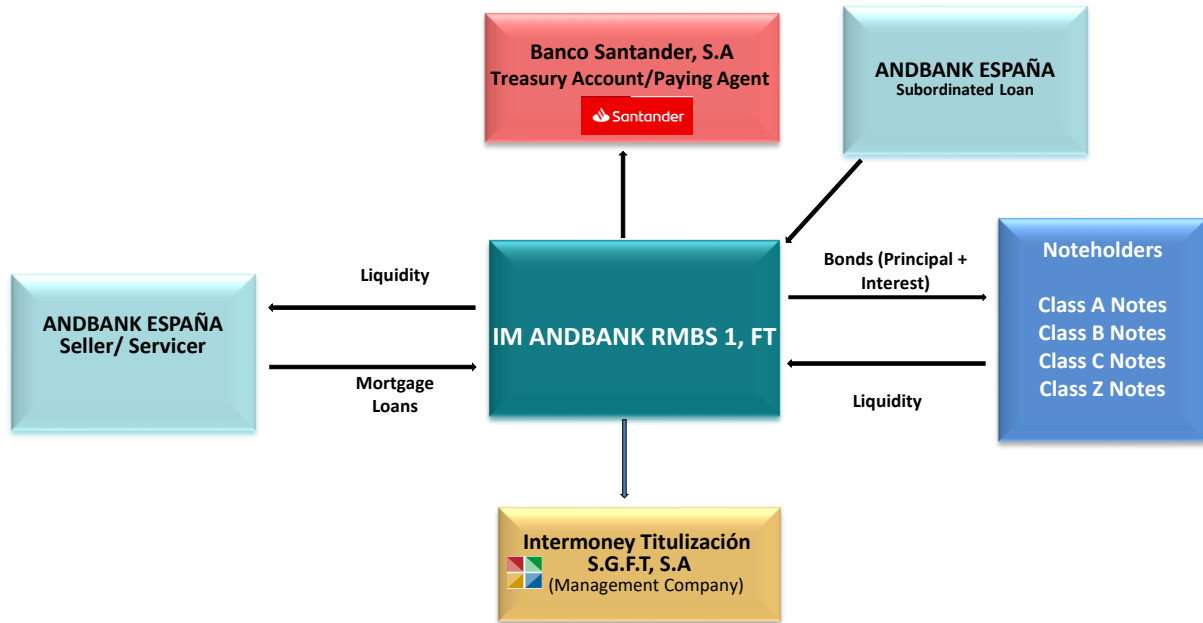
- (ii) On the Purchase Dates during the Purchase Period, with respect to the Additional Receivables. Such assignments will be carried out in accordance with the Deed of Incorporation and formalised by means of the acceptance by the Management Company, for and on behalf of the Fund, of the Assignment Binding Offer sent to it by the Seller pursuant to section 3.3.6 of the Additional Information. These purchases may be financed using the Available Funds and any proceed coming from the Additional Issuances according to section 4.1.6 of the Securities Note.

The Fund will subscribe the MTs representing the Receivables and will issue the Notes through the Initial Issuance and the Additional Issuances from which it will obtain the funds or resources for such subscription.

Moreover, the Fund, represented by the Management Company, will execute a series of financial and services agreements designed to consolidate and enhance the financial structure of the Fund, increase the certainty or regularity of the payments on the Notes, to cover temporary maladjustments between the schedule of principal and interest flows of the Receivables and the Notes and, in general, facilitate the financial transformation executed in the wealth of the Fund among the financial characteristics of the Receivables and the financial characteristics of each of the Classes, set out in the Additional Information.

The Management Company, on behalf of the Fund, states that the descriptions of the Paying Agency Agreement and Servicing Agreement contained in the corresponding sections of this Prospectus, entered into for and on behalf of the Fund, contain the most relevant information on each of the agreements, offering a true picture of the content of the same and without omitting any information that could affect the content of the Prospectus.

### **3.1.2. Diagram of the transaction**



### 3.1.3. Current Balance of the Fund

Below is a summary of the expected balance of the Fund at the Initial Disbursement Date, the latest one available at the filing date of this Prospectus.

ASSETS (in euros)		LIABILITIES (in euros)	
Receivables	150,000,000.00	Class A	138,800,000.00
		Class B	6,000,000.00
		Class C	5,200,000.00
		Class Z	6,800,000.00
Treasury Account (Reserve Fund, initial expenses reserve, cash)	7,090,000.00	Subordinated Loan for Initial Expenses	290,000.00
<b>Total Assets</b>	<b>157,090,000.00</b>	<b>Total Liabilities</b>	<b>157,090,000.00</b>

Initial Issuance of Class Z Notes, which is used to fund the Reserve Fund as describe in section 3.5 of the Securities Note, will be for an amount equal to € 6,800,000. However, according to the section 3.4.2.2 of the Additional Information, the Initial Amount of the Reserve Fund is € 6,750,000. Such difference will be used as Available Funds as stated in clause 3.4.7.2 of the Additional Information.

## 3.2. Description of the entities participating in the issue and description of the functions to be performed by them in addition to information on the direct and indirect ownership or control between those entities

### 3.2.1. Parties

(i) **INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.** participates as:

- (1) the Management Company of the Fund.

As Management Company:

- (1) will be the Management Company that will establish, manage and be the authorised representative of the Fund;

- (2) takes responsibility for the contents of this Prospectus; and
- (3) has also been designated as reporting agent (on behalf of the Reporting Entity) responsible for submitting the information required by article 7 of the EU Securitisation Regulation.

(ii) **ANDBANK ESPAÑA, S.A.U.**

Participates as:

- (1) Seller of the Receivables to be acquired by the Fund;
- (2) Issuer of the MTs;
- (3) Subscriber of the Notes under the Initial Issuance;
- (4) if applicable, Lead Manager for the Additional Notes;
- (5) if applicable, subscriber of the Additional Notes not placed among investors by the Lead Managers;
- (6) Subordinated Loan Provider under the Subordinated Loan for the Initial Expenses; and
- (7) Servicer of the Mortgage Loans in accordance with section 3.7.2 of the Additional Information and pursuant to Article 26.3 of Royal Decree 716/2009 and the Servicing Agreement.

As Originator:

- (1) will retain, on an on-going basis, randomly selected exposures equivalent to not less than five per cent (5%) of the securitized exposures in the Securitisation, in accordance with option (c) of article 6(3) of the EU Securitisation Regulation as described in section 3.4.3.1 of the Additional Information;
- (2) shall take responsibility for the contents of the Securities Note (including this Additional Information);
- (3) shall be liable for compliance with articles 19 to 22 of the EU Securitisation Regulation and the applicable legislation. In addition, the Seller shall be appointed as Reporting Entity in charge of the fulfilment of the disclosure obligations as set forth in section 4.1 of the Additional Information.

As Subscriber, has agreed upon the satisfaction of certain conditions precedent to subscribe the Notes issued under the Initial Issuance.

In its capacity as Lead Manager, has agreed on a best-efforts basis and upon the satisfaction of certain Conditions Precedent for the Issuance and Extension of the Additional Notes to procure subscription for and placement of of the Additional Notes (if applicable) during the Subscription Period.

(iii) **BANCO SANTANDER, S.A.** participates as:

- (1) Bank Account Provider;
- (2) Paying Agent;

(iv) **INTERMONEY VALORES, SV, S.A.** participates as

- (1) Sole Arranger
- (2) if applicable, Lead Manager for the Additional Notes.

In its capacity as Sole Arranger, and upon the terms set forth in article 35.1 of Royal Decree 1310/2005, it receives the mandate of the Management Company in order to direct operations concerning the design of the temporary and commercial financial conditions of the issue, as well as the coordination with the Subscriber.

In its capacity as Lead Manager, has agreed on a best-efforts basis and upon the satisfaction of certain Conditions Precedent for the Issuance and Extension of the Additional Notes to procure subscription for and placement of the Additional Notes (if applicable) during the Subscription Period.

- (v) **ERNST & YOUNG, S.L.**, participates as
  - (1) independent company for the verification of a series of characteristics of the Mortgage Loans in the Preliminary Portfolio, for the purposes of complying with the provisions of EU Securitisation Regulation;
  - (2) in addition, has prepared the Special Securitisation Report on the Preliminary Portfolio; and
  - (3) Auditor of the Fund.
- (vi) **CUATRECASAS, GONÇALVES PEREIRA, S.L.P.**, acts as Legal adviser in respect of the transaction structure and has reviewed the legal regime and tax rules applicable to the Fund (established in section 4.5.4 of the Registration Document), and issues the legal opinion required under article 20.1 of the EU Securitisation Regulation.
 

A new legal opinion may only be issued (either by Cuatrecasas, Gonçalves Pereira, S.L.P. or the relevant legal firm appointed by the Management Company, on behalf of the Fund) if the legal framework is modified in a manner than affects the content of such legal opinion.
- (vii) **DBRS RATINGS, GMBH, BRANCH IN SPAIN ("DBRS")**, intervenes as credit rating agency, rating:
  - (1) Class A Notes;
  - (2) Class B Notes; and
  - (3) Class C Notes.
- (viii) **MOODY'S INVESTORS SERVICE ESPAÑA S.A. ("Moody's")**, intervenes as credit rating agency, rating:
  - (1) Class A Notes;
  - (2) Class B Notes; and
  - (3) Class C Notes.
- (ix) **PRIME COLLATERALISED SECURITIES (EU) SAS ( "PCS")** act as a verification agent authorised under article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation.
- (x) **Bloomberg Finance LP ("Bloomberg")**, on behalf of the Seller, shall provide a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.

### 3.2.2. Additional Information

The description of the institutions referred to in the preceding paragraph is contained in section 3.1 of the Securities Note.

The Management Company represents that the summary descriptions of the agreements contained in the relevant sections give the most substantial and relevant information on each of the agreements, accurately present their contents, and that no information has been omitted which might affect the contents of the Prospectus.

**3.3. Description of the method and date of the sale, transfer, novation or assignment of the assets or of rights and/or obligations in the assets to the issuer or, where applicable, the manner and time period in which the proceeds from the issue will be fully invested by the issuer**

**3.3.1. Execution of the assignment of the Receivables**

(i) Assignment of the Receivables on the Date of Incorporation.

The assignment of the Receivables represented by the MPs will be made without undue delay in the Deed of Incorporation by means of the issue by the Seller of the MPs and the subscription by the Issuer, which will be effective from the Date of Incorporation. The Deed of Incorporation will detail each Mortgage Loan from which the Receivables arise. Receivables selected on Date of Incorporation will have an Outstanding Nominal Balance Not Due as close as possible to € 150,000,000.

The Issuer will fund the acquisition of such Receivables by means of the Initial Issuance.

(ii) Assignment of Receivables after the Date of Incorporation.

During the Purchase Period, and in any Purchase Date, the Seller may assign Additional Receivables to the Issuer according to procedure set forth in section 3.3.6 of the Additional Information. **"Purchase Date"** will be the second Business Day prior to any Payment Date during the Purchase Period.

The transfer of the Receivables on the Date of Incorporation and on any Purchase Date will be carried out through the issuance by the Seller of the MTs, each of them participating from a Mortgage Loan. These MTs will be subscribed by the Management Company, on behalf of the Issuer, to be pooled in the Fund, by virtue of the Deed of Incorporation and upon the terms thereof, in accordance with the legislation on the mortgage market (the Mortgage Market Law, Royal Decree 716/2009, the Fourth Additional Provision of Law 5/2015 and other applicable legal provisions (in particular, as from 8 July 2022, Royal Decree-Law 24/2021).

The assignment of the Receivables will not be subject to severe claw-back provisions in the event of the Originator's insolvency pursuant to article 16.4 of Law 5/2015. In this regard, under Article 16.4 of Law 5/2015 (which references the Mortgage Market Law, which from 8 July 2021 shall be understood as referenced to the Royal Decree-Law 24/2021 according to its 6<sup>th</sup> final provision) ), the assignment of the Receivables transferred to the Fund may only be challenged under Article 226 et seq. of the Insolvency Act by the insolvency administration and in such challenge, the insolvency administration will have to prove the existence of fraud in the assignment.

Each MT shares 100% of the Outstanding Nominal Balance not due of the relevant Mortgage Loan and will accrue an interest equal to the ordinary interest accrued by each Mortgage Loan. The subscription of each MPs and MTCs will imply the assignment, from the Date of Incorporation and from the Offer Date as applicable, of any Ancillary Right derived from each Mortgage Loan under the terms established in their respective Mortgage Loan Agreements and which are inherent to them. To that effect, **"Ancillary Rights"** will mean any and all present or future rights arising from the Loans:

- (i) including but not limited to any compensation deriving from insurance policies, payments made by potential guarantors, payments derived from foreclosures or insolvency proceeding and any right that, in connection with any guarantee or security

interest (including, without limitation, pledges and/or mortgages) and according to article 1,528 of the Spanish Civil Code, may correspond to the Originator in relation with the Loans, **but**

- (ii) excluding prepayment fees, delinquent fees, amendment fees and any other similar corresponding to the Originator.

The assignment of each Receivable will be for the whole of the remaining period until the final maturity of the Mortgage Loan from which it arises, and the Seller does not grant any repurchase agreement.

The Seller will not assume any responsibility whatsoever for the Borrowers' failure to pay principal, interest, or any other amount which the Borrowers may owe pursuant to the Mortgage Loans. Likewise, it will not be held liable, in any form whatsoever, for directly or indirectly guaranteeing the successful conclusion of this transaction and it will not grant collateral or bank guarantees, except as described in section 2.2.9 of this Additional Information.

Notification to the Borrowers shall be ruled according to section 3.3.12 of the Additional Information.

### **3.3.2. Terms and conditions of the assignment of the Receivables.**

- (i) The Receivables will be fully and unconditionally assigned for the entire term remaining until maturity of each Mortgage Loan Agreement.
- (ii) The Seller shall be liable to the Issuer for the existence and lawfulness of the Receivables to the same extent laid down in Articles 348 of the Commercial Code and 1,529 of the Civil Code.
- (iii) The Seller shall not bear the risk of default on the Receivables and shall therefore have no liability whatsoever for Borrower's default on principal, interest, or any other amount they may owe in respect of the Mortgage Loans. The Seller does not assume any liability for the effectiveness of the secured properties in relation to the Mortgage Loans. The Seller will also have no liability whatsoever to directly or indirectly guarantee the adequate performance of the transaction, and will give no guarantees or security, nor agree to replace or repurchase the Receivables, other than as provided in section 2.2.9 of this Additional Information.
- (iv) The Seller does not assume any liability for the effectiveness of the guarantees or security granted as security thereof, if any. Furthermore, the Seller will not in any other manner whatsoever guarantee directly or indirectly the success of the transaction or give any security or Notes or enter into any repurchase or replacement agreements as regards the Receivables, except as described in section 2.2.9 of this Additional Information.
- (v) Each MT shares 100% of the Outstanding Nominal Balance of the Mortgage Loan from which it arises that derives and has the same term to maturity.
- (vi) The Issuer is entitled to receive, among others, the following payments derived from the Mortgage Loans, plus any future payments that may be established:
  - (1) Payments of principal from the Mortgage Loans: all principal payments made by the Borrowers since the Date of Incorporation or the relevant Offer Date (included). The principal of a Mortgage Loan is the portion of the instalment calculated in accordance with the expected amortisation tables and any other payment related to that principal, in particular prepayments.

- (2) Payment of interest from the Mortgage Loans: all interest payments made by the Borrowers since the month (included) corresponding to: (a) the Date of Incorporation; or (b) the relevant Offer Date as applicable.
- (3) Payments of penalty interest for any default or arrears incurred by each Borrower;
- (4) All payments made by third parties by virtue of the Mortgage Loan agreements, including, if applicable, those derived from Ancillary Rights, such as compensation derived from insurance policies, payments made by potential guarantors and any other payment the Seller is entitled to in accordance with such agreements.
- (5) Amounts resulting from the sale, legal resolutions or notary procedures related to the foreclosure of the mortgage or non-mortgage guarantees like the sale or exploitation of properties or allocated goods, or, as a consequence of the foreclosures for the management and interim ownership of the properties undergoing foreclosure.

The Seller undertakes to make all necessary notifications for such payments to be made to the Issuer.

Other amounts due by the Borrower under the Mortgage Loans such as prepayment fees, delinquent fees, amendment fees and any other similar will belong to the Originator and not the Fund.

- (vii) The Issuer's rights resulting from the Receivables are linked to the Borrowers' payments and are therefore directly affected by Mortgage Loan evolution, its delinquencies defaults or prepayments.
- (viii) The Issuer shall bear all expenses or costs paid by the Seller as Servicer in connection with the recovery actions in the event of default on the Borrower's obligations under the Mortgage Loans. The Management Company shall not review or authorize any cost paid by the Seller as Servicer in connection with any recovery actions without prejudice to the right of the Management Company to request any information or evidence at any time with respect to any such costs declared by the Servicer.
- (ix) In the event of a renegotiation or restructuring of a Mortgage Loan according to the terms of section 3.7.2 of the Additional Information, any change in the terms shall affect the Issuer's rights under the Receivables.

### **3.3.3. Price and form of payment of the Receivables assigned to the Fund**

The Issuer shall pay as consideration a purchase price for the Receivables transferred on the Date of Incorporation equal to the Outstanding Nominal Balance of the Mortgage Loans on such date. Such price shall be paid by the Management Company, for and on behalf of the Fund, to the Seller, on the Initial Disbursement Date in connection with of the Initial Issuance, value on that day, once the Fund have received the subscription price.

In the event of termination of the incorporation of the Fund, and thus the assignment of the Receivables:

- (i) the obligation of the Fund to pay the price of the transferred Receivables will terminate,
- (ii) the Management Company shall instruct the reimbursement to the Seller any rights under the Receivables that may have been collected by the Fund, and
- (iii) the Seller will cancel the MTs, hence no credit right under the Mortgage Loans nor under the Receivables shall be acquired by the Fund.



- (iv) All expenses related shall be borne by the Seller.

The Issuer shall pay as consideration the **"Purchase Price of the Additional Receivables"**, equal to the Outstanding Nominal Balance at the relevant Offer Date of the Mortgage Loans from which the Additional Receivables arise. The Purchase Price of the Additional Receivables will be paid by the Issuer to the Seller in each relevant **"Purchase Price Payment Date"**, which will be, in relation to any assignment of Additional Receivables, the Payment Date of the month in which such assignment takes place.

Notwithstanding the above, in case that any Class of Notes is issued below par on any Additional Issuance Date, the aggregate for each Class of Notes of the difference between the nominal amount and its subscription price will be charged to the purchase price payable for the Additional Receivables assigned on that date.

The Seller will not receive any interests for the deferral of the payment of the subscription of the MTs from the Date of Incorporation to the Disbursement Date and from the Purchase Date to the Purchase Price Payment Date.

### 3.3.4. Purchase Period

The **"Purchase Period"** will run from the Date of Incorporation until the earliest of the following, included (the **"Purchase Period End Date"**):

- (i) The Issuance Period End Date, if such date corresponds to (i) or (iii) of the Issuance Period End Date events described in section 4.1.2 of the Securities Note.
- (ii) The Purchase Date immediately prior to a Payment Date in which a breach in the Minimum Reserve Fund Level occurs.
- (iii) The Purchase Date immediately prior to a Payment Date in which a Redemption Deficit arises.
- (iv) On the Purchase Date immediately prior to the second consecutive Payment Date when the outstanding balance of the Purchase Price Reserve held in the Treasury Account is higher than 10% of the Outstanding Nominal Balance of the Notes and such level is not reduced in the following 30 days.
- (v) The date in which a Seller Event of Default (as defined below) has occurred and has been communicated to the Management Company;
- (vi) The date in which a Servicer Termination Event has occurred and has been communicated to the Management Company;
- (vii) The date in which the Management Company acknowledges any qualification affecting to the Additional Receivables to be transferred to the Issuer in the audit report on the Seller's latest financial statements.
- (viii) The date in which occurs event described in section 4.4.3 of the Registration Document that would lead to an Early Liquidation of the Fund.

For the purposes of paragraph (v) above, **"Seller Event of Default"** means the occurrence of any of the following events:

- (i) Breach of Obligations:

Any breach by the Seller of:

- (1) any of its material non-monetary obligations under any of the Transaction Documents to which it is a party and such breach is not remedied by the Seller within:
  - (i) five (5) Business Days; or
  - (ii) fifteen (15) Business Days if the breach is due to force majeure or technical reasons,  
after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Seller by the Management Company to remedy such breach; or
- (2) any of its material monetary obligations under any of the Transaction Documents to which it is a party and such breach is not remedied by the Seller within:
  - (i) two (2) Business Days; or
  - (ii) five (5) Business Days if the breach is due to force majeure or technical reasons;  
after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Seller by the Management Company to remedy such breach.

(ii) Breach of Representations:

Any breach by the Seller of any representation, warranty or undertaking made or given by the Seller in respect of itself in the Deed of Incorporation as repeated in this Prospectus, is materially false or incorrect or has been breached and, where such materially false or incorrect representation or warranty or breached undertaking can be corrected or remedied by the Seller, is not corrected or remedied by the Seller within:

- (1) five (5) Business Days; or
- (2) sixty (60) calendar days if the breach is due to force majeure or technical reasons,

after the earlier of the date on which it is aware of such misrepresentation or such breach and/or receipt of notification in writing to the Seller by the Management Company to remedy such false or incorrect representation or warranty or breached undertaking.

(iii) Insolvency and Resolutions Measures: upon the occurrence of any Insolvency and Resolutions Measures in respect of the Seller.

### 3.3.5. Purchase Price Reserve

During the Purchase Period, Principal Amount Available defined in section 4.9.3 of the Securities Note will be used to pay the Purchase Price of the Additional Receivables transferred to the Issuer together with the proceeds coming from the Additional Issuances.

Whilst not used to pay the Purchase Price of the Additional Receivables such amounts will be held in the Treasury Account as the Purchase Price Reserve.

### 3.3.6. Assignment of Additional Receivables

“Offer Date” will be the tenth (10<sup>th</sup>) Business Day of each month during the Purchase Period.

To execute any assignment of Additional Receivables during the Purchase Period, the Seller shall forward to the Issuer a binding “**Assignment Binding Offer**” of Additional Receivables no later than the Offer Date.

The Assignment Binding Offer will be made according to the terms of the form contained in the Deed of Incorporation and will include a computer file with the details of the Mortgage Loans to be transferred and of the MTs to be issued. The Additional Receivables included in any Assignment Binding Offer shall comply with all the representations and warranties contained in section 2.2.8 of the Additional Information.

The Outstanding Nominal Balance of the Mortgage Loans included in each Assignment Binding Offer will be around or slightly lower than the sum of:

- (i) the Principal Amount Available expected to be applied on the next immediate Payment Date,  
plus,
- (ii) the Additional Issuance of Class A, Class B and Class C Notes to be executed within the month of the relevant Purchase Date according to section 4.1.7 of the Securities Note.

On or before the Purchase Date, the Management Company will accept the Assignment Binding Offer on behalf of the Fund based on the representations and warranties made by the Seller, taking into account that simply by forwarding the Assignment Binding Offer it will be understood that the Seller reiterates the representations and warranties set out in section 2.2.8 of the Additional Information regarding the relevant Mortgage Loans and the correspondent MTs.

For clarification purposes, purchase of Additional Receivables will take place according to above in the month in of Additional Issuance; the Seller may offer and assign, and the Issuer will purchase Additional Receivables, using the proceeds coming from the relevant Additional Issuance and the Principal Amount Available, according to section 3.3.3 of the Additional Information.

Once the Assignment Binding Offer will be accepted by the Management Company, and no later than the Purchase Date, the Seller will issue and deliver the MTs corresponding to the Mortgage Loans from which the Additional Receivables arise. The disbursement of the subscription of the MTs on the Purchase Price Payment Date will be made as consideration of the Purchase Price of the Additional Receivables transferred in the relevant Purchase Date.

On a monthly basis the Management Company, on behalf of the Fund, will send a notice to the CNMV containing:

- (i) A breakdown of the main characteristics of the Additional Receivables assigned on the Purchase Date corresponding to the immediately previous month; and
- (ii) A representation by the Seller and by the Management Company on behalf of the Fund in which it reiterates that the Mortgage Loans, the MTs and the Additional Receivables derived from them comply with the representations set out in section 2.2.8;

Together with the above notice and, for the purposes of the terms of article 1,227 of the Civil Code *in fine*, will send the CNMV the breakdown of the Additional Receivables, via electronic means, using the CIFRADO/CNMV Service. In the event that, at any time and for whatever reason, the Management Company cannot use the system, and the Seller undertakes to send a document or notice to CNMV with the same effects or, if this is not possible, execute a public deed with the above-mentioned content or use any other means that, in the future,

has the same effects vis-à-vis third parties, with the Management Company in this case giving the CNMV a certified copy of such document, or that resulting from the means used.

All expenses and taxes generated from the formalisation of the successive assignments of Additional Receivables will be borne by the Seller.

### **3.3.7. Conditions for the perfection of the assignment of Additional Receivables**

Notwithstanding the above, the assignment of Additional Receivable will not take place if

- (i) The Seller has not issued the MT corresponding to the transferred Receivables, or it has delivered them to the Management Company; or
- (ii) The Seller has not confirmed in writing to the Management Company that the Mortgage Loans and the MTs comply with all the representations and warranties contained in section 2.2.8 of the Additional Information; or
- (iii) The Additional Issuance of Class A Notes, Class B Notes, Class C Notes and Class Z Notes has not been fully disbursed on or before the relevant Purchase Price Payment Date.

In such event,

- (i) the obligation of the Fund to pay the subscription price of the MTs will terminate,
- (ii) the Management Company shall instruct the reimbursement to the Seller any rights under the relevant Additional Receivables that may have been collected by the Fund, and
- (iii) the Seller will cancel the MTs, hence no credit right under the Mortgage Loans nor under the Receivables shall be acquired by the Fund.

All expenses related shall be borne by the Seller.

### **3.3.8. Advance of funds.**

The Seller will not advance any amount to the Fund on behalf of the Borrowers, whether it be principal or interest of the Receivables.

### **3.3.9. Term**

All the aforementioned rights will accrue in favour of the Issuer as from the Date of Incorporation or each Offer Date as applicable.

### **3.3.10. Additional provisions**

The rights of the Issuer arising from the Receivables are linked to the payments made by the Borrowers under the Mortgage Loans and are, therefore, directly affected by the evolution, delays, prepayments or any other incidents regarding these Mortgage Loans.

All possible expenses or costs that may arise for the Seller from recovery actions in the event of the Borrower failing to comply with its obligations, including enforcement actions against such Borrowers, will be paid by the Issuer.

### **3.3.11. Insolvency of the Seller**

The Seller may be declared insolvent and insolvency of the Seller could affect its contractual relationship with the Fund, in accordance with the provisions of the Insolvency Law.

The assignment of the Receivables cannot be the subject of claw-back other than by an action brought by the Seller's receivers, in accordance with the provisions of the Insolvency Law and after proving the existence of fraud in the transaction, as set forth in article 16.4 of Law 5/2015. The Seller has its place of business office in Spain. Therefore, and unless proof in the contrary, it is presumed that the centre of main interests is Spain.

In the event that the Seller is declared insolvent, in accordance with the Insolvency Law, the Fund, represented by the Management Company, shall have the right of separation with respect to the Receivables, on the terms provided in articles 239 and 240 of the Insolvency Law; consequently, the Fund shall be entitled to obtain from the insolvent Seller the resulting Receivables amounts from the date on which the insolvency is decreed, being those amounts considered Fund's property and must therefore be transferred to the Fund, represented by the Management Company.

This right of separation would not necessarily extend to the cash received and kept by the insolvent Seller on behalf of the Fund before that date, given the essential fungible nature of money.

Notwithstanding the above, both the Prospectus and the Deed of Incorporation provide for certain mechanism in order to mitigate the aforesaid effects in relation to cash due to its fungible nature as detailed in section 3.4.2.1 of the Additional Information.

### **3.3.12. Notification**

#### **3.3.12.1. General rule**

Assignment of the Receivables to the Fund shall not be notified to the Borrowers, except if required by law, and according to this section. As of the Date of Incorporation, the Seller must send the notice required by law to Borrowers in:

- (i) the autonomous community of Valencia, pursuant to Decree-Law 1/2019, of December 13, of the Consell, approving the consolidated version of the Statute of consumers and users of the Valencian Community,
- (ii) the autonomous community of Castilla-La Mancha, pursuant to Law 3/2019, of 22 March, on the statute of the consumer in Castilla-La Mancha, and
- (iii) the autonomous community of Andalucía, pursuant to Decree 175/2020, of 27 October, which regulates the right of information of consumer borrowers and guarantors in cases of issuance of mortgage shares or mortgage transfer certificates, as well as in cases of transfer, assignment or other legal acts that may result in the alteration of the ownership of the mortgage loans for housing, or the receivables derived therefrom.

For these purposes, notice to the Borrowers is not a requirement for the validity of the issuance of the MTs or for the validity of the assignment of the MTs to the Fund.

#### **3.3.12.2. Particular rules**

Notwithstanding the above, in any of the Seller Event of Default related with Insolvency and Resolution Measures, in case of a Servicer Termination Event or if the Management Company considers it to be reasonably justified, the Management Company shall request the Servicer to notify the Borrowers, the guarantors and the insurance companies of the assignment of the outstanding Receivables to the Issuer and that the payments derived therefrom will only release the debt if payment is made into the Treasury Account opened in the name of the Fund.

However, if the Seller has not given the notice to the Borrowers within five (5) Business Days of receipt of the request by the Management Company, or in the case that the Seller is in

insolvency proceedings, the Management Company itself, either directly or through a new designated servicer or agent, shall proceed with such notification.

For all the purposes established in the foregoing paragraph, the Management Company will be entitled to request and the Seller the obligation to supply, any information that the Management Company deems necessary or appropriate.

The Seller will notify the Borrowers and, if applicable, any guarantor of the Receivables or any insurance companies, of the assignment the Receivables, immediately upon receipt of the instruction from the Management Company and, in any event, it will accredit to the Management Company, within a term of five (5) Business Days as of the sending of such instruction, the effective notification of the Borrowers by attaching the acknowledgement of receipt of such notices.

#### 3.3.12.3. Additional actions

Together with the instruction to notify mentioned above, the Management Company will send the Seller a list of the payments expected during the current Collection Period and the following Collection Period, according to the date in the possession of the Management Company at that time. In any event, as of the date on which the Seller receives the corresponding instruction from the Management Company, the former will immediately transfer to the account designated by the Management Company to that end (held in an entity that qualifies as a counterparty of the Treasury Account in accordance with section 3.4.5. of the Additional Information), any amount derived from the Receivables in its possession at that time and will continue, on a daily basis, to transfer any amount it receives from the Loans from which the Receivables assigned to the Fund are derived.

#### 3.3.12.4. Power of attorney

By virtue of the Deed of Incorporation, the Seller granted the broadest powers necessary under law to the Management Company so that it can notify the assignment of the Receivables at any time it may consider necessary to protect the interests of the Fund. In particular, the Management Company will immediately and officially notify the assignment of the Receivables in case of any Seller Event of Default, if it fails to demonstrate the notice sent by the Seller to the Borrowers within the term of five (5) Business Days established above.

#### 3.3.12.5. Undertaking of the Seller

For the purposes of the above, the Seller as Servicer undertakes to notify the Management Company, immediately, of the occurrence of any Servicer Termination Event. The Seller undertakes to collaborate with the Management Company in the notification to the Borrowers, and to assume the related expenses, even in case that it is carried out by the Management Company.

#### **3.3.13. Set-off**

Exceptionally and without prejudice to section 2.2.8 of the Additional Information, in the event that any of the Borrowers maintains a credit right that may be legally or contractually set-off against the Seller and, therefore, it turns out that any of the Receivables were set-off, totally or partially, against such receivable, the Seller will remedy such circumstance with the Borrower, or, if it is not possible to remedy it, the Seller will proceed to pay to the Fund the amount that would have been set-off plus the accrued interest that would have corresponded to the Fund until the day on which the income is produced, calculated in accordance with the applicable conditions foreseen in the relevant Mortgage Loan agreement.

#### **3.4. Operation and cash-flows of the Fund.**

**3.4.1. How the cash flows from the assets will meet the issuer's obligations to holders of the securities, including, if necessary, a financial service table and a description of the assumptions used in developing that table**

- (i) Any collections received by the Fund from the Receivables will be deposited by the Servicer into the Treasury Account on the Business Day following receipt.
- (ii) The collection dates of the Fund will be all the Business Days on which payments are made by the Borrowers under the Mortgage Loans.
- (iii) Upon occurrence of a Seller Event of Default, a Servicer Termination Event or in any case if the Management Company considers necessary to do so in order to better protect the interests of the Noteholders, it will proceed with the notification to the Borrowers of the assignment of the Receivables according to section 3.3.12 of the Additional Information. That notification will include the instruction that any payment under the Mortgage Loans shall be done directly into the Treasury Account or any other appointed to such effect by the Management Company so from that moment on only the payment y that account will be considered as effective to release the debt of the Borrower under the Mortgage Loan.
- (iv) Under no circumstance the Seller as Servicer will pay to the Issuer any amounts under the Mortgage Loans that it has not previously received from the Borrowers.
- (v) On each Payment Date, and provided that there are sufficient Available Funds for such purposes, the Issuer will pay the obligations under the Notes and the rest of its liabilities in accordance with the Pre-Enforcement Priority of Payments included in section 3.4.7.2 of this Additional Information. Also, and during the Purchase Period, the Issuer will pay on the same date the Purchase Price of the Additional Receivables according to section 3.3.3 of the Additional Information.

**3.4.2. Information on any credit enhancements, an indication of where potentially material liquidity shortfalls may occur, and the availability of any liquidity supports and indication of provisions designed to cover interest/principal shortfall risks**

**3.4.2.1. Summary of credit enhancements.**

In order to (i) reinforce the financial structure of the Fund, to increase the security or the regularity in the payments of the Notes, (ii) to cover any temporary mismatches of the schedule of flows of principal and interest on the Mortgage Loans and the Notes, or, (iii) in general, to transform the financial characteristics of the Mortgage Loans, and to ensure the correct operation of the Fund and performance of its obligations in the terms and conditions set out in the applicable laws from time to time, the Management Company, on behalf of the Fund, will enter into the Transaction Documents described below in accordance with the Deed of Incorporation and all applicable legal provisions.

The credit enhancements included in the structure for the benefit of the Issuer are the following:

(i) Reserve Fund

The Reserve Fund will be initially funded on the Initial Disbursement Date with the funds coming from the Initial Issuance of Class Z Notes, as specified in section 3.4.2.2 below. On any Additional Issuance Date, the increases on the Reserve Fund will be funded with proceeds coming from the additional disbursements of the Additional Issuance of Class Z Notes and, if applicable, the premiums (price over par) on Rated Notes.

On the Date of Incorporation and on any Issuance Date corresponding to any Additional Issuance date, the Reserve Fund will be equal to 4.50% of the Outstanding Nominal Balance of the Rated Notes.

- (ii) Subordination and postponement of payment of principal and interest between the Class A Notes, Class B Notes, Class C Notes and Class Z Notes

These credit enhancements are further described in the Additional Information.

#### 3.4.2.2. Reserve Fund

As a credit enhancement mechanism to cover losses arising from the default of any Receivable and in order to allow payments to be made by the Fund in accordance with the Priority of Payments set forth in section 3.4.7 of the Additional Information, the Fund shall have a Reserve Fund.

The amount corresponding to the Reserve Fund will form part of the Available Funds as defined in section 3.4.7.2. of the Additional Information. The Reserve Fund will be funded on the Disbursement Date of the Initial Issuance with the funds coming from the disbursement of Initial Issuance of Class Z Notes, for a total amount of € 6,750,000.00 (the "**Initial Amount of the Reserve Fund**"). This amount corresponds to 4.50% of the Initial Balance of the Class A, Class B and Class C Notes.

Upon occurrence of an Additional Issuance, proceeds from (i) the disbursement of the premiums (price over par) on Rated Notes and (ii) from the disbursement of Class Z Notes will be applied to fund the incremental amounts of the Reserve Fund so that the amounts credited to the Reserve Fund will be equal to the Minimum Reserve Fund Level. For the avoidance of doubt, in case that those proceeds deriving from (i) the issuance of Class Z Notes and (ii) the premiums from subscription over par of any Rated Notes (if any), are higher than the Minimum Reserve Fund Level, will be used as Available Funds on the relevant Payment Date for the application according to the Pre-Enforcement Priority of Payments.

The "**Minimum Reserve Fund Level**" is defined on each Payment Date:

- (i) During the Purchase Period, as an amount equal to 4.5% of the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on that Payment Date, and
- (ii) After the end of the Purchase Period and excluding the Liquidation Date of the Fund as the maximum between:
  - (1) The minimum between the 9% of the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on that Payment Date and the 4.5% of the Outstanding Nominal Balance of the Class A, Class B and Class C on the Issuance Period End Date; and
  - (2) The 2.25% of the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on the Issuance Period End Date.
- (iii) Nevertheless, the Minimum Reserve Fund Level will not be reduced from the level of the immediately preceding Payment Date:
  - (1) Before the Purchase Period End Date (included).
  - (2) If on the current Payment Date or in the immediately preceding, a breach of the Minimum Reserve Fund Level has occurred.

The amounts of the Reserve Fund shall be deposited in the Treasury Account opened in the name of the Fund in accordance with section 3.4.5. of the Additional Information.

#### 3.4.2.3. Subordination



In addition to the general credit enhancement provided by the Reserve Fund, the Notes of the different Classes have the following specific improvements:

- (i) The Class A Notes are credit enhanced by the subordination of payments to the Class B Notes, Class C Notes and Class Z Notes as set out in section 4.6. of the Securities Note.
- (ii) Class B Notes are credit enhanced by subordination of payments to Class C Notes and Class Z Notes as set out in section 4.6. of the Securities Note.
- (iii) Class C Notes are credit enhanced by subordination of payments to Class Z Notes as set out in section 4.6. of the Securities Note.

### 3.4.3. Risk retention requirements

#### 3.4.3.1. EU Retention Requirement

The Seller, as Originator, will undertake in the Deed of Incorporation to retain, on an ongoing basis, a material net economic interest of at least 5 (five) per cent. in the securitisation transaction described in this Prospectus in accordance with article 6(3)(c) of the EU Securitisation Regulation (by means of the retention, on an on-going basis, of randomly selected exposures equivalent to not less than five per cent (5%) of the securitized exposures in the Securitisation, in accordance with option (c) of article 6(3) of the EU Securitisation Regulation, Regulation ("*the retention of randomly selected exposures, equivalent to not less than 5 % of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, provided that the number of potentially securitised exposures is not less than 100 at origination*") and article 8 of the Delegated Regulation (EU) 625/2014 of 13 March 2014 supplementing CRR by way of regulatory technical standards specifying the requirements for investors, sponsors, original lenders and originator institutions relating to exposures to transferred credit risk (the "**Delegated Regulation 625/2014**"), applicable until the new regulatory technical standards to be adopted by the Commission apply, pursuant to article 43(7) of the EU Securitisation Regulation. In addition, the Seller has undertaken that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with article 6(1) of the EU Securitisation Regulation.

Due to fact that the Fund will be open both on the assets and liabilities sides, the Seller will commit on the Deed of Incorporation to retain randomly selected additional Mortgage Loans from each Purchase Date during the life of the transaction, in order to grant compliance with the retention commitment of article 6(3) of Securitisation Regulation.

The retention option and methodology used to calculate the net economic interest will not change, unless such change is required due to exceptional circumstances, in which case such change will be appropriately disclosed to Noteholders and published on the following website: [www.imtitulizacion.com](http://www.imtitulizacion.com).

The Deed of Incorporation will include a representation and warranty and an undertaking of the Originator as to its compliance with the requirements set forth in article 6(1) up to and including (3) of the EU Securitisation Regulation. In addition to the information set out herein and forming part of this Prospectus, the Originator has undertaken to make available materially relevant information to investors so that investors are able to verify compliance with article 6 of the EU Securitisation Regulation in accordance with article 7 of the EU Securitisation Regulation, as set out in section 4.1 of this Additional Information. In particular, the quarterly reports shall include information about the risk retained, including information on which of the modalities of retention has been applied pursuant to paragraph to 1(e)(iii) of article 7 of the EU Securitisation Regulation.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and, in this Prospectus, generally for the purposes of complying with each of the provisions described above and any corresponding implementing measure which may be applicable. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the EU Securitisation Regulation.

Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

#### 3.4.3.2. US Risk Retention

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 statute, 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. Final rules implementing the statute (the “U.S. Risk Retention Rules”) came into effect on 24 December 2016 with respect to non-RMBS securitisations. 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, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the securitised assets for the purposes of the U.S. Risk Retention Rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules.

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. 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.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Seller and the Sole Arranger that it is a Risk Retention U.S. Person and obtain the written consent of the Seller in the form of a U.S. Risk Retention Consent. 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 (ii) and (viii), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, “U.S. person” means any of the following:

- (i) any natural person resident in the United States;

- (ii) any partnership or corporation organised or incorporated under the laws of the United States;
- (iii) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (iv) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (v) any agency or branch of a foreign entity located in the United States;
- (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (viii) any partnership, corporation, limited liability company, or other organisation or entity if:
  - (1) organised or incorporated under the laws of any foreign jurisdiction; and
  - (2) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts.

Each holder of a Note or a beneficial interest therein acquired in the initial syndication of the Notes on the issue date, by its acquisition of a Note or a beneficial interest in a Note, will be deemed, and, in certain circumstances, will be required to represent to the Issuer, the Seller and the Sole Arranger that it (1) either (i) is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Consent, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in section 20 of the U.S. Risk Retention Rules described herein).

The Seller has advised the Fund that it will not provide a U.S. Risk Retention Consent to any investor if such investor's purchase would result in more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) (as determined by fair value under US Generally Accepted Accounting Principles (GAAP) of all Classes of Notes to be sold or transferred to Risk Retention U.S. Persons on the Disbursement Date.

There can be no assurance that the requirement to request the Seller to give its prior written consent to any Notes which are offered and sold by the Fund being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether a failure by the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or the market value of the Notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by

the Seller to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

Failure on the part of the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against the Seller which may adversely affect the Notes and the ability of the Seller to perform its obligations under the Transaction Documents. Furthermore, a failure by the Seller to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

None of the Sole Arrangers, the Seller, the Fund or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Issuance Date or at any time in the future. Investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

### **3.4.4. Details of any subordinated debt finance**

#### **3.4.4.1. Subordination of the Notes**

Class Z Notes interest payment and principal repayment is subordinated with respect to Class C Notes. Class C Notes interest payment and principal repayment is subordinated with respect to Class B Notes. Class B Notes interest payment and principal repayment is subordinated with respect to Class A Notes. Such subordinations shall be applied in accordance with the Priority of Payments set out in section 3.4.7 of the Additional Information.

#### **3.4.4.2. Subordinated Loan for Initial Expenses**

On the Date of Incorporation, the Management Company, in the name and on behalf of the Fund, will enter into the subordinated loan agreement with Andbank for a total amount of € 340,000.00 to fund the Initial Expenses and the Issuance Expenses (the "**Subordinated Loan for Initial Expenses Agreement**").

The drawdown of the Subordinated Loan for Initial Expenses amount will take place

- (i) On the Initial Disbursement Date by deposit into the Treasury Account opened within the Paying Agent. The Management Company will use that amount to pay the Initial Expenses of the incorporation of the Fund and the Issuance Expenses for the Initial Issuance of the Notes.
- (ii) On each Additional Disbursement Dates by deposit into the Treasury Account opened within the Paying Agent. The Management Company will use that amount to pay the Issuance Expenses. It is estimated that total costs for all the Additional Issuances during the Issuance Period will amount € 50,000.00.

The Loan will accrue fixed interests at a rate of 0.25% annual, payable on each Payment Date, in accordance with the Priority of Payments set out in section 3.4.7 of the Additional Information.

Repayment of the Subordinated Loan for Initial Expenses will take place on each Payment Date, in an amount equal to the remaining amount of the Available Funds, after payment of all items ranking ahead in the Priority of Payments set out in section 3.4.7 of the Additional Information.

The maturity of the Subordinated Loan for Initial Expenses will take place on the first of the following dates: (i) the Payment Date on which the Subordinated Loan for Initial Expenses is repaid in full, (ii) the Final Maturity Date of the Fund or (iii) the Liquidation Date of the Fund.

The repayment of principal and the payment of interests on the Subordinated Loan for Initial Expenses will follow the Priority of Payments or the Liquidation Priority of Payments to the extent that there are sufficient Available Funds on each relevant Payment Date. In the event that the Fund does not have sufficient liquidity to repay the relevant amounts due under the Subordinated Loan for Initial Expenses in accordance with the Priority of Payments established in section 3.4.7 of the Additional Information, all amounts unpaid to Andbank as Subordinated Loan Provider pursuant to the preceding paragraphs will be paid (together with those amounts to be repaid on the relevant Payment Date) on the immediately following Payment Date on which there are sufficient Available Funds to make the payment in accordance with the Priority of Payments or the Liquidation Priority of Payments set out in section 3.4.7 of the Additional Information.

Amounts not paid on preceding Payment Dates will be paid in preference to those amounts corresponding to the relevant Payment Date.

The amounts due and unpaid under this Subordinated Loan for Initial Expenses will not accrue default interest in favour of the lender.

### **3.4.5. Indication of any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment**

The Management Company, in the name and on behalf of the Fund and Banco Santander (the “**Bank Account Provider**”) will enter into the bank account agreement, by virtue of which the Treasury Account will be initially opened in the books of Banco Santander on the Date of Incorporation (the “**Bank Account Agreement**”).

#### Potential replacement of the Bank Account Provider by Andbank

In the event that Andbank meets the Bank Account Provider Downgrade Event criteria, the Management Company, on behalf of the Fund, shall enter into the corresponding agreement with Andbank in order to replace Banco Santander as Bank Account Provider, provided that at least one (1) year has elapsed from the execution of the Bank Account Agreement with Banco Santander.

#### Treasury Account

The following amounts, among others, shall be deposited into the Treasury Account:

- (i) collections of principal and interest on the Receivables;
- (ii) any other amounts paid under the Mortgage Loans other than principal and interest and which correspond to the Issuer. These amounts include, among others, default interests under the Receivables and Ancillary Rights, the payments made by the insurance companies and third-party guarantors;
- (iii) the amount corresponding to the Reserve Fund;
- (iv) on any Disbursement Date, to the proceeds from the Issuance of the Notes;
- (v) the amount corresponding to the disbursement of the Subordinated Loan for Initial Expenses;
- (vi) returns, if any, from the balances of the Treasury Account itself. Notwithstanding, it is expected that during, at least, the first year, the Issuer will have no returns and will be charged due to the applicable negative interest rate;

- (vii) the proceeds of the liquidation, if any, and where applicable, of the Receivables and other assets of the Fund;
- (viii) any other amounts that shall be deposited in the Treasury Account in accordance with the provisions included in this Prospectus and the Deed of Incorporation; and
- (ix) the amounts, if any, of interim withholdings on the return on investments to be effected on each relevant Payment Date on the Note interest paid by the Issuer, until due for payment to the Tax Administration.

All collections and payments during the entire life of the Fund will be centralised in the Treasury Account.

The Bank Account Provider, in accordance with the instructions received from the Management Company, shall apply the balance existing in the Treasury Account on each Payment Date in accordance with the Pre-Enforcement Priority of Payments (or the Post-Enforcement Priority of Payments, if applicable).

The Treasury Account may be debited on a date other than a Payment Date, provided that it is a date scheduled for such payment in accordance with the Deed of Incorporation or the Prospectus and in accordance with the instructions received from the Management Company. In any case, charges will be made on a date other than a Payment Date in order to pay to the Tax Authorities the withholdings made on the interest accrued on the Notes and, if applicable, when the return of the withholdings already practiced is appropriate.

#### Special considerations regarding the operations during a Disbursement Date

On any Disbursement Date the following will be deposited in the Treasury Account:

- (i) the subscription price of the Notes issued, and
- (ii) if applicable, the amount drawdown under the Subordinated Loan for Initial Expenses.

Furthermore, on or about any Disbursement Date, as applicable, the following will be paid out of the amounts deposited in the Treasury Account:

- (i) the purchase price of the relevant Receivables, and
- (ii) if applicable, the initial expenses of the incorporation of the Fund and the issuance of the Notes. For clarification purposes, payments of these expenses will be paid upon each expense becomes due and payable.

#### Additional Bank Account

Notwithstanding the above, the Management Company may decide to open, in addition to the Bank Account, any other accounts that it considers necessary, which will be regulated by similar terms of those regulating the Bank Account. All counterparty providing any of these additional Bank Account shall meet the Rating Agencies requirements described below, and the agreements in which the Issuer may enter shall include the same provisions regarding such requirements, *mutatis mutandi*, that the ones included in the Bank Account Agreement. If the Management Company decides to open a reinvestment or similar purpose account in the name of the Fund, the resources of the Fund will be deposited into such account. If this is the case, the Management Company will transfer from this account to the Treasury Account, within at least one (1) Business Day in advance to each Payment Date, all the amounts required in order to comply the Fund's obligations on such Payment Date.

#### Balances

The Bank Account could never have a negative balance against the Issuer and it will be a demand deposit (*saldos a la vista*).

#### Remuneration and excess liquidity fee

As of the date of this Prospectus, the amounts deposited into the Bank Account will not accrue any interests. However, if market conditions change and positive interest rates are observed, the Management Company and the Bank Account Provider shall agree on a remuneration for the Bank according to the then prevailing market conditions.

As compensation for the Bank Account Provider's excess of liquidity as a consequence of the administration of the Bank Account, the Management Company, in the name and on behalf of the Fund, shall pay to the Bank Account Provider a monthly periodic fee, payable in successive monthly periods commencing on the last day of each calendar month (inclusive) and ending on the last day of the following month (exclusive), except for the first accrual period, which shall commence on the Date of Incorporation (inclusive) and end on the last day of the calendar month of the Date of Incorporation (exclusive). The accrued excess liquidity fee shall be settled in the Treasury Account, being its value date the last day of each accrual period. The excess liquidity fee shall be equal to 0.50% of the average daily balance deposited in the Treasury Account, multiplied by the number of calendar days of the relevant accrual period, divided by 360 days. After the first anniversary of the Date of Incorporation, the Bank Account Provider may update, on an annual basis, the excess liquidity fee's terms. Any updates shall be informed by the Bank Account Provider to the Management Company at least thirty (30) calendar days in advance.

#### Rating Agencies requirements for the Bank Account Provider

The Bank Account Provider must always comply with the requirements of the Rating Agencies as detailed below.

#### Trigger

In the event that the rating of the Bank Account Provider or of the replacing entity in which the Bank Account are opened, should, at any time during the life of the Notes issue, be downgraded below of the following ratings:

- (i) DBRS: a rating of A according to the minimum DBRS rating (the "**DBRS Minimum Rating**") which shall be the higher of:
  - (1) if the institution has a long-term critical obligation rating (COR) from DBRS, one notch below said COR;
  - (2) the long-term issuer rating assigned by DBRS to the Bank Account Provider or, if none exists, the private ratings or internal evaluations performed by DBRS.
- (ii) Moody's: bank deposit rating of at least P1 according to Moody's.

shall trigger a "**Bank Account Provider Downgrade Event**".

#### Actions required

Upon a Bank Account Provider Downgrade Event, the Management Company shall, after notifying the Rating Agencies, adopt one of the options described below to allow an appropriate level of guarantee to be maintained with respect to the commitments relating to the Bank Account, in order for the ratings assigned to the Rated Notes by the Rating Agencies are not adversely affected:

- (i) within thirty (30) calendar days from the day of the occurrence of any of the abovementioned events, obtain from an institution:



- (1) DBRS: with a DBRS rating of at least A, and
  - (2) Moody's: with a minimum short-term bank deposit rating according to Moody's Rating of at least P1,  
  
an unconditional and irrevocable first demand guarantee securing, upon request of the Management Company, the timely performance by the account holder of its obligation to repay the amounts deposit therein, for as long as the account holder remains downgraded; or
- (ii) within sixty (60) calendar days from the day of the occurrence of any of the abovementioned events, transfer the Treasury Account to an institution:
- (1) DBRS: with a DBRS rating of at least A, and
  - (2) Moody's: with a minimum short-term bank deposit rating according to Moody's Rating of at least P1.

In this regard, the Bank Account Provider (or the replacing entity in which the Treasury Account is opened) shall irrevocably agree to forthwith notify the Management Company of any downgrade or removal of its credit rating assigned by the Rating Agencies.

All costs, expenses and taxes incurred due to the execution and formalization of the previous options will be borne by the Issuer.

All costs incurred in complying with the Rating Agencies requirements for the Bank Account Provider shall be considered Extraordinary Expenses of the Fund.

### 3.4.6. How payments are collected in respect of the Receivables

From the Date of Incorporation and for as long as it is not replaced pursuant to section 3.7.2.10 of the Additional Information, the Servicer, will collect all amounts due from the Borrowers and any other obligors and insurance companies, and will use its best efforts to ensure that all payments due by the Borrowers, or third parties, pursuant to the Mortgage Loan Agreements, are collected on the corresponding dates in accordance with the terms and conditions thereof.

In case that the Borrowers fail to meet their payments obligations under the Mortgage Loans, the Servicer will take the actions described in section 3.7.2.4 of the Additional Information, and will carry out the same measures that it would have carried out if it continued to be the owner of the Receivables, and provided that such actions do not negatively affect the Issuer nor the rating assigned to the Notes.

Each calendar month from the Date of Incorporation until the cancellation of the Fund is defined as a "**Collection Period**". However, the first Collection Period will begin on the Date of Incorporation and end on 28 February 2022.

During each Collection Period, the Servicer shall deposit any amounts collected from the Receivables and which correspond to amounts paid by the Borrowers or other third party obligors under the Mortgage Loans into the Treasury Account on the next Business Day on which these are collected.

#### Control of the deposited amounts arising from the Receivables

Within the first five (5) Business Days of each month the Servicer will provide to the Management Company a detailed report including the following information:



- (i) The Outstanding Nominal Balance to be paid under each of the Loans from which the Receivables assigned to the Fund derive, differentiating between matured amounts and those not yet due.
- (ii) Amounts collected during the previous Collection Period as scheduled repayments of principal for each of the Mortgage Loans from which the Receivables assigned to the Fund arise, including principal recoveries from prior defaults.
- (iii) Amounts collected during the previous Collection Period as prepayments of principal for each of the Mortgage Loans from which the Receivables assigned to the Fund derive, stating the value date of such prepayments.
- (iv) Amounts collected during the previous Collection Period as interests for each of the Loans from which the Receivables assigned to the Fund arise, including interest recoveries from prior defaults.
- (v) Current instalment and date of the next payment of each of the Mortgage Loans.
- (vi) Current interest rate for each of the Mortgage Loans and the date of the entry into effect of such interest rate, if applicable.
- (vii) Margin over the current interest reference rate, if applicable.
- (viii) Remaining term (in months) of each of the Mortgage Loans from which the Receivables assigned to the Fund arise.
- (ix) Identification of the Mortgage Loans that have been declared in default during the previous Collection Period.
- (x) Amount from each of the Mortgage Loans for cumulative due and unpaid principal.
- (xi) Amount from each of the Mortgage Loans for cumulative due and unpaid interest.
- (xii) Number of unpaid instalments for each of the Mortgage Loans.
- (xiii) Amount of default interest collected for each of the Mortgage Loans.
- (xiv) Information on amendments to the terms and conditions of each Mortgage Loan Agreement, especially those referring to defaulted Mortgage Loans.
- (xv) Information on status of any Mortgage Loan foreclosure and any proceed received accordingly.
- (xvi) Information on status of any repossession derived from a Loan foreclosure or a payment in kind and any proceed received from the sale or lease of the repossessed properties.

Additionally, subject to applicable regulations, the Servicer will provide any other information related to the Mortgage Loans that is reasonable requested by the Management Company in order to carry out its functions.

The **Collection Adjustment Date** is defined as 20<sup>th</sup> of each month or the immediately preceding Business Day. On such date, the Management Company and the Servicer will adjust the amounts effectively deposited into the Treasury Account (or the account that replaces it) during the Collection Period corresponding to the calendar month immediately prior to the specific Collection Adjustment Date, to those amounts that should have been deposited in accordance with each of the Loan Agreements corresponding to the Loans from which the Receivables assigned to the Fund derive.

In the event of discrepancy between the Servicer and the Management Company regarding the adjustment amount on the Collection Adjustment Date, both parties will try to solve such discrepancies. However, if no agreement is reached prior to the Collection Adjustment Date, the Servicer will provisionally transfer into the Treasury Account the amount determined by the Management Company with sufficient justification, without prejudice to subsequent agreements to adjust this amount.

On each Payment Date and notwithstanding the existence of unsolved discrepancies or the delivery by the Servicer of incomplete information regarding the Mortgage Loans that it services pursuant to the terms of this section, Available Funds on each Payment Date will deem to be the Outstanding Nominal Balance of the Treasury Account deposited at the end of the Collection Period immediately prior to a Payment Date, corresponding to principal, ordinary interest, default interest and any other amount collected from the Receivables during the last Collection Period.

### **3.4.7. Source and application of the funds**

#### **3.4.7.1. Disbursement Date Priority of Payments: Source and application of funds on the Disbursement Date of the Initial Issuance and up to the first Payment Date, exclusive.**

The Available Funds to the Fund on the Initial Disbursement Date and their application until the first Payment Date, exclusive, are the following:

- (i) Source: The Fund will have funds available from the disbursement of the subscription for the Initial Issuance and the drawdown of the Subordinated Loan for Initial Expenses.
- (ii) Application: The Fund in turn shall apply the funds described above to the following payments:
  - (1) Payment of the purchase price of the Initial Receivables.
  - (2) Payment of the Initial Expenses of the Fund.
  - (3) Setting up of the Reserve Fund.

Any remaining funds shall be credited in the Treasury Account.

#### **3.4.7.2. Pre-Enforcement Priority of Payments: Source and application of funds from the first Payment Date, inclusive, and up to the last Payment Date or the liquidation of the Fund, exclusive.**

The Available Funds to comply with the obligations pursuant to the application of the Pre-Enforcement Priority of Payments in any Payment Date shall consist of:

- (i) Source of the **"Available Funds"**:
  - (1) Amounts deposited in the last Collection Period in the Treasury Account for principal, ordinary interest, penalty interest, as well as any other items collected from the Receivables up to the last day of the previous month (inclusive).
  - (2) Yields collected and credited, if any, from the Treasury Account and from any other that the Management Company may have opened for and on behalf of the Fund.
  - (3) The amount of the Reserve Fund.
  - (4) Funds received because of the disbursement of the Additional Issuance corresponding to such Payment Date (including for the avoidance of doubts the excess amount over the Minimum Reserve Fund Level coming from the issuance of Class Z Notes and the subscription over par of any Rated Notes).

- (5) The outstanding amounts credited to the Purchase Price Reserve.
  - (6) The amount of the repurchases for hidden defects pursuant to section 2.2.9 of the Additional Information and compensations that would have been paid by the Seller during the last Collection Period in the Treasury Account.
  - (7) The drawdown of the Subordinated Loan for Initial Expenses in order to pay the Issuance Expenses.
  - (8) When applicable, the excess amount over the Initial Amount of the Reserve Fund for being the disbursement of Initial Issuance of Class Z Notes higher than the Initial Amount of the Reserve Fund.
  - (9) The amount transferred to the Treasury Account on the previous Payment Date according to the item (11) of the Pre-Enforcement Priority of Payments.
- (ii) **Application:** Available Funds shall be applied on any Payment Date other than the Liquidation Date of the Fund to the following items in the order listed below (the "**Pre-Enforcement Priority of Payments**"):
- (1) Ordinary Expenses, Issuance Expenses, Extraordinary Expenses and Fund taxes.
  - (2) On a *pari passu* and *pro rata* basis, payment of interest on Class A Notes.
  - (3) On a *pari passu* and *pro rata* basis, payment of interest on Class B Notes, except if a Class B Interest Postposition Conditions (as set out in section 3.4.7.3 of the Additional Information) are occurring, in which case the payment of interest on this Class will be postponed to rank (7) below).
  - (4) On a *pari passu* and *pro rata* basis, payment of interest on Class C Notes, except if a Class C Interest Postposition Conditions (as set out in section 3.4.7.3 of the Additional Information) are occurring, in which case the payment of interest on this Class will be postponed to rank (8) below).
  - (5) Payment of:
    - During the Purchase Period: the Purchase Price of the Additional Receivables assigned on the relevant Purchase Date with the limit of the sum of the Principal Amount Available, plus the proceeds of the relevant Additional Issuance of Class A, Class B and Class C; the difference between that sum and the Purchase Price will be retained in the Treasury Account to be credited to the Purchase Price Reserve.
    - During the Redemption Period, to the redemption of Class A, Class B and Class C Notes up to an amount equal to the Principal Amount Available, according to section 4.9.3 of the Securities Note.
  - (6) Withholding of an amount necessary to fund the Minimum Reserve Fund Level in accordance with section 3.4.2.2. of the Additional Information.
  - (7) On a *pari passu* and *pro rata* basis, payment of interests on Class B Notes, in the event that they have been postponed from rank (3) above.
  - (8) On a *pari passu* and *pro rata* basis, payment of interests on Class C Notes, in the event that they have been postponed from rank (4) above.
  - (9) On a *pari passu* and *pro rata* basis, payment of interest on Class Z Notes.

- (10) On a *pari passu* and *pro rata* basis, redemption of Class Z Notes.
- (11) Only during the Purchase Period, to transfer to the Treasury Account an amount equal to the Available Funds after payments (1) to (10) above.
- (12) Payment of interests on the Subordinated Loan for Initial Expenses.
- (13) Principal payments on the Subordinated Loan for Initial Expenses.
- (14) Payment of the Variable Fee.

If an item remains unpaid on a Payment Date prior to the current Payment Date, the Pre-Enforcement Priority of Payments will be followed strictly in this section, beginning with the oldest item.

#### 3.4.7.3. Conditions for the postposition on Class B and Class C interest payments

Payment of Interest of Class B and Class C Notes shall be postponed from their standard rank in the Pre-Enforcement Priority of Payments according if the following conditions are met for each Class:

##### a) Class B Interest Postposition Conditions:

- (i) Class B Notes are not the most senior Notes on the relevant Payment Date; and
- (ii) The difference between the Theoretical Redemption Deficit and the Outstanding Nominal Balance of Class C Notes is higher than the 25% of the Outstanding Nominal Balance of Class B on the previous Payment Date.

##### b) Class C Interest Postposition Conditions:

- (i) Class C Notes are not the most senior Notes on the relevant Payment Date; and
- (ii) The Theoretical Redemption Deficit is higher than the 25% of the Outstanding Nominal Balance of Class C Notes on the previous Payment Date.

#### 3.4.7.4. Post-Enforcement Priority of Payments.

The Management Company shall proceed with the liquidation of the Fund when the ordinary liquidation of the Fund takes place before or on the Legal Maturity Date of the Fund or on the Payment Date on which the Early Liquidation of the Fund takes place in the cases set out in section 4.4.3 of the Registration Document.

On the Liquidation Date of the Fund, the Management Company shall apply the following funds according to the Liquidation Priority of Payments set forth below for each of them:

##### (i) Source: Available Funds will be:

- (1) The amounts credited into the Treasury Account or any other account open in the name of the Fund ;
- (2) Any amounts obtained by the Fund from the sale of the MTs and any other remaining assets.

##### (ii) Application: the Fund will apply the Available Funds in the following order (the "**Liquidation Priority of Payments**"):

- (1) Reserve to cover the final expenses of extinction and liquidation of a tax, administrative or advertising nature, and payment of the Ordinary and Extraordinary Expenses and Fund taxes.

- (2) On a *pari passu* and *pro rata* basis, payment of interest on Class A Notes.
- (3) On a *pari passu* and *pro rata* basis, redemption of Class A Notes.
- (4) On a *pari passu* and *pro rata* basis, payment of interest on Class B Notes.
- (5) On a *pari passu* and *pro rata* basis, redemption of Class B Notes.
- (6) On a *pari passu* and *pro rata* basis, payment of interest on Class C Notes.
- (7) On a *pari passu* and *pro rata* basis, redemption of Class C Notes.
- (8) On a *pari passu* and *pro rata* basis, payment of interest on Class Z Notes.
- (9) Redemption of Class Z Notes.
- (10) Payment of interests on the Subordinated Loan for Initial Expenses.
- (11) Principal payments on the Subordinated Loan for Initial Expenses.
- (12) Payment of the Variable Fee.

#### 3.4.7.5. Other rules relevant to Priority of Payments.

In the event that the Available Funds are not sufficient to pay any of the amounts mentioned in the preceding paragraphs, the following rules shall apply:

- (i) Available Funds shall apply to the various items mentioned in the preceding paragraph, according to the applicable Priority and on a *pro rata* basis of the amount due among those who are entitled to receive payment at the same priority level.
- (ii) The amounts that remain unpaid shall be placed, on the next Payment Date, at a position in the Priority of Payments immediately prior to that of the concept in question.
- (iii) Notwithstanding above, amounts due by the Fund not paid on their respective Payment Dates will not accrue additional interest.

#### 3.4.7.6. Variable Fee.

The Seller is entitled to receive a variable remuneration that will be accrued on a daily basis for the financial intermediation operated by the Fund. This fee will be the difference between (i) all income derived from the Receivables plus the interest accrued under the Treasury Account and any other return that might correspond to the Fund; minus (ii) all the Fund's expenses, including interest from any funding such as the Subordinated Loan for Initial Expenses, those necessary for its incorporation and operation, and the coverage of any defaults of the Receivables (the "**Variable Fee**").

The Management Company will pay on behalf of the Fund the Variable Fee on each Payment Date in accordance with the Priority of Payments and once all items prior to such Variable Fee on the Priority of Payments have been paid.

Once the Fund has been liquidated and all the payments have been made pursuant to the Liquidation Priority of Payments, if there is any remaining amount, such remaining amount will also be paid to the Seller as Variable Fee.

If applicable, the Seller will be responsible for the payment of all taxes related to the payment of the Variable Fee. In the event that such payments give rise to the mandatory imposition of any tax, the amount to be paid shall be reduced to the extent required so that, once increased by the tax incurred, there is no change in the agreed consideration, which shall be deemed for these purposes as a total amount including any taxes applicable to the Fund.

The Seller may assign, transfer, replace or subrogate the rights and obligations derived from this right provided it has the prior consent from the Management Company.

#### 3.4.7.7. Expenses of the Fund.

For the purposes of this paragraph, the following types of expenditure shall be considered:

- (i) **"Initial Expenses"** incurred in the incorporation of the Fund, the registration of the Programme.
- (ii) **"Issuance Expenses"** means those specified in the Final Conditions on the occasion of each Issuance of Notes and which may correspond, among others, to the fees of CNMV, AIAF and Iberclear.
- (iii) **"Ordinary Expenses"** means any expenses necessary for its normal operation that would currently accrue or could at a future time accrue, including, but not limited to:
  - (1) Expenses for maintenance of the programme, the periodic fee of the Management Company referred to in section 3.7.1.4 of the Additional Information (including those accruing from any possible substitute).
  - (2) Paying Agent's fee.
  - (3) The fee to be paid by the Fund to the Servicer under the Servicing Agreement (the **"Servicing Fee"**) of the Mortgage Loans from which the Receivables assigned to the Fund arise.
  - (4) Expenses necessary to bring about the enforcement of the Receivables and those derived from the recovery actions that may be required,
  - (5) Rating Agencies' fees for granting, monitoring and maintaining the rating of the Notes.
  - (6) Fees issued by the CNMV for the supervision and inspection of the information submitted by the Fund.
  - (7) Expenses incurred for keeping the accounting records of the Notes and their representation by means of book entries.
  - (8) Excess liquidity fee payable to the Bank Account Provider.
  - (9) Costs of auditing the annual accounts of the Fund and the annual review of the Additional Receivables assigned.
  - (10) Any costs related to the redemption of the Notes.
  - (11) Costs of updating the PDR.
  - (12) Costs of incorporating the Additional Receivables to the Fund.
  - (13) Costs of announcements and notifications relating to the Fund and/or the Notes.
  - (14) Other costs, among them the Third-Party Verification Agent or EDW when applicable.

It is estimated that the Ordinary Expenses corresponding to the first financial year will amount to approximately € 210,000.00, considering that Receivables are purchased and Additional Issuances are carried out up to the Maximum Receivables Amount and Rated Notes Maximum Amount, respectively. Given that Ordinary Expenses have fixed and variable elements, it is not possible to establish a constant estimate of what percentage they will represent of the Outstanding Nominal Balance of the Receivables. In any case, given that a part of these Ordinary Expenses is variable and linked to the

Outstanding Nominal Balance of the Receivables, we estimate that the Ordinary Expenses, once the Redemption Period has begun, will decrease throughout the lifespan of the Fund.

(iv) “**Extraordinary Expenses**” means:

- (1) Expenses associated with the liquidation of the Fund.
- (2) Expenses derived from the preparation and formalization of the modification of the Deed of Incorporation and of the agreements.
- (3) Execution of additional agreements.
- (4) Extraordinary expenses of audits and legal advice.
- (5) All costs, expenses and taxes incurred due to the execution and formalization of the actions required upon the occurrence of a Bank Account Provider Downgrade Event.
- (6) In general, any other extraordinary expenses required to be borne by the Fund.

### **3.4.8. Details of any other arrangements upon which interest and principal payments to investors are dependent.**

#### **3.4.8.1. Paying Agent**

##### Summary

The financial service of the Issuances will be provided through Banco Santander pursuant to the terms of the Paying Agency Agreement.

The obligations assumed by the Paying Agent contained in this Agreement are summarised as follows:

- (i) Disbursement of the Issuances. On the Disbursement Date of each of the Issuances of Notes, to make available to the Issuer by depositing in the Treasury Account with value on the same day, the total amount of the subscription commitment of the corresponding Issuance which, in accordance with the provisions of the Management and Subscription Agreement, shall be paid to the Issuer by the underwriters of the Notes or any other entity that has been designated in the corresponding Final Conditions.
- (ii) Payments of Notes’ interest and/or principal. On each of the Payment Dates, make the payment of interest and, where applicable, the repayment of the principal of the Notes, after deducting, where applicable, the total amount of the withholding tax on income from movable capital to be paid in accordance with applicable tax legislation.

These payments shall be made in accordance with the appropriate instructions received from the Management Company, following the Pre-Enforcement Priority of Payments or, where applicable, Post-Enforcement Priority of Payments described in sections 3.4.7.2 (“*Pre-Enforcement Priority of Payments*”) and 3.4.7.4 (“*Post-Enforcement Priority of Payments*”) of the Additional Information.

The instructions of the Management Company to the Paying Agent must be received by the Paying Agent on or before the immediate Business Day previous to the date on which the Paying Agent shall carry out the corresponding payment.

Payments on the Notes to be made by the Paying Agent on each Payment Date will be made through IBERCLEAR (which will pay to the corresponding participants) at which the Notes are registered, in accordance with the IBERCLEAR’s procedures in force

regarding this service and following the Instructions provided by the Management Company.

If there are no Available Funds in the Treasury Account on a Payment Date, the Paying Agent shall immediately notify this circumstance to the Management Company in order to the Management Company adopts the appropriate measures. The Paying Agent will not make any payments until it receives new instructions from the Management Company and after having confirmed that there are sufficient funds to comply with the Management Company instructions.

- (iii) On each of the Payment Dates, make all those payments for expenses and fees notified by the Management Company in relation to the Fund. The provisions established in the preceding section shall apply to this section.
- (iv) The Paying Agent shall communicate to the Management Company by email, before 12:00 CET of two (2) Business Days prior to the Payment Date (except for the Initial Interest Accrual Period, which shall be communicated on the Date of Incorporation) the Reference Rate including the supporting documentation for such calculations.

#### Remuneration

As consideration for the services rendered by the Paying Agent, the Fund shall pay to the Paying Agent the periodic annual fee set out in the Paying Agency Agreement

#### Subcontracting terms

The Paying Agent may subcontract or delegate to third parties of recognised creditworthiness and ability the functions regulated in the Paying Agency Agreement, provided that

- (i) it is legally possible,
- (ii) there is the prior written consent of the Management Company (on behalf of the Fund), unless the subcontracting corresponds to Santander Tecnología y Operaciones, S.L. in which case such consent shall not be necessary, and
- (iii) the subcontractor or delegate has waived the right to bring any action for liability against the Fund. In the same terms, the Paying Agent may terminate such subcontracts or delegations.

In any case, such subcontracting or delegation may not involve any additional cost or expense for the Fund or for the Management Company who shall not assume any additional responsibility by virtue of such subcontracting or delegation.

#### Replacement

The Management Company is entitled to replace the Paying Agent in all or any of its functions regulated in the Paying Agency Agreement, provided that this is permitted by applicable law and that the authorisation of the competent authorities is obtained if necessary, and the ratings given to the Notes by the Rating Agencies are not prejudiced.

The resignation or removal, as well as the appointment of the substitute paying agent, will be notified by the Management Company to the CNMV and the Rating Agencies, and it must not cause a downgrade of the rating of the Rated Notes by the Rating Agencies.

In case of replacement of the Paying Agent due to its removal by the Management Company's decision or due to its resignation as paying agent, any costs resulting from said replacement will be considered Extraordinary Expenses of the Fund.

#### Continuity of operations



Neither the resignation of the Paying Agent nor the replacement of the Paying Agent by the Management Company, will have any effect until the appointment of the substitute paying agent takes place, provided that any and all Paying Agent's fees accrued until that date have been paid.

**3.5. Name, address and significant economic activities of the originators of the securitised assets.**

The corporate information of the Seller is described in section 5.1. of the Registration Document.

The Seller's main financial activities are those of financial credit institutions, in accordance with what the law provides. In this regard, the following activities are basically noteworthy personal and private banking activities. Andbank has the relevant expertise as an entity in the origination and servicing of mortgage loans since the incorporation of the bank in 2013 and specially during the last 6 years.

Shown below are the individual relevant data from the financial statements of the Seller as at 31 December 2019, 31 December 2020 and 31 March 2021. This information has been prepared in accordance with Bank of Spain Circular 4/2004 and its successive amendments and has been audited, except the referred to the 30 September 2021.

BALANCE DE SITUACIÓN (miles de euros)			
	30/09/2021	31/12/2020	31/12/2019
Efectivo, saldos en efectivo en bancos centrales y otros depósitos a la vista	497.654	765.658	583.758
Activos financieros mantenidos para negociar	-	-	-
Activos financieros no destinados a negociación valorados obligatoriamente a valor razonable con cambios en resultados	6.179	2.525	2.830
Activos financieros designados a valor razonable con cambios en resultados	-	-	-
Activos financieros a valor razonable con cambios en otro resultado global	3.485	3.644	49.974
Préstamos y partidas a cobrar	1.394.967	999.028	527.332
Derivados -contabilidad de coberturas	13	-	-
Cambios del valor razonable de los elementos cubiertos de una cartera con cobertura del riesgo de tipo de interés	-	1.080	-
Inversiones en dependientes, negocios conjuntos y asociados	2.477	2.450	2.356
Activos Tangibles	18.022	11.928	20.816
Activos Intangibles	134.935	137.545	137.956
Activos por impuestos	4.726	3.023	5.023
Otros activos	43.890	30.266	35.548
Activos no corrientes y grupos enajenables de elementos que se han clasificado como mantenidos para la venta	-	-	-
<b>TOTAL ACTIVO</b>	<b>2.106.328</b>	<b>1.957.127</b>	<b>1.365.593</b>
Pasivos financieros mantenidos para negociar	-	-	-
Pasivos financieros designados a valor razonable con cambios en resultados	-	-	-
Pasivos Financieros a Coste Amortizado	1.848.645	1.723.763	1.145.383
Depósitos de bancos centrales	138.888	92.089	-
Depósitos de entidades de crédito	107.662	224.952	181.790
Depósitos de la clientela	1.587.069	1.387.031	942.648
Pasivos subordinados	-	-	-
Valores representativos de deuda emitidos	-	-	-
Otros pasivos financieros	35.025	19.691	20.944
Derivados -contabilidad de coberturas	13	1.057	-
Provisiones	7.203	1.461	2.207
Pasivos por impuestos	12.918	10.262	11.797
Capital social reembolsable a la vista	-	-	-
Otros pasivos	15.553	7.946	6.603
Pasivos incluidos en grupos enajenables de elementos que se han clasificado como mantenidos para la venta	-	-	-
<b>TOTAL PASIVO</b>	<b>1.884.332</b>	<b>1.744.489</b>	<b>1.165.990</b>
Fondos propios	219.674	210.870	199.088
Capital	173.800	173.800	173.800
Instrumentos de patrimonio emitidos distintos del capital	-	-	1
Garancias acumuladas	-	-	-
Reservas de revalorización	-	-	-
Otras Reservas	36.821	25.064	14.389
(-) Acciones propias	-	-	-
Resultado del ejercicio	9.053	12.007	10.898
(-) Dividendos a cuenta	-	-	-
Otro Resultado global acumulado	2.322	1.768	517
Elementos que no se reclasificarán en resultados	- 25 -	203	-
Garancias o (-) pérdidas actuariales en planes de pensiones de prestaciones definidas	-	-	-
Activos Financieros disponibles para la venta	- 25 -	203	-
Elementos que no se reclasificarán en resultados	30	30	40
<b>TOTAL PATRIMONIO NETO</b>	<b>221.996</b>	<b>212.638</b>	<b>199.605</b>
<b>TOTAL PATRIMONIO NETO Y PASIVO</b>	<b>2.106.328</b>	<b>1.957.127</b>	<b>1.365.595</b>
PRO-MEMORIA			
Garantías concedidas	27.321	22.830	24.061
Compromisos Contingentes Concedidos	287.666	135.458	187.358
<b>CUENTAS DE ORDEN</b>	<b>314.987,00</b>	<b>158.288,00</b>	<b>211.419,00</b>

RESULTADO \$ INDIVIDUALES DE LA ENTIDAD (miles de euros)				
	30/09/2021	31/12/2020	31/12/2019	
Ingresos por intereses	9.818	10.186	8.486	
(Gastos por intereses)	-4.030	-4.182	-3.379	
<b>MARGEN DE INTERESES</b>	<b>5.728</b>	<b>6.004</b>	<b>3.089</b>	
Ingresos por Dividendos	0	0	0	
Resultados de Entidades valoradas por el método de la participación	282	3.76	281	
Ingresos por Comisiones	73.211	80.821	78.510	
(Gastos por comisiones)	-25.588	-25.240	-21.010	
Ganancias o (-) pérdidas al dar de baja en cuentas activos y pasivos financieros no valorados a valor razonable con cambios en resultados, netas	160	935	853	
Ganancias o (-) pérdidas por activos y pasivos financieros mantenidos para negociar, netas	5.059	4.988	2.926	
Ganancias o (-) pérdidas por activos y pasivos financieros designados a valor razonable con cambios en resultados, netas				
Ganancias o (-) pérdidas resultantes de la contabilidad de coberturas, netas				
Ganancias o (-) pérdidas por activos financieros no designados a negociación valorados obligatoriamente a valor razonable con cambios en resultados	16	-80	352	
Diferencias de cambio (ganancias o (-) pérdidas), netas	561	609	748	
Ganancias o (-) pérdidas al dar de baja en cuentas activos no financieros y participaciones, netas	17	3.168	-39	
Otros ingresos de Explotación	2.296	3.358	1.399	
(Otros gastos de explotación)	5.619	-1.942	-1.299	
<b>TOTAL RESULTADO DE EXPLOTACIÓN, NETO</b>	<b>87.393</b>	<b>72.797</b>	<b>65.890</b>	
(Gastos de administración)	-42.271	-48.223	-44.105	
(Gastos de Personal)	-27.776	-33.127	-30.433	
(Otros Gastos de Administración)	-14.495	-15.096	-13.671	
(Amortización)	-7.032	-8.185	-7.828	
(Inmovilizado material)	-3.722	-3.899	-3.648	
(Inversiones inmobiliarias)	0	0	0	
(Fondo de comercio)	0	0	0	
(Otros activos intangibles)	-3.310	-4.286	-4.179	
(Provisiones o (-) reversión de provisiones)	-6.470	8.75	853	
(Variación del valor o (-) reversión del valor del valor y ganancias o pérdidas por modificaciones de flujos de caja de activos financieros no valorados	-175	-1.279	-18	
(Variación del valor o (-) reversión del valor de activos financieros no valorados a valor razonable con cambios en resultados)				
(Variación del valor o (-) reversión del valor de inversiones en dependientes, negocios conjuntos o asociadas)				
(Variación del valor o (-) reversión del valor de activos no financieros)	-871	-280	77	
Ganancias o (-) pérdidas procedentes de activos no corrientes y grupos enajenables de elementos clasificados como mantenidos para la venta no admisible como actividades interrumpidas				
<b>GANANCIAS O (-) PÉRDIDAS ANTES DE IMPUESTOS PROCEDENTES DE LA ACTIVIDAD DE CONTINUADAS</b>	<b>10.574</b>	<b>15.745</b>	<b>14.889</b>	
(Gastos o (-) ingresos por impuestos sobre las ganancias de las actividades continuadas)	-1.544	-3.485	-3.772	
<b>GANANCIAS O (-) PÉRDIDAS DE DESPUÉS DE IMPUESTOS PROCEDENTES DE LA ACTIVIDAD DE CONTINUADAS</b>	<b>9.430</b>	<b>12.260</b>	<b>10.897</b>	
<b>RESULTADO DEL EJERCICIO</b>	<b>9.430</b>	<b>12.260</b>	<b>10.897</b>	
PRO MEMORIA				
<b>MARGEN BRUTO</b>	<b>5.728</b>	<b>6.004</b>	<b>3.089</b>	
<b>RESULTADO DE LA ACTIVIDAD DE EXPLOTACIÓN</b>	<b>87.393</b>	<b>72.797</b>	<b>65.890</b>	

MOROSIDAD Y COBERTURA INDIVIDUAL				
	30/09/2021	31/12/2020	31/12/2019	
Ratios				
Morosidad	0,14%	0,16%	0,25%	
Morosidad (Con créditos corporativos)	0,14%	0,16%	0,25%	
Morosidad hipotecaria	0,00%	0,00%	0,00%	

The annual financial statements of the Seller for 2019 and 2020 have been audited and show no qualifications. They have been deposited with the CNMV, both without qualifications or salvaged errors. They have been prepared in accordance with the International Financial Reporting Standards applicable to the Seller under Regulation EC 1606/2002 and Bank of Spain Circular 6/2008.

In accordance with the provisions of Act 5/2015 of 27 April on the promotion of corporate finance, the Bank of Spain shall be responsible for supervising credit financial institutions in accordance with the provisions of Title III of Act 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, with any adaptations that may be determined by regulations. The Company's net equity at 31 December 2018 and 2019 meets the requirements established by current legislation.

### 3.6. Return on, and/or repayment of the securities linked to the performance or credit of other assets or underlying which are not assets of the issuer

Not applicable.

### 3.7. Management, administration and representation of the Fund and of the Noteholders

#### 3.7.1. Administration and representation of the Fund.

The Fund shall be incorporated by Intermoney, as its Management Company authorised for such purposes, and as a consequence, for its administration and legal representation, pursuant to Law 5/2015.

The Management Company, on behalf of the Fund, will carry out the functions specified by Law 5/2015 to which it will be legally bound (specifically those included in article 26).

The Management Company, as third-party representative, will represent and protect the interests of the Noteholders and other financial creditors of the Fund. As a consequence, it will subordinate its actions to this objective and always in accordance with current legislation.

The Noteholders and the Fund's creditors will have no action against the Management Company except for the breach of its duties under the Deed of Incorporation and this Prospectus and the applicable laws and regulations.

#### 3.7.1.1. Administration and representation of the Fund

The obligations and actions of the Management Company to comply with its duties of management and legal representation of the Fund, by way of example only and without prejudice to other duties, are the following:

- (i) Manage the Fund in such a way that its equity value is nil at any given time.
- (ii) Carry out the accounting of the Fund, duly separate from the Management Company's own accounting, and comply with the tax obligations or any other legal obligations to be met by the Fund.
- (iii) Verify that the amounts received by the Fund are consistent with the sums due pursuant to the information provided by the Seller and the Servicer in relation to the Mortgage Loans from which such Receivables arise. If necessary, it must take actions in and out of court that are necessary or appropriate protect the rights of the Fund and of the Noteholders and other financial creditors of the Fund.
- (iv) Validate the terms and conditions of each transfer of Additional Receivables prior to accept the relevant Assignment Binding Offer according to section 3.3.6 of the Additional Information.
- (v) Apply the Available Funds to pay its obligations, in accordance with the Deed of Incorporation and this Prospectus.
- (vi) Execute the purchase of Additional Receivables during the Purchase Period.
- (vii) Issue Additional Notes during the Additional Issuance Period.
- (viii) Extend, amend or modify the agreements entered into by the Fund to allow the operation of the Fund according to the Deed of Incorporation, this Prospectus and applicable legal provisions, provided that approval is obtained from the relevant authorities, the Rating Agencies are notified, and there is no harm to the interests of the Noteholders and the other financial creditors of the Fund or negative effect on the rating of the Notes assigned by the Rating Agencies.
- (ix) Replace any counterparty under the Transaction Documents, following the terms established in the Deed of Incorporation and this Prospectus, in accordance with applicable legal provisions, once the necessary approvals have been obtained and any required notice is provided to the Rating Agencies.

- (x) Make the decision to liquidate the Fund in accordance with the applicable laws and regulations and subject to the provisions of the Deed of Incorporation;
- (xi) If the Servicer is in breach of any of its obligations under the Servicing Agreement, to take the appropriate measures to ensure the proper servicing thereof, notwithstanding the obligations of the Management Company pursuant to the Servicing Agreement and to the obligations and responsibilities of the Management Company pursuant to Art.26.1.b) and 30.4 of Law 5/2015.
- (xii) Provide appropriate instructions to the Paying Agent in relation to the Treasury Account.
- (xiii) Instruct the Paying Agent on the payments to be made to the Noteholders and to any other entities to which payments should be made.
- (xiv) Determine and make payments of principal and interest from the Subordinated Loan for Initial Expenses.
- (xv) Designate and replace the auditor, if necessary, with the prior approval of the CNMV, if required.
- (xvi) Prepare and forward the information reasonably requested by the Rating Agencies, the CNMV or other supervisory body.
- (xvii) Prepare and submit to the relevant authorities all the documents and information required in accordance with the EU Securitisation Regulation and CNMV rules and prepare and forward to the Noteholders the legally required information.
- (xviii) Make appropriate decisions related to the Fund's liquidation, including the decision on Early Liquidation of the Fund and acceleration of the Notes. Also make appropriate decisions in the event of the cancellation of the Fund's incorporation.
- (xix) Determine the principal and interest payable to the Notes on each Payment Date.
- (xx) Provide to the Noteholders, the CNMV and the Rating Agencies any information and notices provided by applicable law.

The Management Company must make all necessary documentation and information available to the public in accordance with the Deed of Incorporation and this Prospectus.

### 3.7.1.2. Resignation and replacement of the Management Company

The Management Company will be replaced in the management and legal representation of the Fund in accordance with articles 32 and 33 of Law 5/2015 as set out below and in accordance with subsequent legal provisions that may be established.

In the case of resignation of the Management Company:

- (i) The Management Company may resign from its function when it so deems appropriate, provided that in such case it will request its replacement through a written request to the CNMV, which shall reflect the appointment of the replacement management company. This request will include the confirmation from the new management company declaring its intention to accept such function and requesting the relevant approval.
- (ii) Under no circumstance may the Management Company resign from duties unless all requirements and formalities have been complied with in order for its substitute to assume its duties.

- (iii) The Management Company will pay all expenses resulting from the replacement, which in no case may be attributable to the Fund.
- (iv) The replacement must be published within a period of 15 calendar days in two (2) national newspapers and in the bulletin of the organised secondary market on which the Notes issued by the Fund are traded. The Management Company must also give notice of the replacement to the Rating Agencies.

In the case of replacement:

- (i) In the event that the Management Company is declared bankrupt pursuant to article 33 of Law 5/2015 or the authorisation thereof granted under article 27 of said law is revoked, it must find a management company to replace it in accordance with the procedure established in the previous paragraphs.
- (ii) In the case provided for in the preceding paragraph, if four (4) months have elapsed from the date of the event forcing the replacement and no new management company for the Fund willing to take over the management has been found, that will constitute an event of Early Liquidation of the Fund and repayment of the Notes issued thereby.

The Management Company undertakes to execute all public and private documents required for its replacement by the other management company in accordance with rules set forth in the paragraphs preceding this section. The replacement management company must be subrogated in the rights and obligations of the Management Company in relation to the Deed of Incorporation and this Prospectus. Furthermore, the Management Company must deliver to the replacement management company all documents and accounting and electronic records that it holds in relation to the Fund.

#### 3.7.1.3. Subcontracting

The Management Company is authorised to subcontract or delegate to well-known and established third parties any of the services of management and legal representation of the Fund in accordance with the Deed of Incorporation and this Prospectus, provided that the subcontractor or delegate has waived its right to bring any action for liability against the Fund. In any event, this subcontracting or delegation of any service (i) may not entail any additional cost or expense for the Fund, (ii) must be legally possible, (iii) may not negatively affect the ratings assigned to the Notes by the Rating Agencies, and (iv) will be notified to the CNMV, the prior approval of which must be obtained if legally required. Notwithstanding any subcontract or delegation, the Management Company will not be exonerated or released from any of the responsibilities assumed under the Deed of Incorporation or the Prospectus and that are legally attributable thereto or enforceable against it.

#### 3.7.1.4. Remuneration of the Management Company

The Management Company will receive an initial fee and, on each Payment Date, a periodical fee accrued daily and equal to a fixed amount and a variable amount calculated based on the Outstanding Nominal Balance of the Notes on the immediately prior Payment Date. This fee is gross and includes any direct or indirect tax or withholding to which it might be subject.

The Fund will pay all reasonable expenses (including any indirect taxes thereon) incurred by the Management Company in relation to the taking of all legal and out-of-court actions necessary to best defend the rights of the Noteholders and other financial creditors of the Fund.

In the event of the replacement of the Management Company pursuant to section 3.7.1.2 of the Additional Information, the payments mentioned in this section may be modified as a

result of the choice of the new management company subject to the prior agreement with the Originator on the new conditions.

### 3.7.2. Servicing of the Loans

Pursuant to section 3.3.1 of the Additional Information, Receivables derived from Mortgage Loans will be transferred by means of the Fund's subscription of the Mortgage Shares and Mortgage Transfer Certificates issued by the Seller. Pursuant to article 26.3 of Royal Decree 716/2009, Andbank will retain the servicing and custody of the Mortgage Loans from which the Receivables acquired by the Fund arise.

In this regard, for purposes of the servicing and management activities for the Mortgage Loans, the Management Company will sign a servicing agreement for the Mortgage Loans (the "**Servicing Agreement**") with Andbank. The Servicer will assume the relevant commitments to the Management Company and the Fund until the total cancellation of the Mortgage Loans or until the Fund is liquidated and will take all actions required to ensure the repayment by the Borrowers of the Mortgage Loans upon the terms set forth in the Servicing Agreement and herein.

Pursuant to the Servicing Agreement the Servicer undertake to service, manage and hold in custody the Mortgage Loans pursuant to the terms set forth in the Servicing Agreement and herein, and, if applicable, will comply with the Management Company's instructions in relation thereto. The Servicer undertakes to indemnify the Management Company and the Fund for any breach of its obligations assumed in the Servicing Agreement and herein described.

The Servicer may take any necessary or appropriate action within the limitations set forth in this section and the Deed of Incorporation.

To the extent allowed by applicable law, the Management may substitute the Servicer if the Management Company becomes aware of any breach by the Servicer of the obligations set out in the Fund's Deed of Incorporation, in the Servicing Agreement or in the Prospectus or the occurrence of events that, in its opinion, entail harm or risk to the Fund's financial structure or the rights and interests of the Noteholders, including, any Servicer Termination Event. If permitted by applicable law, the Management Company may:

- (i) replace the Servicer, or
- (ii) request the Servicer to subcontract or delegate the performance of said duties to a person that, in the opinion of the Management Company, has sufficient technical ability to perform them, provided that the Rating Agencies are notified and this does not adversely affect the rating of the Notes.

The replacement of the Servicer will take place in accordance with the terms and conditions provided under the Deed of Incorporation and the Servicing Agreement and herein described.

The Servicer will pay all direct or indirect taxes, withholdings or expenses derived, incurred or that it is subject to or that it has to apply to the custody and servicing and management of the Mortgage Loans from which the Receivables assigned to the Fund arise, without prejudice to its right to be reimbursed by the Borrowers or the Fund.

In consideration of the custody, servicing, collection of the Mortgage Loans from which the Receivables arise, and for the rest of the duties to be performed by the Servicer under the Servicing Agreement, the Servicer will receive a fee, to be accrued daily and paid on each Payment Date, of 0.015% of the annual Outstanding Nominal Balance of the Receivables on the immediately preceding Payment Date. This fee will be understood as a gross fee, i.e., including any direct or indirect tax or withholding to which it might be subject. The fee will be paid by the Fund in accordance with the Priority of Payments.

### 3.7.2.1. General undertakings of the Servicer

The Servicer undertakes to carry out the following, by way of example and not limitation:

- (i) Undertake any actions necessary to guarantee the payment of the redemption by the Borrowers of the Mortgage Loans and the Receivables arising therefrom, whether in court or out-of-court.
- (ii) Undertake any actions necessary to maintain or enforce the guarantees and obligations of the Mortgage Loans from which the Receivables arise.
- (iii) Take into consideration the rights of the Noteholders in their relations with the Borrowers and in the exercise of any discretionary power deriving from the implementation of the services set out in the Servicing Agreement, the Deed of Incorporation and in this Prospectus.
- (iv) Comply with all the reasonable requests made by the Management Company in accordance with the Servicing Agreement, the Deed of Incorporation and this Prospectus.
- (v) Carry out all actions required to maintain in full force the licenses, approvals, authorisations and consents that might be necessary or appropriate in relation to the performance of its services.
- (vi) Have available the equipment and personnel sufficient to carry out all its obligations under the Servicing Agreement.

The Servicer will not be liable for the debts of the Management Company or the Fund, related to the Notes, of the obligations of any Borrower under any Mortgage Loan, notwithstanding the responsibilities assumed thereby in the Deed of Incorporation as Seller of the Receivables acquired by the Fund.

Specifically, the Servicer is not responsible for any loss, liability, claim or expense that the Fund has experienced or incurred by the Management Company or by the Fund as a result of the servicing, unless such losses, liabilities, claims, expenses or damages are the result of negligence or a breach by the Servicer or any breach thereby of its obligations, in which case the Servicer will be required to indemnify the Fund or the Management Company for the damages and losses suffered (and proven) as a result of such negligence or breach.

In any event, the Fund, through the Management Company, will be entitled to all legal actions to which it is entitled against the Servicer in case of a breach of its obligations under the agreements signed with the Management Company.

The Servicer assumes the obligation to indemnify the Fund or its Management Company for any damage, loss or expense they may have incurred as a result of the Servicer's breach of its servicing, management and information obligations in relation to the Mortgage Loans from which the Receivables assigned to the Fund arise, and for the custody of the documents in which they are formalised.

Neither the Noteholders nor any other creditor of the Fund will be entitled to bring action against the Servicer, and only the Management Company, as representative of the Fund owning the Receivables, will have the right to said action.

### 3.7.2.2. Servicing of the Loans

#### 3.7.2.3. General

The Servicer will dedicate the same amount of time and attention and use the same level of expertise, care, diligence and available means when servicing the Mortgage Loans as it would



dedicate and exercise when servicing other loans with similar characteristics to the Mortgage Loans and which receivables have not been assigned to the Fund and, in any event, will exercise a reasonable level of expertise, care and diligence in the provision of the services.

The Servicer is authorised to modify the Mortgage Loan servicing criteria described in the Deed of Incorporation and in the Servicing Agreement (the “**Servicing Policies**”) provided such modifications are legally permitted, do not impair the servicing of the Mortgage Loans, the Management Company and the Rating Agencies are notified and the rating of the Notes is not adversely affected in any way; alternatively, the Servicing Criteria may be modified provided that Noteholders and other financial creditors of the Fund have given explicit consent to such modifications according to the provisions stated in the Meeting of Creditors.

Specifically, the Servicer will engage in the activities described below, among others:

- (i) Service and manage the Mortgage Loans from which the Receivables arise in accordance with its current Servicing Policies and the service quality standards and good commercial practices applied for the servicing of its own Mortgage Loans, dedicating the same time and attention and level of care, diligence and means as those it would apply when servicing its own Mortgage Loans.
- (ii) Maintain all the public deeds (*escrituras*), agreements, documents and files related to the Mortgage Loans that it services and any other Ancillary Rights, as well as any documents relevant thereto, under safe custody, and to not abandon the possession, custody or control thereof without the prior written consent of the Management Company, on behalf of the Fund, unless (i) it is in favour of a subcontractor or delegate appointed in accordance with the provisions of the Servicing Agreement and herein described and provided it is permitted by any applicable law, or (ii) it is necessary to allow the Servicer to commence proceedings for the enforcement thereof. In relation to the mortgages where there is a prior ranking mortgage registered with the relevant land registry and the loan which they secure has been repaid but the relevant entry is still pending cancellation in the relevant Land Registry, the Servicer will deploy any reasonable action to obtain such administrative cancellation.
- (iii) Carry out the relevant actions in accordance with the Servicing Policies and the service quality standards and good commercial practices applied for the servicing of its own mortgage loans, to ensure that all payments due by the Borrowers or third parties, such as guarantors or insurance companies, pursuant to the Mortgage Loan Agreements or any other Ancillary Rights, are collected, in accordance with the terms and conditions of their agreements, on the appropriate dates, with the Servicer being required to take any action necessary for the effectiveness and correct performance of the Receivables arising from the Mortgage Loans.

Notwithstanding the foregoing, if the Management Company considers it necessary for the best protection of the interests of the Noteholders, and, in any case, upon occurrence of a Servicer Termination Event, it will, among other things, instruct the Servicer to notify each Debtor and any insurance companies and guarantors of the assignment of the Receivables to the Fund and instruct them to pay the amounts directly into the Treasury Account or into the account established for such purposes as described in section 3.4.5 of the Additional Information.

#### 3.7.2.4. Actions to be taken in case of Borrower's default.

Upon occurrence of any Borrower's failure to meet payment obligations under the Mortgage Loan the Servicer will take the actions and measures that it would normally take if it continued to own the Receivables in accordance with the Servicing Policies and good banking practices and, provided that the exercise of such discretionary powers does not negatively affect the management of the Fund or the rating assigned to the Notes by the Rating Agencies. Any

legal action that reasonable may be considered necessary by the Servicer in order to claim and collect the amounts due from the Borrowers are also included in this mandate.

For such purposes, the Servicer shall carry out any legal action that it considers necessary in order to claim and collect the amounts due by the Borrowers.

The Servicer must advance any expenses necessary to carry out these actions, without prejudice to its right to be reimbursed by the Borrowers or by the Fund.

The Servicer will monitor the Mortgage Loans in strict accordance with the rules set out in Bank of Spain Circular 6/2008 or the regulations that replace it from time to time, in such a way that doubtful risks arising from customer with payments in arrears are handled automatically and doubtful risks arising from other reasons other than customer arrears are processed on a case by case basis.

Set forth below is a description of the monitoring and control procedures that the Seller, as Servicer, will apply pursuant to the Servicing Agreement and to herein set forth to be executed on the Date of Incorporation:

- (i) Involvement:
  - (1) Business Department: shall maintain relation with customers
  - (2) Risk Department: first monitoring layer
  - (3) Risk Control Department: Second monitoring layer and reporting duties. It will be responsible to generate any relevant information to be presented to the monthly Risk Committee or, when required, to the Board of Directors.
- (ii) Follow up and loan performance monitoring: Risk Department monitors borrower's solvency based on
  - (1) Economic documentation update after the tax campaign of each year (June to September), unless the loan has contractual repayments with periodicity under one year. For mortgage loans, documentation will be updated at least each 3 years.
  - (2) External data bases of defaults and bureaus: Asnef, Informa.
  - (3) Total indebtedness follow-up: CIRBE.
  - (4) Risk Department controls the periodic requirement of this documentation.
  - (5) Notwithstanding, any deterioration of the performance of the loan shall be informed by the Risk Department to the Risk Control Department, who will decide any additional information or documentation on solvency of the Borrower that will be requested.
- (iii) Risk Control maintains the inventory of impaired loans both subjective and positions defaulted over 90 days. Before classifying the transaction in default, the client is automatically informed of the overdraft 10, 30 and 80 days after it occurred.
  - (1) Initial notification: After 80 days in default, a communication to the borrower is sent:
    - Overdraft of an amount less than € 1,000 (and greater than € 10): Marketing sends letters to the client by ordinary mail, informing about the overdraft and the possibility of applying account compensation in case of not solving it. There are several models, depending on the possibility of

compensation, and cancellation due to lack of movements. Time for regularisation depends on the case:

- a. Clients without a position or position <€ 50,000: 6 months after the overdraft.
  - b. Clients with a position > € 50,000: 12 months after the overdraft.
- Overdraft greater than € 1,000: Legal Department sends burofax to the client informing of the overdraft and the possibility of applying the account compensation in case of not solving it. Time for regularisation depends on the case:
  - c. Clients without a position or position <€ 50,000: 6 months after the overdraft.
  - d. Clients with a position > € 50,000: 12 months after the overdraft.
- (2) Additional financial guarantees: One month after the previous communication, if there is any financial guarantee additional to the mortgage, the sale of assets is carried out to cover the overdraft. This sale must be carried out in the most favourable way possible for the client and taking into account due fees and interests.
- (3) Pre-litigation / Litigation: After execution, overdrafts greater than € 1,000 are classified as "Pre-litigation" and are now managed by the Legal Department for their possible in court or out-of-court claim. The standard term envisaged is to classify the operation as "Pre-litigation" 5 months after the irregularity, and from 3 months onwards it is classified as "Doubtful" due to impairment. However, these deadlines are for the consideration and analysis of the departments involved, depending on the communications carried out with the client and the risk and situation of each particular loan.
- (iv) Risk Control will classify as pre-litigation those mortgage loans that are in default at maturity or impaired before maturity. For any of these situations, it will be verified that:
  - (1) The possibility of claiming the total amount owed for capital and interest in advance has been agreed in the mortgage loan deed.
  - (2) The parties to the mortgage loan deed have agreed a valuation for the public auction of the property, at least 75% of the appraisal value determined according to the Mortgage Market Law, and a notification address of the borrower.
  - (3) That the borrower has defaulted the payment of a part of the loan principal or interests and that the overdue amount is, at least:
    - 3% of the principal granted under the loan, if the default has occurred within the first half of the duration of the loan. This requirement will be considered fulfilled when the overdue and unsatisfied instalments are equivalent to the non-payment of twelve (12) monthly instalments or a number of instalments such that it supposes that the debtor has breached its obligation for a term at least equivalent to twelve months.
    - 7% of the principal granted under the loan, if the default occurs within the second half of the duration of the loan. This requirement will be considered fulfilled when the overdue and unsatisfied instalments are equivalent to the non-payment of fifteen (15) monthly instalments or a number of

instalments such that it supposes that the debtor has breached its obligation for a period of at least fifteen months.

Risk Control will generate the information to be reviewed monthly in the Risk Committee, relative to "Doubtful" operations, where it decides on possible executions. The Board of Directors is also informed.

### 3.7.2.5. Court actions and out-of-court actions

The Servicer is responsible to carry out the appropriate in-court and out-of-court actions against Borrowers that are in breach of their payment obligations under any Mortgage Loan Agreement from which the Receivables assigned to the Fund arise. Such actions must follow legal enforcement procedures set out in article 517 et seq. of the Law 1/2000, of 7 January, on Civil Procedure (as amended from time to time, the "**Civil Procedural Law**") or the corresponding proceeding (*procedimiento declarativo*). If this is not possible, the Servicer will initiate the appropriate in-court or out-of-court procedures. Specifically, the Servicer undertakes to:

- (i) carry out any in-court or out-of-court action of the Fund against the Borrower, in its own name and on behalf of the Management Company, as the Fund's legal representative; and
- (ii) carry out any necessary or appropriate acts for the full effectiveness of such actions.

Furthermore, the Management Company, in the name and behalf of the Fund, may also participate with the same rights as the Servicer in any in-court or out-of-court claim (summary or enforcement) commenced thereby to claim any amounts due.

For purposes of the foregoing and the provisions of article 581.2 and article 686.2 of the Civil Procedure Act, and when necessary, the Management Company, by virtue of the Deed of Incorporation, will give a power-of-attorney to the Servicer as broad and as sufficient as required by law in order for the Servicer, acting through any of its authorised representatives with sufficient powers for such purposes, may, in the name and on behalf of the Fund use any in-court or out-of-court means to claim the payment of any amounts due under the Mortgage Loans and to exercise any actions and other powers required for the exercise of its duties as Servicer. These powers may be expanded or modified through another public deed if necessary.

In any event the Management Company, in the name of the Fund, will be the one to exercise all the powers described in article 31 of Royal Decree 716/2009. To this end, the Servicer authorises the Management Company to request, in the name of the Fund, the payment from the Borrowers, all without prejudice to all other faculties corresponding to the Fund pursuant to the provisions of article 31 of Royal Decree 716/2009.

In general, the Servicer must carry out any appropriate legal claim (declarative, enforcement or otherwise) in connection with the Receivables if a Borrower is in breach of its payment obligations under the relevant Mortgage Loan Agreement of part of the Loan's principal and/or interest and the amount of the overdue payments is equal or superior to (i) 3% of the Mortgage Loan's principal if the default takes place within the first half of the Mortgage Loan's term or when the overdue and unpaid payments amount to the sum or duration of twelve (12) monthly payments, or (ii) 7% of the Mortgage Loan's principal if the default takes place within the second half of the Mortgage Loan's term or when the overdue and unpaid payments amount to the sum or duration of fifteen (15) monthly payments and it neither resumes payments, taking into account that the Servicer has requested the payment of overdue sums to and granted a term of at least one (1) month for the Borrower to pay them, nor reaches an agreement with the Servicer, with the consent of the Management Company, or reaches a repayment plan commitment from the Debtor satisfactory to the interests of the Fund. In any event, the Servicer must immediately proceed to initiate the legal claim if the

Management Company, on behalf of the Fund, and after an analysis of the specific circumstances of the case, so deems appropriate.

If the requirements indicated in the previous paragraph have been met in order to be able to carry out any appropriate legal claim, without the Borrower meeting its due payments under the relevant Mortgage Loan Agreement or without reaching an agreement with the Servicer to restructure the debt of any amounts due in such satisfactory manner that to the best opinion of the Servicer it secures the interests of the Fund, the Servicer has not commenced an enforcement, without sufficient justification, the Management Company, in the name of the Fund, may instruct the Servicer to proceed with in-court or out-of-court proceedings to claim all of the debt, and in the absence of a sufficiently justified reason not to proceed with the claim, may directly initiate any proceedings vis-à-vis the Borrower in accordance with article 31 of Royal Decree 716/2009, without prejudice to the liability of the Servicer that may arise in this case.

In the event that the Servicer interrupts a proceeding without sufficient reason, the Management Company, in the name of the Fund, may continue with any action already taken by the Servicer if so allowed and subject to the applicable law. Specifically, when insufficiently justified interruption by the Originator of any claim against a delinquent Borrower, the Management Company (as Fund representative) may, if appropriate, subrogate to the position of the Servicer and continue with the legal process.

In any event, the Management Company may, upon the terms provided by applicable law, request as repayment of its credit the awarding of the real estate property, or rights being repossessed, through any of the procedures initiated to demand the fulfilment of the obligations of the Borrowers under the Mortgage Loans from which the Receivables assigned to the Fund arise.

Once in-court or out-of-court claim procedures have been commenced by the Servicer against the delinquent Borrower, the Servicer act protecting the interests of the Fund under any circumstance, taking the actions that cause the least harm to the Fund in the course of such procedures.

The Servicer undertakes to timely notify the Management Company any out-of-court claims made against any Debtors. The Servicer also undertakes to report on a monthly basis the status of all in-court or out-of-court actions commenced against the Borrowers (from the filing of the complaint, request for enforcement, court request for payment, defences by the Borrower, commencement of the recovery and conclusion of the process), as well as any other circumstances that affect the collection of the amounts due and outstanding from the Mortgage Loans from which the Receivables arise. Further, the Servicer will provide the Management Company with all the documentation requested thereby in relation to the Mortgage Loans and the Receivables arising therefrom, and in particular, the specific documentation necessary for the Management Company to commence or continue, in each case, any in-court or out-of-court actions.

Specifically, the Servicer undertakes to notify the Management Company of the places, dates and conditions of the auctions of the real estate or rights within five days following the notice of the court decision ordering the holding of the auction so that the Management Company can adopt the measures it deems appropriate and instruct the Servicer in this regard sufficiently in advance.

The Servicer undertakes to attend the auctions, but shall follow the instructions from the Management Company, such that it will only bid or request the award of the property in favour of the Fund in strict compliance with the instructions received from the Management Company. In the absence of instructions, the Servicer will act, based on the specific circumstances of the case, in the manner it deems appropriate subject to identical procedures for the other loans in its portfolio, and always acting in the best interests of the Fund.

Notwithstanding the foregoing, the Management Company may at any time give specific instructions that differ from the foregoing procedures of the Servicer.

In the event that real estate or rights of any kind are awarded to the Fund, the Management Company will sell, lease, dispose of or cash them as soon as possible under market conditions.

The duties of the Servicer include the servicing of those properties while owned by the Fund and the conduction of said sale, lease, disposal or cash. Specifically, the Servicer undertakes to apply to these properties the same measures and procedures it applies to any repossessed property resulting from the foreclosure of Mortgage Loans equivalent to those being securitised, and to compile all documentation required for the sale, lease, disposal or cash (including court documentation and any instrument of sale) and send it to the Management Company), and to coordinate the sale, lease, disposal or cash of the property or right with the public notary participating therein. Additionally, and in relation to the properties awarded to the Fund as a consequence of the enforcement of the security securing the Mortgage Loans, or via any other procedure, the Servicer undertakes to (i) engage a real estate broker and take all actions required to sell the real property (if the Servicer does not have its own real estate or similar department); and (ii) carry out all procedures that are necessary or appropriate with the Property Register in relation to the sale of the real estate property. The Servicer undertake to inform the Management Company, in the monthly report together with the information related with the Loans and the Receivables, any detail regarding the properties repossessed by the Fund, relevant administration events, bids to purchase any of such properties and relevant actions in process to sell such properties.

The Servicer will enjoy a right of first refusal to purchase the properties and rights awarded to the Fund for a period of ten (10) Business Days after the date on which the Management Company gives notice to the Servicer of its intention to transfer the property or right or, if applicable, from the date on which the Servicer has agreed to sell the property or right to a third party. This right means that the Servicer may acquire the property or rights on the same terms as were offered by the relevant third party to the Management Company.

#### 3.7.2.6. Subrogations and amendments to the Mortgage Loan Agreements

The Servicer will only be authorised to:

- (i) allow subrogations in the event that the credit characteristics of the new debtor are similar to the existing Debtor and that they comply with the origination criteria described in section 2.2.7 of the Additional Information, provided that they do not in any way negatively affect the rating of the Notes by the Rating Agencies, nor do negatively affect the payments to the Fund, and are communicated to the Management Company and from the Management Company to the Rating Agencies. For the avoidance of doubts, subrogations in the Mortgage Loan Agreements shall only be permitted at the request of the Borrowers.
- (ii) on behalf of the Fund to agree with the Borrowers (upon Borrowers' request), on changes in the interest rates, final maturity and grace periods of the Mortgage Loans in accordance with its standard banking practices and provided, in any case, that the conditions established in this section are verified.

#### Quantitative limit

- (i) *Amendments and renegotiations on the interest rate of the Mortgage Loans*

The Servicer must ensure when renegotiating the interest rate of the Mortgage Loans that the new conditions reflect market interest rates and are not different from those the Servicer is then applying in the renegotiation or the granting of its own floating interest rate mortgage loans. In no event, the Servicer may change the interest rate type (floating), unless legally required.

The Servicer shall be only authorised to amend interest rates of Mortgage Loans if they comply with the relevant Eligibility Criteria (Individual Eligibility Criteria and Global Eligibility Criteria) set forth in section 2.2.8.2 of the Additional Information. For the avoidance of doubt, in order to check if any amendment comply with the Global Eligibility Criteria, all the references to the Outstanding Nominal Balance should be considered made to the Outstanding Balance on the relevant month on which such modification occurs.

(ii) *Modifications to the final maturity of the Mortgage Loans*

Pursuant to the provisions of the Servicing Agreement which are herein enclosed, the Servicer may, on behalf of the Fund, change the final maturity date of the Mortgage Loans, provided that the new final maturity date of the Loan is no later than 23 December 2052.

(iii) *Grace periods*

Pursuant to the Servicing Agreement and herein stated, the Servicer will be authorised to renegotiate on behalf of the Fund principal grace periods of up to twelve (12) months on the Non-Defaulted Receivables. The total amount of the sum of the Outstanding Nominal Balance of the Receivables on their relevant Offer Dates that has been amended may not exceed 2% of the Outstanding Nominal Balance of the Receivables on their relevant Offer Dates.

The total amount of the Outstanding Nominal Balance of the Receivables amended, as described (i), (ii) and (iii) above shall not exceed 7.5% of the Outstanding Nominal Balance of the Receivables on their relevant Offer Dates.

Further limitations

- (i) In no case will the Servicer be authorised to renegotiate on behalf of the Fund an increase in the Outstanding Nominal Balance of the Mortgage Loans from which the Receivables assigned to the Fund arise.
- (ii) No amendments to the terms of a Mortgage Loan Agreement that may cause any failure on the representations and warranties provided by the Seller in section 2.2.8. of the Additional Information and in the Deed of Incorporation shall be accepted. In the event that, despite the above, the Receivable ultimately assigned fails to comply with such representations and warranties, the procedure described in section 2.2.9 of the Additional Information related to the remedying of any hidden defects will apply.
- (iii) Neither the Servicer nor the Seller are authorised to modify Mortgage Loan Agreement conditions beyond the limitations defined above, at any time during the life of the Fund. Upon the breach of these limitations, the Fund, through the Management Company, is entitled to (i) claim the corresponding compensation for damages, and (ii) request the replacement of or repurchase for the affected Receivables; all without prejudice to the provisions of the Servicing Agreement for breach of the Servicer's obligations which are duly described herein.
- (iv) Pursuant to the provisions of article 4 of Royal Decree 716/2009, the Seller may not voluntarily cancel the mortgages related to the MTs without the consent of the Management Company for reasons other than their payment, waive them or forgive in part or in full the relevant Mortgage Loan nor, in general, take any action that decreases the rank, legal effectiveness or financial value of the mortgages or the Mortgage Loans, except for the authorised modifications mentioned in this section. Accordingly, the Seller shall not accept any mortgage with the same rank and over the same property as the mortgages securing the Mortgage Loans.



- (v) Under no circumstance may the Servicer decide to modify the terms of the Mortgage Loan from which the Receivables arise without the prior request from the Borrower. The Servicer must always act in the best interests of the Fund in relation to modifications.
- (vi) Under no circumstance the Servicer will accept payments in kind (*daciones en pago*) of the mortgaged properties as payment of the relevant Mortgage Loan without the prior consent of the Management Company.
- (vii) In accordance to section 2.2.9. of the Additional Information, in the event that a Covid-19 Legal Moratorium is granted in respect of any Loan after the assignment of the relevant Receivables to the Fund, the Seller will neither replace nor repurchase such Receivables affected by the Covid-19 Legal Moratorium. Granting a Covid-19 Contractual Moratorium to a Loan pooled in the Fund after the assignment of the relevant Receivables to the Fund is only permitted within the limits stated in this section, and therefore the Seller will repurchase such Receivables affected by the Covid-19 Contractual Moratorium in case that such moratoriums breach the limits reflected in this section 3.7.2.6 of the Additional Information.

#### Suspension

The Management Company, on behalf of the Fund, may at any given time and throughout the life of the Fund, cancel or suspend the Servicer's power to agree with the Borrower on the modification of the Mortgage Loans according to the above conditions, if such actions damage the interests of the Fund and the Noteholders and might negatively affect the rating assigned to the Notes by the Rating Agencies.

#### Expenses

The expenses arising from the modification of a Loan must be paid by the Servicer or the Borrower, and in no case will be assumed by the Fund.

#### Notices

The Servicer will properly notify the Management Company of the new terms of the Mortgage Loans resulting from any amendment of any Mortgage Loan Agreements from which the Receivables assigned to the Fund arise. In turn, the Management Company will notify the Rating Agencies in its regular report of any changes to the assigned portfolio in accordance with this section.

Modifications to the Mortgage Loans from which the Receivables arise regulated in this section will be included in the detailed report that the Servicer shall deliver to the Management Company within the first five (5) Business Days of each month, pursuant to the provisions of section 3.4.6 of the Additional Information.

#### No adherence of Servicer to certain industry-wide conventions

- (i) Andbank has not adhered to the modifications of the Code of Good Practice passed by Law 1/2013 and modified by Law 25/2015 and Royal Decree-Act 5/2017, but there is no guaranty nor compromise from Andbank in the future to adhere to it or to any other code to implemented during the life of the Fund.
- (ii) Andbank has not adhered to the AEB Industry-wide Decision.

#### 3.7.2.7. Damage insurances of the properties securing the Mortgage Loans.

The Servicer shall not adopt nor shall fail to adopt any measure that may result in (i) the cancellation of any damage or fire insurance policy of the properties securing the Mortgage



Loans nor in (ii) a decrease in the amounts to be paid in case of any claim thereunder. The Servicer shall apply the due diligence and, in any case, exercise the rights provided under the insurance policies or the Mortgage Loans, in order to maintain such insurance policies (or any other insurance policy granting similar coverage) in full force and effect, in relation to each Mortgage Loan and the relevant real estate property.

In case of claim, the Servicer shall coordinate the actions aimed at collecting the indemnities deriving from the damages and fire insurance policies of the real estate properties, in accordance with the terms and conditions of the Mortgages Loans and the said insurance policies. The Servicer shall pay to the Fund, if applicable, all the amounts corresponding to principal and interests assigned to the Fund.

#### 3.7.2.8. Servicer Alert Event

In consideration of the relevance of the consequences that an impairment or interruption of the servicing of the Mortgage Loans shall have to the interests of the Noteholders and the financial creditors of the Fund, the Servicing Agreement the Deed of Incorporation and this section govern the mechanisms for the monitoring and control thereof, as well as a procedure that seeks to minimize the risk of interruption of such services and the replacement of the Servicer when applicable. These mechanisms are described below.

The Management Company will assume the following duties, among others:

- (i) Monitoring of the proper servicing of the Mortgage Loans from which the Receivables assigned to the Fund arise. This shall be performed by the individual monthly control of the information on each Mortgage Loan sent by the Servicer.
- (ii) Making available sufficient information necessary for the full exercise of all duties of servicing the Receivables assigned to the Fund by the Management Company itself or by a third party other than the initial Servicer. As regards personal data, this obligation is subject to Organic Law 3/2018 of 5 December on Personal Data Protection and guarantee of digital rights (*Ley Orgánica 3/2018, de 5 de diciembre, de Protección de Datos Personales y garantía de derechos digitales*) or such legal provision as replaces it (the "**Data Protection Law**"), the regulations in further implementation thereof, and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the "**General Data Protection Regulation**" and, together with the Data Protection Law and rules in implementation thereof, the "**Data Protection Rules**").
- (iii) Obligation to have verified technical capacity to transfer information regarding the Mortgage Loans from which the Receivables arise to third parties with experience in loan servicing functions.
- (iv) Execute the replacement of the Servicer under the terms established in the Servicing Agreement, the Deed of Incorporation and this Prospectus.

The responsibilities assumed by the Servicer in the Servicing Agreement and herein described include the following commitments:

- (i) Make available to the Management Company all the information related to the Mortgage Loans from which the Receivables assigned to the Fund arise allowing it to engage in the individual monitoring and control of each of them. This information must be sufficient to enable experienced third parties to carry out the servicing of the Mortgage Loans.
- (ii) On the Date of Incorporation, the Servicer, as assignor of the Receivables, will have record of the personal data required to issue orders of collection to the relevant

Borrowers (the “**Personal Data Register**” or “**PDR**”). The Servicer will communicate this PDR to the Management Company with an encrypted file, as representative of the assignee of the Receivables, on the Date of Incorporation, and which password will be deposited with a Notary. The disclosure thereof is limited by the Data Protection Rule.

- (iii) The Servicer also undertakes to annually update the information contained in the PDR in January of each year and after each Additional Assignment and will provide the Management Company, upon its request, with an updated PDR, encrypted with the same password deposited with the Notary on the Date of Incorporation.
- (iv) In the event of the replacement of the Servicer, to actively collaborate with the Management Company and the replacement Servicer in the replacement process.
- (v) To execute all legal acts and contracts in which the Servicer must participate for the effective transfer of duties to the replacement Servicer.

The Management Company, in its work of monitoring and control of the Mortgage Loans and of the Receivables assigned to the Fund, will be in a position to detect the breach of the diligence level required of the Servicer and the potential occurrence of a **Servicer Alert Event**. The Management Company will identify whether the nature of the deterioration in the servicing of the Mortgage Loans from which the Receivables assigned to the Fund derive might give rise to the need to replace the Servicer. If such need is confirmed, the Management Company will give notice of this circumstance to:

- (i) The Servicer itself.
- (ii) The CNMV, as supervisor of the Fund.
- (iii) The European Central Bank, using the Simple Supervisory Mechanism (SSM), as supervisor of the Servicer.
- (iv) The creditors of the Fund, through a notice of privileged information notice (*IP*) or other relevant information (*OIR*), as applicable.
- (v) The insolvency administrator for the Servicer, if applicable.
- (vi) The Rating Agencies.

A “**Servicer Alert Event**” will be: (i) the interruption of the flow of regular information from the Servicer; (ii) a deterioration in the content thereof; (iii) the deterioration of the solvency of the Servicer, measured by the failure to maintain the required capital pursuant to applicable law for a period of six (6) months, and (iv) the declaration of insolvency of the Servicer.

In the event of a Servicer Alert Event: (i) the Management Company will first notify the Servicer, which will have a period of thirty (30) Business Days to assess and, if applicable, remedy the Servicer Alert Event; and (ii) secondly, if the Service Alert Event is not duly cured, the Management Company will so inform:

- (i) The CNMV, as supervisor of the Fund.
- (ii) The European Central Bank, using the Simple Supervisory Mechanism (SSM), as supervisor of the Servicer.
- (iii) The creditors of the Fund, through a notice of a relevant event notice (*OIR*) or other relevant information notice (*OIR*) as applicable.
- (iv) The insolvency administrator for the Servicer, if applicable.
- (v) The Rating Agencies.

The abovementioned notification to be made by the Management Company due to the occurrence of a Servicer Alert Event not remedied within thirty (30) Business Days shall be referred to as the **"Servicer Alert Notification"**.

### 3.7.2.9. Servicer Termination Event

**"Servicer Termination Event"** means the occurrence of any of the following events:

(i) Breach of Obligations: Any breach by the Servicer of:

- (1) any of its material non-monetary obligations under the Servicing Agreement and such breach is not remedied by the Servicer within:

- five (5) Business Days; or
- fifteen (15) Business Days if the breach is due to force majeure or technical reasons,

after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Servicer by the Management Company to remedy such breach; or

- (2) any of its material monetary obligations under the Servicing Agreement and such breach is not remedied by the Servicer within:

- two (2) Business Days; or
- five (5) Business Days if the breach is due to force majeure or technical reasons;

after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Servicer by the Management Company to remedy such breach.

- (3) A Servicing Alert Notification has been issued by the Management Company after a Servicing Alert Event, as defined below.

(ii) Breach of Representations: Any breach by the Servicer of any relevant representation, warranty or undertaking made or given by the Servicer in the Servicing Agreement (other than the representations or warranties or undertakings made or given by the Servicer with respect to the renegotiation of any Receivables) is materially false or incorrect or has been breached and such breach results in a material adverse effect on the Issuer's ability to make payments in respect of the Class A Notes, the Class B Notes, the Class C Notes, and the Class Z Notes and, where such materially false or incorrect representation or warranty or breached undertaking can be corrected or remedied by the Servicer, is not corrected or remedied by the Servicer within:

- (1) five (5) Business Days; or
- (2) sixty (60) calendar days if the breach is due to force majeure or technical reasons,

after the earlier of the date on which it is aware of such misrepresentation or such breach and/or receipt of notification in writing to the Servicer by the Management Company to remedy such false or incorrect representation or warranty or breached undertaking.

(iii) Insolvency and Resolutions Measures:

- (1) The Servicer is in a situation of insolvency, suspension of payments, bankruptcy or insolvency proceedings (in accordance with the provisions of the Insolvency Law), or
- (2) in liquidation or in a position which might result in its credit institution authorisation being revoked or in a resolution process under Law 11/2015.

#### 3.7.2.10. Replacement of the Servicer

Upon occurrence of a Servicing Termination Event the Management Company will carry out the replacement of the Servicer, acting exclusively in the best interest of the Noteholders and the financial creditors of the Fund. In any event, this replacement will be subject to the limitations established by applicable laws.

For purposes of replacing the Servicer, if this is legally possible, the Management Company will become the servicer of the Mortgage Loans, in accordance with Article 26.1.b) of Law 5/2015. Notwithstanding, as stated above, it will be entitled to delegate to a third party the administration and custody of the Mortgage Loans, on the same terms and conditions provided in this Prospectus.

Upon the occurrence of a Servicer Termination Event:

- (i) The Management Company will ask for the password deposited with the notary.
- (ii) The Management Company will carry out simulations and tests issuing Mortgage Loan payment bills to the Borrowers and will subject this process to external audit it considers appropriate to guarantee the accuracy thereof.
- (iii) If permitted by law, the Management Company may revoke the appointment of the Servicer and replace it with a Replacement Servicer.

The Management Company and the Servicer will cooperate and will make their best efforts to achieve such replacement within sixty (60) days from the date on which the Management Company notifies the occurrence of any event that shall result in the replacement of the Servicer (the "**Servicer Replacement Term**").

In any event, in case of replacement of the Servicer the replaced Servicer will provide the Replacement Servicer with all necessary information in order to properly carry out its functions, and the Replacement Servicer will undertake to provide the Management Company with at least the same information reported by the replaced Servicer when acting as such and in accordance with the Deed of Incorporation. The replacement of the Servicer will be notified to the Rating Agencies and the CNMV.

Once the Management Company has made the decision to replace the Servicer, the following processes will take place:

- (i) Execution of a new servicing agreement with the Replacement Servicer only if it is necessary or subrogation in the existing Servicing Agreement no later than the dates indicated under the Servicer Replacement Term.
- (ii) Activation of the information recovery procedure necessary for the servicing of the Mortgage Loans from which the Receivables assigned to the Fund derive. This includes:
  - (1) Transfers of databases and documents of the Loans from which the Receivables assigned to the Fund derive that are under the control of the Servicer.
  - (2) Recovery of the PDR file generated by the Servicer.

- (3) Providing the Replacement Servicer with all the data available to the Management Company regarding the Mortgage Loans and the Receivables derived therefrom assigned to the Fund.
- (iii) Activation of the process of notification to the Borrowers of the assignment to the Issuer of the Receivables to the relevant Debtors, to the insurance companies, to the guarantors as well as the process of updating the instructions for payment thereby into the account designated for that purposes. This process will be implemented on the terms set forth in the Deed of Incorporation and in this Prospectus. Pursuant to the provisions of section 3.3.12 of the Additional Information, said notice shall include a statement that the Borrowers will be released of their payment obligations under the Mortgage Loans only if made into the Treasury Account or in the account designated by the Management Company for such purpose.
- (iv) Notification of the replacement decision to all parties involved, including the CNMV and the Rating Agencies. The replacement shall not take effect if this adversely affects the rating of the Notes.

In any event, if the replacement process of the Servicer takes longer than nine (9) months to conclude, the Management Company may consider this circumstance as Early Liquidation of the Fund, under the terms described in section 4.4.3. of the Registration Document.

#### 3.7.2.11. Subcontracting of the servicing of the Loans

The Servicer may subcontract or delegate to third parties with proven capacity and solvency the provision of any of the services that are currently provided directly to the Borrowers, provided that (i) this is legally permitted, (ii) there is prior written consent from the Management Company, (iii) it does not adversely affect the rating of the Notes by the Rating Agencies and (iv) the subcontractor or delegate has waived the exercise of any action claiming liability against the Fund. In any event, this subcontracting or delegation may not entail any extra costs or expenses for the Fund or the Management Company. However, in the case of subcontract or delegation, the Servicer will not be exempted or released from any of the liabilities assumed in its position as such. Notice of any subcontracting will be provided by the Management Company to the CNMV and must have the prior approval thereof if legally required.

#### 3.8. Name, address and short description of any counterparty for swap, credit, liquidity or account transactions.

Banco Santander acts as Paying Agent and as Bank Account Provider by virtue of the Paying Agency Agreement in accordance with sections 3.4.8.1 of the Additional Information.

### 4. **ISSUANCE REPORTING**

#### 4.1. Obligations and deadlines envisaged for the preparation, auditing and approval of the annual and quarterly financial statements and management report

The Management Company will present the Fund's annual financial statements mentioned in sub-section 1 of article 35 of Law 5/2015, together with the auditors' report in respect thereof, to the CNMV within four (4) months following the close of the Fund's financial year, which will coincide with the calendar year (i.e. prior to 30 April of each year).

Additionally, according to sub-section 3 of article 35 of Law 5/2015, the Management Company must present the Fund's quarterly financial statements to the CNMV, pursuant to Circular 2/2016, within two (2) months from the end of each calendar quarter.

**4.2. Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund**

**4.2.1. Ordinary periodic notices**

The Management Company, in its management and administration of the Fund, undertakes to supply the information described below and any other additional information as may be reasonably requested thereof with the utmost diligence possible and within the deadlines provided.

The Management Company will disclose relevant information on the transaction in its website at [www.imtitulizacion.com](http://www.imtitulizacion.com), and, in any case, documents referred in section 9.1 of the Registration Document.

Any websites included and/or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus nor have been scrutinised or approved by the CNMV. For the avoidance of doubt, any and all references in this Prospectus to any information required to be disclosed by Article 7 of the EU Securitisation Regulation being published in the website of the Management Company at [www.imtitulizacion.com](http://www.imtitulizacion.com) (including, without limitation, the Investor Report) shall be deemed to be a reference to the relevant information being published in the SR Repository.

**4.2.1.1. Information in relation to the Notes**

For so long as any Notes remain outstanding, at least two (2) Business Days in advance of each Payment Date, the Management Company will inform the Noteholders of the following:

- (i) the interest rate resulting for the Notes for the following Interest Accrual Period;
- (ii) the resulting interest on the Notes for the current Interest Accrual Period;
- (iii) the repayment of the principal of the Notes for the current Interest Accrual Period;
- (iv) the actual average prepayment rates of the Receivables as of the determination date corresponding to the Payment Date in question;
- (v) the average residual life of the Notes calculated pursuant to the assumptions regarding such actual average prepayment rate; and
- (vi) the Outstanding Principal Balance of each Notes (after the repayment to be made on the Payment Date in question), and the percentage that such Outstanding Principal Balance represents of the total initial nominal value of each Note.
- (vii) The amounts outstanding for matured principal/interest payments on the Notes;

Notices specified in this section 4.1 shall be submitted to CNMV, IBERCLEAR and AIAF at least two (2) Business Days in advance of each Payment Date.

**4.2.1.2. Information**

In relation to the Receivables following a Payment Date, the following information shall be published in the Management Company's website: (i) Outstanding Nominal Balance; (ii) interest and principal amount of the instalments in arrears; and (iii) Outstanding Nominal Balance of Defaulted Receivables.

In relation to the economic and financial position of the Fund, report on the source and subsequent application of the Available Funds in accordance with the Pre-Enforcement Priority of Payments of the Fund.

#### 4.2.2. Information referred to EU Securitisation Regulation

##### 4.2.2.1. Applicable rules

The reporting templates (the “**Disclosure Technical Standards**”) are set forth in annexes I to XIII of the Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and securitisation special purpose entities (“**SSPE**”) (the “**Commission Delegated Regulation**”).

Additionally, the Disclosure Technical Standards are further developed in the Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE. Pursuant to the obligations set forth in article 7(2) of the EU Securitisation Regulation, the originator, the securitisation special purpose entity (“**SSPE**”) of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of article 7(1) to a registered securitisation repository of the EU Securitisation Regulation. The disclosure requirements of article 7 of the EU Securitisation Regulation apply in respect of the Notes.

##### 4.2.2.2. Designation of Reporting Entity

The Seller shall be responsible for compliance with article 7, in accordance with article 22.5 of the EU Securitisation Regulation and has been designated as the “**Reporting Entity**” for the purposes of article 7.2 of the EU Securitisation Regulation. Notwithstanding the above, the Management Company will act as *reporting agent* of the Reporting Entity, and will be in charge of preparing all information related with the transaction to be submitted to ESMA.

Such designation has been made in the Deed of Incorporation.

In any event, the change of the designated entity for the purposes of Article 7.2 of the EU Securitisation Regulation will not imply an amendment to the Deed of Incorporation.

The Seller will undertake in the Deed of Incorporation to provide in a timely manner to the Management Company, acting as Reporting Agent, any reports, data and other information in the correct format, required and in its possession in connection with the proper performance by the Fund through the Management Company, as the designated entity, notwithstanding the responsibility of the Reporting Entity to make available to the Noteholders, potential investors in the Notes and the competent authorities, the reports and information necessary to fulfil the reporting requirements of Article 7 of the Securitisation Regulation.

##### 4.2.2.3. Information to be reported after the Date of Incorporation

(i) following the Date of Incorporation:

- (1) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the EU Securitisation Regulation and the disclosure templates, no later than one (1) month after the relevant Payment Date; and publish on a quarterly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(a) of the EU Securitisation Regulation and the disclosure templates, no later than one (1) month after the relevant Payment Date and simultaneously with the quarterly investor report;

- (2) publish, in accordance with article 7(1)(f) of the EU Securitisation Regulation, without delay any inside information made public in accordance with article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;
- (ii) publish without delay any significant event including any significant events described in article 7(1)(g) of the EU Securitisation Regulation; and
- (iii) make available in accordance with the article 7(1)(b) and article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Date of Incorporation, copies of the relevant Transaction Documents and this Prospectus.

The Reporting Entity, directly or delegating to any other agent on its behalf, will publish or make otherwise available the reports and information referred to above as required under article 7 of the EU Securitisation Regulation by means of the SR Repository.

The Reporting Entity (or any agent on its behalf) will make the information referred to above available to the Noteholders, relevant competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes.

The breach of the transparency obligations under article 7 of the EU Securitisation Regulation may lead to pecuniary sanctions being imposed on the Fund (or eventually, the Management Company) or the Seller (as originator) pursuant to article 32 of the EU Securitisation Regulation.

If a regulator determines that the transaction did not comply or is no longer in compliance with the reporting obligations, then investors may be required by their regulator to set aside additional capital against their investment in the Notes or take other remedial measures in respect of their investment in the Notes. The Fund (or eventually, the Management Company) and/or the Seller (as originator) may be subject to administrative sanctions in the case of negligence or intentional infringement of the disclosure requirements, including pecuniary sanctions.

Any failure by the Originator to fulfil such obligations may cause the transaction to be non-compliant with the EU Securitisation Regulation.

Any such pecuniary sanctions imposed on the Fund (or eventually, the Management Company) may materially adversely affect the Fund's ability to perform its obligations under the Notes and any such pecuniary sanction levied on the Seller (as originator) may materially adversely affect the ability of the Seller to perform its obligations under the Transaction Documents and could have a negative impact on the price and liquidity of the Notes in the secondary market.

#### 4.2.2.4. Special considerations regarding the risk retention reporting

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

Any failure by the Originator to fulfil such obligations may cause the transaction to be non-compliant with the EU Securitisation Regulation.

#### 4.2.2.5. Information to be reported prior to the Date of Incorporation

Furthermore, in accordance with article 22 of the EU Securitisation Regulation, the Originator (or any agent on its behalf) will make available (or has made available in



<https://www.imtitulizacion.com> and/or <https://eurodw.eu/>) to potential investors, before pricing, the following information:

- (i) delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, for a period no shorter than 5 years;
- (ii) The details of the modelling platform appointed for the purposes of providing a cash flow model in compliance with article 22.3 of the Securitisation Regulation in relation to the issue of the Notes will be specified in the applicable Issuing Document prepared in relation to such Notes.
- (iii) upon request, the loan-by-loan information (including, inter alia, the information, if available related to the environmental performance of the assets) required by point (a) of the first subparagraph of article 7(1) of the Securitisation Regulation; this information will be updated during the life of the transaction.
- (iv) draft versions of the Prospectus, the Transaction Documents and the STS Notification;
- (v) the Special Securitisation Report (unless such verification has been performed less than twelve (12) months prior to such issuance) on the Preliminary Portfolio.

#### 4.2.2.6. Investor assessment

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 none of the Seller (in its capacity as Reporting Entity), the Management Company (on behalf of the Fund) or the Sole Arranger, makes any representation that the information described above is sufficient in all circumstances for such purposes.

#### 4.2.3. **Extraordinary notices**

Pursuant to Article 36 of Law 5/2015, the Management Company must give immediate notice to the CNMV and to its creditors of any material event specifically relevant to the situation or development of the Fund. Material facts specifically relevant to the Fund will be those that could have a significant impact on the Notes issued or on the Receivables.

In particular, material facts will include any relevant modification to the assets or liabilities of the Fund, any amendment to the Deed of Incorporation, and, if applicable, the resolution on the setting-up of the Fund or any eventual decision regarding the Early Liquidation of the Fund and Early Liquidation of the Notes for any of the causes established in this Prospectus. In the case of the latter, the Management will also submit to the CNMV the certificate executed before a public notary evidencing the winding-up of the Fund and subsequent liquidation procedure described in section 4.4.3 of the Registration Document.

Notice of any change to the Deed of Incorporation must be provided by the Management Company to the Rating Agencies and will be published by the Management Company in the regular public information on the Fund and must also be published on the website of the Management Company.

This section also includes, inter alia, changes in the ratings of the Rated Notes and the steps to be taken if triggers are activated due to a downgrade in the rating of the counterparty to the financial agreements or due to any other cause

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Signature:

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Mr. José Antonio Trujillo del Valle, acting in his capacity of chairman of the Management Company, hereby signs this Prospectus in Madrid, on 13 January 2022.

Signed on behalf of

INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.

## ANNEX I - DEFINITIONS

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### Interpretation

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Words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set out in this section headed “Definitions”. These and other terms used in this Prospectus are subject to the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.

All references in this Prospectus to **Euro, euro, EUR** or **€** are to 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, as amended by the TREATY ON THE EUROPEAN UNION.

Certain monetary amounts and currency translations included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which preceded them.

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.

### Definitions

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**“Additional Disbursement Dates”** means the date according to section 4.13.4 of the Securities Note

**“Additional Information” (“Información Adicional”)** means the additional information to the Securities Note to be included in the Prospectus, prepared using the form provided in Annex 19 of the Prospectus Delegated Regulation.

**“Additional Issuance or Additional Notes” (“Emisión Adicional”)** means the successive Notes issued on each Issuance Date, excluding the Initial Issuance.

**“Additional Receivables” (“Derechos de Crédito Adicionales”)** means the Receivables to be assigned to the Fund after the Date of Incorporation, during the Purchase Period.

**“Adjourned Meeting”** means the adjournment of the Initial Meeting by the Management Company for 10 calendar days, within the maximum 90 calendar days’ term set forth in the Rules for the Meeting of Creditors, in the event that the relevant quorum for the Initial Meeting is not met.

**“AEB Industry-wide Decision”** means the industry-wide decision sponsored by AEB on 16 April 2020 on the deferment of financing transactions for clients affected by Covid-19 (as amended).

**“AIAF” (“AIAF”)** means AIAF Fixed-Income Market (*AIAF MERCADO DE RENTA FIJA*).

**“Ancillary Rights”** means any and all present or future rights arising from the Loans (i) including but not limited to any compensation deriving from insurance policies, payments made by potential guarantors, payments derived from foreclosures or insolvency proceeding and any right that, in connection with any guarantee or security interest (including, without limitation, pledges and/or mortgages) and according to article 1,528 of the Spanish Civil Code, may correspond to the Originator in relation with the Loans, but (ii) excluding prepayment fees, delinquent fees, amendment fees and any other similar corresponding to the Originator.

**“Andbank”** means ANDBANK ESPAÑA, S.A.U.

**“Alternative Base Rate”** means the alternative base rate to substituted for EURIBOR as the Reference Rate of the Notes by the Rate Determination Agent.

**“Assignment Binding Offer”** means a binding assignment offer of Additional Receivables that the Seller shall forward to the Issuer no later than the Offer Date.

**“Available Funds” (“Fondos Disponibles”)** means:

- (1) Amounts deposited in the last Collection Period in the Treasury Account for principal, ordinary interest, penalty interest,, as well as any other items collected from the Receivables up to the last day of the previous month (inclusive).
- (2) Yields collected and credited, if any, from the Treasury Account and from any other that the Management Company may have opened for and on behalf of the Fund.
- (3) The amount of the Reserve Fund.
- (4) Funds received because of the disbursement of the Additional Issuance corresponding to such Payment Date (including for the avoidance of doubts the excess amount over the Minimum Reserve Fund Level coming from the issuance of Class Z Notes and the subscription over par of any Rated Notes).
- (5) The outstanding amounts credited to the Purchase Price Reserve.
- (6) The amount of the repurchases for hidden defects pursuant to section 2.2.9 of the Additional Information and compensations that would have been paid by the Seller during the last Collection Period in the Treasury Account.
- (7) The drawdown of the Subordinated Loan for Initial Expenses in order to pay the Issuance Expenses.
- (8) When applicable, the excess amount over the Initial Amount of the Reserve Fund for being the disbursement of Initial Issuance of Class Z Notes higher than the Initial Amount of the Reserve Fund.
- (9) The amount transferred to the Treasury Account on the previous Payment Date according to the item (11) of the Pre-Enforcement Priority of Payments.

**“Banco Santander”** means BANCO SANTANDER, S.A.

**“Base Rate Modification”** means the amendments to the Transaction Documents to be made by the Management Company, in the name and on behalf of the Fund, as are necessary or advisable to facilitate such change.

**“Base Rate Modification Event”** means the events that the Servicer may determine that have occurred, so that the fallback provisions will be applicable.

**“Base Rate Modification Noteholder Notice”** means a written notice (by means of publishing a material fact (*otra información relevante* or *información privilegiada*) from the Issuer to notify Noteholders of a proposed Base Rate Modification confirming the following:

- (1) the date on which it is proposed that the Base Rate Modification shall take effect;
- (2) the period during which Noteholders may object to the proposed Base Rate Modification (which notice period shall commence at least 40 calendar days prior to the date on which it is proposed that the Base Rate Modification would take effect and continue for a period of not less than 10 calendar days) and the method by which they may object;
- (3) the Base Rate Modification Event or Events which has or have occurred;
- (4) the Alternative Base Rate which is proposed to be adopted pursuant section 4.8.4.(iii) of the Securities Note and the rationale for choosing the proposed Alternative Base Rate; and
- (5) details of (i) any amendments which the Issuer proposes to make to these conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to this section 4.8.3.

**"Bank Account"** means the Treasury Account.

**"Bank Account Agreement"** means the agreement that will be entered upon by the Management Company, in the name and on behalf of the Fund and Banco Santander, by virtue of which initially the Treasury Account will be opened in the books of Banco Santander on the Date of Incorporation.

**"Bank Account Provider Downgrade Event"** ("**Supuesto de Deterioro del Banco de Cuentas**") means the triggers described in section 3.4.5 of the Additional Information.

**"Benchmark Regulation"** ("**Reglamento de Índices de Referencia**") means Regulation (EU) no. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

**"Bloomberg"** means BLOOMBERG FINANCE L.P.

**"Borrower(s)"** ("**Deudor(es)**") means the individuals resident in Spain or Spanish nationals to which the Seller has granted a mortgage loan for the acquisition, construction or refurbishment of finished residences in Spain. Subject to the Eligibility Criteria described in Clause 2.2.8.2.B)(iv) of the Additional Information there may be some residual loans granted to Borrowers non-resident in Spain and with no Spanish nationality

**"Business Day"** ("**Día Hábil**") means a day which is a TARGET2 Business Day other than (i) a Saturday, (ii) a Sunday, (iii) a holiday according to the TARGET2 calendar (only for purposes of determining the nominal interest rate applicable for each interest accrual period). Apart from the days recognised in paragraphs (i) and (ii) above, it also includes 1 January, Good Friday, Easter Monday, 1 May, and 25 and 26 December, and (iv) public holidays in Madrid (for the purposes of determining the nominal interest rate applicable for each interest accrual period and for the other terms and conditions of the issue).

**"Business Days Convention"** means that, in the event a Payment Date is not a Business Day for the Fund, said date will be transferred to the next day that is a Business Day, unless that day falls in the following calendar month, in which case the date will be the closest preceding one that is a Business Day.

**"Capital Companies Act"** ("**Ley de Sociedades de Capital**") means Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act (as amended by Law 5/2021 of April 12) (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*).

**"CET" ("CET")** means Central European Time.

**"CIRBE"** (*Central de Información de Riesgos del Banco de España*) means the risk information bureau managed by the Bank of Spain.

**"Circular 2/2016" ("Circular 2/2016")** means Circular 2/2016 of 20 April, of the SPANISH SECURITIES MARKET COMMISSION (COMISIÓN NACIONAL DEL MERCADO DE VALORES), on securitisation fund accounting rules, annual accounts, public financial statements and non-public statistical information statements.

**"CIT Regulation" ("Reglamento de Impuesto sobre Sociedades")** means the Corporate Income Tax Regulation approved by Royal Decree 634/2015, of 10 July.

**"Civil Code" ("Código Civil")** means the Spanish Civil Code published by virtue of the Royal Decree of 29 July 1889 and the other preparatory provisions, as amended from time to time.

**"Civil Procedural Law" ("Ley de Enjuiciamiento Civil")** means Law 1/2000 of 7 January on Civil Procedure, as amended from time to time.

**"Class" ("Clase")** means each class of Notes.

**"Class A" or "Class A Notes" ("Bonos de la Clase A")** means the notes designated on Class A issued or to be issued by the Fund.

**"Class B" or "Class B Notes" ("Bonos de la Clase B")** means the notes designated on Class B issued or to be issued by the Fund.

**"Class B Non-Reversible Subordination Event"** means an event that shall take place on any Payment Date in any of the following situations:

- (i) An Early Liquidation Event occurs; or
- (ii) The Initial Weighted Average LTV of the Non-Defaulted Receivables which have not been amortised at the end of the previous Collection Period is greater than 65%; "Initial Weighted Average LTV" will be the one calculated among the ratios between the Outstanding Nominal Balance on the Offer Date of each outstanding Receivable and the appraisal value of the property at such moment; or
- (iii) The Weighted Average DTI of the Non-Defaulted Receivables at the end of the previous Collection Period is greater than 40%; "Weighted Average DTI" will be the one calculated among the debt to income ratios attributed to each Loan on the Offer Date of each outstanding Receivable; or
- (iv) Concentration on the 10 biggest Main Borrowers from Non-Defaulted Receivables at the end of the previous Collection Period is greater than 6% of the Outstanding Nominal Balance of the Non-Defaulted Receivables; or
- (v) The number of Main Borrowers from Non-Defaulted Receivables at the end of the previous Collection Period is lower than 500; or
- (vi) Outstanding Nominal Balance of the Non-Defaulted Receivables at the end of the previous Collection Period is lower than 5% of the aggregate of the Outstanding Nominal Balance (on their relevant Offer Date) of all the Receivables; or
- (vii) A Redemption Deficit arises and is higher than the sum of Outstanding Nominal Balance of Class B Notes and Class C Notes on the immediately previous Payment Date.

**"Class B Reversible Subordination Event"** means an event that take place on any Payment Date in any of the following situations:

- (i) The Cumulative Default Ratio is greater than 0.5%; or

- (ii) A Redemption Deficit arises and is higher than Outstanding Nominal Balance of Class C Notes on the immediately previous Payment Date.

**“Class C” or “Class C Notes” (“Bonos de la Clase C”)** means the notes designated on Class C issued or to be issued by the Fund.

**“Class C Non-Reversible Subordination Event”** shall take place on any Payment Date in any of the following situations:

- (i) If occurs any of Class B Non-Reversible Subordination Events referred in (i) to (vi) (both included) above; or
- (ii) Outstanding Nominal Balance of the Non-Defaulted Receivables is lower than de 10% of the sum of the Outstanding Nominal Balances of the Receivables on their relevant Offer Date; or
- (iii) A Redemption Deficit arises and is higher than Outstanding Nominal Balance of Class C Notes on the immediately previous Payment Date.

**“Class C Reversible Subordination Event”** means an event that shall take place on any Payment Date in any of the following situations:

- (i) the Cumulative Default Ratio is greater than 0.35%; or
- (ii) a Redemption Deficit arises and is higher than zero on the immediately previous Payment Date

**“Class Z” or “Class Z Notes” (“Bonos de la Clase Z”)** means the notes designated on Class Z issued or to be issued by the Fund.

**“Classes” or “Class of Notes”** means Class A, Class B, Class C and Class Z.

**“Clean-Up Call Event” (“Supuesto de Opción de Venta de Limpieza”)** means the event in which the aggregate Outstanding Nominal Balance of the Receivables, falls below 10% of the aggregate Outstanding Nominal Balance of the Receivables on the Date of Incorporation

**“Clean-Up Call Option” (“Opción de Venta de Limpieza”)** means the exercise by the Seller of a call option upon occurrence of a Clean-Up Call Event.

**“CNMV”** means the Spanish Securities Market Commission («Comisión Nacional del Mercado de Valores»).

**“Collection Adjustment Date”** means the 20th of each month or the immediately preceding Business Day.

**“Collection Period”** means each calendar month from the Date of Incorporation until the cancellation of the Fund. However, the first Collection Period will begin on the Date of Incorporation and end on 28 February 2022.

**“Commercial Code” (“Código de Comercio”)** means the Spanish Commercial Code published by virtue of the Royal Decree of 22 August 1885, as amended from time to time.

**“Commission Delegated Regulation” (“Reglamento Delegado”)** means the Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and SSPE.

**“Commission Delegated Regulation (EU) 2019/1851” (“Reglamento Delegado 2019/1851”)** means the Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing Regulation

(EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards relating to the homogeneity of the underlying exposures in securitisations.

**“Conditions Precedent for the Issuance and Extension of the Notes”** means the conditions that need to be met so that existing Notes of all Classes may be extended by the Issuer to fund the acquisition of Additional Receivables.

**“Consumer Protection Law” (“Ley de Defensa de los Consumidores”)** means the Royal Legislative Decree 1/2007, of November 16, approving the consolidated text of the General Law for the Defence of Consumers and Users and other complementary laws.

**“Covid-19 Contractual Moratoriums”** means the voluntary moratoriums or deferment of payments, together with any future measures (decisions or recommendations of public authorities or conventions, arrangements or recommendations of institutional or industry associations granted in connection with measures in force to tackle the effects of the Covid-19).

**“Covid-19 Legal Moratoriums”** means the moratoriums foreseen in Royal Decree-Law 11/2020 (as amended or complemented by, among others, Royal Decree-Law 26/2020 and Royal Decree-Law 3/2021), together with any future measures (i.e., settlement, suspension of payments, rescheduling of the amortisation plan or other contractual amendments resulting from or arising from mandatory provisions of law or regulation granted in connection with measures in force to tackle the effects of the Covid-19).

**“Covid-19 Moratoriums”** means the Covid-19 Contractual Moratoriums and the Covid-19 Legal Moratoriums.

**“CRA Regulation” (“Reglamento CRA”)** means Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended.

**“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.

**“Cuatrecasas”** means CUATRECASAS, GONÇALVES PEREIRA S.L.P.

**“Cumulative Default Ratio”** means the ratio that is calculated as follows: A/B, where

Variable	Meaning
A	Outstanding Nominal Balance of the Receivables that have become defaulted in the last 12 months.
B	Outstanding Nominal Balance of the non-Defaulted Receivables at the end of the twelfth (12 <sup>th</sup> ) previous Collection Period.

**“Data Protection Law” (“Ley de Protección de Datos”)** means Organic Law 3/2018.

**“Date of Incorporation” (“Fecha de Constitución”)** means 14 January 2022.

**“DBRS”** means DBRS RATINGS, GMBH, BRANCH IN SPAIN.

**“Decree-Law 1/2015” (“Decreto-Ley 1/2015”)** means the Decree-Law 1/2015, of 24 March, on extraordinary and urgent measures for the mobilisation of housing deriving from foreclosure process.

**“Deed of Incorporation” (“Escritura de Constitución”)** means the public deed recording the incorporation of the Fund.

**“Defaulted Receivables” (“Derechos de Crédito Fallidos”)** means, at any time, any Receivable which (a) remains unpaid for a period equal or higher than 12 months; (b) is classified as defaulted by the



Management Company as there is reasonable doubts that they will be reimbursed in full, following the assessment of the Seller or the Servicer; or (c) the Borrower has been declared insolvent.

**"Definitions" ("Definiciones")** means the glossary of definitions included in this Prospectus.

**"Delegated Regulation 625/2014" ("Reglamento Delegado 625/2014")** means Delegated Regulation (EU) 625/2014 of 13 March 2014 supplementing CRR.

**"Disbursement Date" ("Fecha de Desembolso")** means the date according to section 4.13.4 of the Securities Note.

**"Disclosure Technical Standards" ("Reglamentos Técnicos de Desarrollo")** means adopted following the publication in the Official Journal of the European Union on September 3 2020 of the Commission Delegated Regulation and further developed in the *Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE*, published in the Official Journal of the European Union on 3 September 2020.

**"DTI" (Debt to income ratio)** means the ratio between the total payments under any debt of the Borrower (including the Mortgage Loan) and net income of the Borrower (both on a yearly basis), according to internal data of the Seller.

**"Early Liquidation Events" ("Supuestos de Liquidación Anticipada")** means any of the events described in section 4.4.3.1 and 4.4.3.2 of the Registration Document for the liquidation of the Fund, and thus the prepayment of the issue of the Notes on a date prior to the Legal Maturity Date.

**"Early Liquidation of the Fund" ("Liquidación Anticipada del Fondo")** means the liquidation of the Fund, and thus the prepayment of the issue of the Notes on a date prior to the Legal Maturity Date, in accordance with the cases and procedure set out in section 4.4.3 of the Registration Document.

**"Early Liquidation Resolution"** means an Extraordinary Resolution to decide on the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015.

**"Early Redemption Date" ("Fecha de Amortización Anticipada")** means the date designated by the Seller to exercise the relevant Seller's Call Option.

**"Early Redemption Notice" ("Notificación de Amortización Anticipada")** means the material event (*información relevante*) with the CNMV publishing by the Management Company upon the Seller's instruction to carry out the Early Liquidation of the Fund and the Early Redemption of the Notes upon the exercise of the relevant Seller's Call Option.

**"Early Redemption of the Notes" ("Amortización Anticipada de los Bonos")** means the ultimate redemption of the Notes on a date prior to the Legal Maturity Date in the event of Early Liquidation of the Fund in accordance with the requirements set forth in section 4.4.3 of the Registration Document.

**"EBA" ("ABE")** means the EUROPEAN BANKING AUTHORITY.

**"ECB" ("BCE")** means EUROPEAN CENTRAL BANK (*BANCO CENTRAL EUROPEO*).

**"EEA" ("EEE")** means the EUROPEAN ECONOMIC AREA (*ESPACIO ECONÓMICO EUROPEO*).

**"EDW"** means EUROPEAN DATA WAREHOUSE.

**“Eligibility Criteria” (“Criterios de Elegibilidad”)** means the Individual Eligibility Criteria and the Global Eligibility Criteria to be met by each of the Receivables (the Initial Receivables and the Additional Receivables) on the Date of Incorporation and the respective assignment date, as applicable, in order to be assigned to and acquired by the Fund.

**“EMMI”** means the European Money Markets Institute who provide and administered the EURIBOR.

**“Equity Release Mortgage Loans” (“Préstamo Hipotecario con Liberación de Capital”)** means residential mortgage loans where borrowers have monetised their properties for either a lump sum of cash or regular periodic income.

**“ESMA” (“AEVM”)** means the EUROPEAN SECURITIES AND MARKETS AUTHORITY (AUTORIDAD EUROPEA DE VALORES Y MERCADOS).

**“EU Securitisation Regulation” (“Reglamento Europeo de Titulización”)** means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

**“EURIBOR”** means Euro-Zone interbank offered rate.

**“EURIBORH”** means Euribor published monthly by Bank of Spain as an official mortgage market interest rate reference according to *Circular 5/2012*, of 27 de June, of the Bank of Spain or any other that may replace the latter.

**“Eurosysteem Eligible Collateral” (“Colateral Elegible para el Eurosistema”)** means the assets recognised as eligible collateral for Eurosysteem monetary policy and intra-day credit operations by the Eurosysteem either upon issue or at any or all times during their life.

**“Exchange Act”** means the U.S. Securities Exchange Act of 1934, as amended.

**“Extraordinary Expenses” (“Gastos Extraordinarios”)** means:

- (1) expenses associated with the liquidation of the Fund,
- (2) expenses derived from the preparation and formalization of the modification of the Deed of Incorporation and of the agreements,
- (3) execution of additional agreements,
- (4) expenses necessary to bring about the enforcement of the Receivables and those derived from the recovery actions that may be required,
- (5) extraordinary expenses of audits and legal advice,
- (6) in general, any other extraordinary expenses required that were borne by the Fund or by the Management Company for and on behalf of the same.

**“Extraordinary Resolution”** means a resolution in relation to a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.

**“EY”** means Ernst & Young, S.L.

**“Final Maturity Date” (“Fecha de Vencimiento Final”)** means 23 December 2052.

**“Final Conditions” (“Condiciones Finales”)** means the Final Conditions which will be prepared by the Management Company in relation to the issue of any Notes to be listed in AIAF, substantially in the form set out in **Annex II** (*Form of Final Conditions*).

**“Fund” or “Issuer” (“Fondo”)** means IM ANDBANK RMBS 1, FONDO DE TITULIZACIÓN.

**“General Data Protection Regulation” or “GDPR” (“Reglamento General de Protección de Datos”)** means Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

**“General Tax Regulations” (“Reglamento General Fiscal”)** means general regulations regarding tax management and inspection courses of action and procedures and developing the common rules of tax application procedures, passed by Royal Decree 1065/2007, of 27 July (Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por el Real Decreto 1065/2007, de 27 de julio)

**“Global Eligibility Criteria” (“Criterios de Elegibilidad Globales”)** means the requirements to be satisfied by the Receivables as a whole after the assignment of those Additional Receivables.

**“Guideline” (“Directrices”)** means Guideline of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast) as amended and applicable from time to time.

**“IBERCLEAR”** means SOCIEDAD DE GESTIÓN DE LOS SISTEMAS DE REGISTRO, COMPENSACIÓN Y LIQUIDACIÓN DE VALORES, S.A. UNIPERSONAL.

**“Initial Amount of the Reserve Fund”** means a total amount of € 6,750,000.00, which is the level of the Reserve Fund that will be funded on the Disbursement Date of the Initial Issuance with the funds of Class Z Notes.

**“Initial Disbursement Date”** means the date according to section 4.13.4 of the Securities Note

**“Initial Expenses” (“Gastos Iniciales”)** means the expenses that include, *inter alia*, the registration of the prospectus with the CNMV, AIAF and Iberclear, Management Company, Third-Party Verification Agent and notarial services.

**“Initial Issuance” (“Emisión Inicial”)** means the first issuance under the Programme.

**“Initial Meeting”** means the initial Meeting of Creditors.

**“Initial Receivables” (“Derechos de Crédito Iniciales”)** means the Receivables to be assigned to the Fund on the Date of Incorporation.

**“Initial Weighted Average LTV”** means the one calculated among the ratios between the Outstanding Nominal Balance on the Purchase Date of each outstanding Receivable and the appraisal value of the property at such moment.

**“Insolvency and Resolutions Measures”** means a situation in which the entity is:

- (i) subject to insolvency, suspension of payments, bankruptcy or insolvency proceedings (in accordance with the provisions of the Insolvency Law), or
- (ii) in liquidation or in a position which might result in its credit institution authorisation being revoked or in a resolution process under Law 11/2015.

**“Insolvency Law” (“Ley Concursal”)** means the Royal Legislative Decree 1/2020, of May 5, approving the recast of the Insolvency Law, as currently worded (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*).

**“Interest Accrual Period”** means the time elapsed between two consecutive Payment Dates (including the initial Payment Date and excluding the last).

**“Interest Rate”** means the floating interest rate accrued by the Notes from each relevant Disbursement Date until their full redemption, on its Outstanding Principal Balance, payable monthly on each Payment Date according with the Pre-Priority of Payments or with the Post-Enforcement Priority of Payments.

**“Interest Rate Fixing Date”** means the date in which the Management Company shall, for and on behalf of the Fund, determine the Interest Rate applicable to the Notes for every Interest Accrual Period as provided for in section 4.8.4 of the Securities Note, on the second Business Day preceding each Payment Date.

**“Issuance”**, and collectively, the **“Issuances” (“Emisión” y, colectivamente, las “Emisiones”)** means the successive Notes issued on each Issuance Date, including the Initial Issuance.

**“Issuance Date” (“Fecha de Emisión”)** means the Issuance Date of the relevant Additional Notes that will coincide with the date of execution of the Issuance document consisting of the Final Conditions as appropriate. This date will be the fifth (5th) Business Day prior to a Payment Date of the Fund.

**“Issuance Period”** means the period starting on the Date of Incorporation of the Fund and terminating on the Issuance Period End Date (included).

**“Issuance Period End Date” (“Fecha Final del Periodo de Emisión”)** means the earliest of the following dates:

- (i) The date in which the Issuer has issued the Notes Maximum Outstanding Amount.
- (ii) On the Purchase Period End Date according to section 3.3.4 of the Additional Information; or
- (iii) The Payment Date corresponding to immediately prior to year anniversary of the date of registration of this Prospectus (i.e. 23 December 2022).

**“Issuance Expenses” (“Costes de Emisión”)** means those specified in the Final Conditions on the occasion of each Issuance of Notes and which may correspond, among others, to the fees of CNMV, AIAF, Iberclear, and the fees of the Rating Agencies and legal advisors.

**“Issuing Document”** means each document executed by the Management Company, for and on behalf of the Fund, whereby the issuance of Notes will be instrumented, including each Final Conditions.

**“Law 1/2013” (“Ley 1/2013”)** means the Law 1/2013, of 14 May, on measures to strengthen the protections for mortgage debtors, debt restructuring and social rent (as amended).

**“Law 5/2015” (“Ley 5/2015”)** means Law 5/2015, of 27 April, on the Promotion of Enterprise Funding.

**“Law 10/2014” (“Ley 10/2014”)** means Law 10/2014, of 26 June, on regulation, supervision and solvency of credit institutions.

**“Law 11/2020” (“Ley 11/2020”)** means the Catalanian Law 11/2020, of 18 September, on urgent measures to contain income in housing leases in Catalonia.

**"Law 24/2015" ("Ley 24/2015")** means Law 24/2015, of 29 July, on urgent measures to address the housing and energy poverty crisis.

**"Law 25/2015" ("Ley 25/2015")** means Law 25/2015, of 28 July, on the second-chance mechanism, reduction of financial burden and other social measures (as amended).

**"Law 27/2014" ("Ley 27/2014")** means Law 27/2014 of 27 November of Corporate Income Tax.

**"Lead Managers" ("Entidades Colocadoras")** means **INTERMONEY VALORES, SV, S.A.** and **ANDBANK ESPAÑA S.A.U.**

**"Legal Maturity Date" ("Fecha de Vencimiento Legal")** means 23 June 2056.

**"LEI Code" ("Código LEI")** means the Legal Entity Identifier code.

**"Liquidation Priority of Payments" ("Orden de Prelación de Pagos de Liquidación")** means the order of priority of payment described in section 3.4.7.4 of the Additional Information.

**"LTV"** means the loan-to-value ratio.

**"Main Borrower" ("Deudor Principal")** means for any Mortgage Loan with more than one Borrower (several borrowers), the one reported by the Seller as such according to the Origination Policy to the Management Company on a loan by loan basis as part of the initial information of each Mortgage Loan at the relevant Purchase Date in order to check the Global Eligibility Criteria.

**"Management Company" ("Sociedad Gestora")** means INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.

**"Management, Placement and Subscription Agreement"** means the management, placement and subscription agreement to be entered by the Management Company, in the name and on behalf of the Issuer, with Andbank as the Seller and the Subscriber when applicable, the Lead Managers and the Sole Arranger on the Date of Incorporation.

**"Maximum Receivables Amount" ("Importe Máximo de Derechos de Crédito")** means the maximum amount of the Outstanding Nominal Balance of the Non-Defaulted Receivables pooled in the Fund, which will be equal to or slightly higher than THREE HUNDRED EUROS (€ 300,000,000.00), equivalent to the nominal value of the issue of the Class A Notes, the Class B Notes, and the Class C Notes.

**"Meeting of Creditors" ("Junta de Acreedores")** means the meeting of the Noteholders, and the Subordinated Loan Provider that shall be established upon and by virtue of the issuance of the Notes and shall remain in force and in effect until repayment in full or cancellation of the Fund.

**"MiFID II" ("MiFID II")** means Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

**"Minimum Reserve Fund Level" ("Nivel Mínimo del Fondo de Reserva")** means, on each Payment Date:

- (i) During the Purchase Period, as an amount equal to 4.50% of the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on that Payment Date, and
- (ii) After the end of the Purchase Period and excluding the Liquidation Date of the Fund as the maximum between:

- (1) The minimum between the 9% of the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on that Payment Date and the 4.5% of the Outstanding Nominal Balance of the Class A, Class B and Class C after the Initial Issuance and each Additional Issuance; and
  - (2) The 2.25% of the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on the Issuance Period End Date.
- (iii) Nevertheless, the Minimum Reserve Fund Level will not be reduced from the level of the immediately preceding Payment Date:
- (1) Before the Purchase Period End Date (included).
  - (2) If on the current Payment Date or in the immediately preceding, a breach of the Minimum Reserve Fund Level has occurred.

**"Moody's"** means Moody's Investors Service España, S.A.

**"Mortgage Loans" or "Loans" ("Préstamos Hipotecarios")** granted by the Seller to individuals resident in Spain or Spanish nationals for the acquisition, construction or refurbishment of finished residences in Spain. Subject to the Eligibility Criteria described in Clause 2.2.8.2.B)(iv) of the Additional Information there may be some residual loans granted to Borrowers non-resident in Spain and with no Spanish nationality

**"Mortgage Loan Portfolio" ("Cartera de Préstamos Hipotecarios")** means the sum of: i) the Outstanding Nominal Balance of the Non-defaulted Receivables at the end of the Collection Period prior to the relevant Offer Date plus ii) the Outstanding Nominal Balance of the Receivables on the relevant Offer Date.

**"Mortgage Market Law" ("Ley del Mercado Hipotecario")** means Law 2/1981 of 25 March on regulation of the mortgage market and other rules of the mortgage and financial systems.

**"Mortgage Titles" or "MTs" ("Títulos Hipotecarios")** means the titles issues by the Seller to be object of subscription/acquisition by the Fun, composed of MTCs and MPs.

**"Mortgage Transfer Certificates" or "MTCs" ("Certificados de Transmisión de Hipoteca")** means the mortgage transfer certificates (certificados de transmisión de hipoteca), with respect to those underlying Mortgage Loans that do not meet all the requirements set forth in Mortgage Market Law and Chapter II of Royal Decree 716/2009 (as from 8 July 2022, article 23 of the Royal Decree-Law 24/2021).

**"Mortgage Participations" or "MPs" ("Participaciones Hipotecarias")** means the mortgage participations (participaciones hipotecarias) with respect to those underlying Mortgage Loans that meet all the requirements set forth in the Mortgage Market Law and chapter II of Royal Decree 716/2009.

**"Most Senior Class of Notes" ("Clase Más Senior de Bonos")** means:

- (1) the Class A Notes (for so long there are Class A Notes outstanding), or
- (2) if no Class A Notes are outstanding, the Class B Notes (for so long there are Class B Notes outstanding).
- (3) if no Class B Notes are outstanding, the Class C Notes (for so long there are Class C Notes outstanding).
- (4) if no Class C Notes are outstanding, the Class Z Notes (for so long there are Class Z Notes outstanding).

**"NCAs" ("ACN")** means the national competent authorities.

**"NCA Interpretations" ("Interpretaciones ACN")** means any interpretation that an NCA may publish or otherwise publicly disseminate from time to time interpretations of specific criteria.

**“Non-Defaulted Receivables” (“Derechos de Crédito No Fallidos”)** means, at any time, any Receivable that is not a Defaulted Receivable.

**“Non-Reversible Subordination Events”** will refer to Class B Non-Reversible Subordination Events and Class C Non-Reversible Subordination Events.

**“Notes” (“Bonos”)** means any and all the notes under any of the Classes.

**“Notes Maximum Outstanding Amount” (“Importe Pendiente Máximo de los Bonos”)** means THREE HUNDRED AND THIRTEEN MILLION FIVE HUNDRED THOUSAND EUROS (€ 313,500,000).

**“Notes Outstanding Nominal Balance”** means the Outstanding Nominal Balance of the Notes.

**“Noteholder(s)” (“Bonistas”)** means any and all holders of any of the Notes.

**“Offer Date” (“Fecha de Oferta”)** means tenth (10th) Business Day of each month during the Purchase Period. The first Offer Date will coincide with the Date of Incorporation.

**“Ordinary Expenses” (“Gastos Ordinarios”)** means any expenses necessary for its normal operation that would currently accrue or could at a future time accrue, including, but not limited to:

- (1) expenses for maintenance of the programme, the periodic fee of the Management Company referred to in section 3.7.1.4. of the Additional Information (including those accruing from any possible substitute);
- (2) Paying Agent's fee;
- (3) Servicing Fee of the Mortgage Loans from which the Receivables assigned to the Fund arise;
- (4) Expenses necessary to bring about the enforcement of the Receivables and those derived from the recovery actions that may be required;
- (5) Rating Agencies' fees for monitoring and maintaining the rating of the Notes;
- (6) fees issued by the CNMV for the supervision and inspection of the information submitted by the Fund;
- (7) expenses incurred for keeping the accounting records of the Notes and their representation by means of book entries;
- (8) Excess liquidity fee payable to the Bank Account Provider;
- (9) costs of auditing the annual accounts of the Fund and the annual review of the Additional Receivables assigned;
- (10) Any costs related to the redemption of the Notes;
- (11) costs of updating the PDR;
- (12) costs of incorporating the Additional Receivables to the Fund; and
- (13) costs of announcements and notifications relating to the Fund and/or the Notes.
- (14) Other costs, among them the Third-Party Verification Agent or EDW when applicable.

**“Ordinary Resolution”** means a resolution in relation to any matter other than a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.

**"Origination Policy"** means the origination policy of the Mortgage Loans described in section 2.2.7 of the Additional Information.

**"Other Creditor"** means the Subordinated Loan Provider.

**"Outstanding Nominal Balance" ("Importe Pendiente" o "Importe Nominal Pendiente")** means the principal amount at any given time, i.e., of the Receivables, of the Notes, of a Class of Notes, etc.

**"Outstanding Nominal Balance of the Non-Defaulted Receivables" ("Importe Pendiente de los Derechos de Crédito no Fallidos")** means the principal amount at any given time, of Non-Defaulted Receivables derived from Mortgage Loans.

**"Paying Agency Agreement" ("Contrato de Agencia de Pagos")** means the payment agency agreement to be entered into by the Management Company, for and on behalf of the Fund, and the Paying Agent.

**"Paying Agent" ("Agente de Pagos")** means BANCO SANTANDER, S.A. in its capacity as paying agent appointed by the Management Company, or such other entity as may be selected by the Management Company, on behalf of the Fund, to act in its place.

**"Payment Dates" ("Fechas de Pago")** means the 23 of each month subject to the Business Days Convention. First Payment Date will be on 23 March 2022.

**"PCS"** means PRIME COLLATERALISED SECURITIES (PCS) EU SAS.

**"PCS Assessments" ("Informes de PCS")** means STS Verification.

**"Personal Data Register" or "PDR"** means the record of the personal data required to issue orders of collection to the relevant Borrowers.

**"Pre-Enforcement Priority of Payments" ("Orden de Prelación de Pagos Pre-Ejecución")** means the order described in section 3.4.7.2 of the Additional Information.

**"Preliminary Portfolio" ("Portfolio Preliminar")** means the portfolio of assignable Loans to the Fund from where the Initial Receivables shall be pooled to the Fund.

**"PRIIPs Regulation" ("Reglamento PRIIPs")** means Regulation (EU) No 1286 of the European Parliament and of the Council of 26 November 2014 on key information documents for package retail and insurance-based investment products (PRIIPs).

**"Principal Amount Available" ("Cantidad Disponible de Principal")** on any Payment Date shall be, the lower between

- (i) The difference between the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on the previous Payment Date and the Outstanding Nominal Balance of the non-Defaulted Receivables at the end of the immediately previous Collection Period; and
- (ii) The amounts standing to the credit to the Treasury Account after paying items (1) to (4) of the Pre-Enforcement Priority of Payments.

**"Priority of Payments" ("Orden de Prelación de Pagos")** means the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments, as applicable.

**"Programme" ("Programa")** means this notes issue programme described in the Prospectus.



**“Prospectus” (“Folleto”)** means this document registered in the CNMV, as provided for in the Prospectus Regulation and the Prospectus Delegated Regulation.

**“Prospectus Delegated Regulation” (“Reglamento Delegado de Folletos”)** means the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended.

**“Prospectus Regulation” (“Reglamento de Folletos”)** means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

**“Purchase Date” (“Fecha de Compra”)** means, in respect of any Receivable, the date of the delivery by the Management Company of the written notice accepting the assignment of all or part of the Additional Receivables. That date shall be the second Business Day prior to any Payment Date during the Purchase Period.

**“Purchase Period” (“Periodo de Cesión”)** means the period from the Date of Incorporation (included) until the Purchase Period End Date (included).

**“Purchase Period End Date”** means the earliest of the following:

- (i) The Issuance Period End Date, if such date corresponds to (i) or (iii) of the Issuance Period End Date events described in section 4.1.2 of the Securities Note.
- (ii) The Purchase Date immediately prior to a Payment Date in which a breach in the Minimum Reserve Fund Level occurs.
- (iii) The Purchase Date immediately prior to a Payment Date in which a Redemption Deficit arises.
- (iv) On the Purchase Date immediately prior to the second consecutive Payment Date when the outstanding balance of the Purchase Price Reserve held in the Treasury Account is higher than 10% of the Outstanding Nominal Balance of the Notes and such level is not reduced in the following 30 days.
- (v) The date in which a Seller Event of Default has occurred and has been communicated to the Management Company;
- (vi) The date in which a Servicer Termination Event has occurred and has been communicated to the Management Company;
- (vii) The date in which the Management Company acknowledges any qualification affecting to the Additional Receivables to be transferred to the Issuer in the audit report on the Seller’s latest financial statements.
- (viii) The date in which occurs event described in section 4.4.3 of the Registration Document that would lead to an Early Liquidation of the Fund.

**“Purchase Price of the Additional Receivables”** means the payment by the Issuer as consideration equal to the Outstanding Nominal Balance at the relevant Offer Date of the Mortgage Loans from which the Additional Receivables arise.

**“Purchase Price Payment Date”** means, in relation to any assignment of Additional Receivables, the Payment Date of the month in which such assignment takes place.

**"Purchase Price Reserve"** has the meaning ascribed in section 3.3.5 of the Securities Note.

**"Rate Determination Agent" ("Agente de Determinación del Tipo de Interés")** means the rate determination agent appointed to carry out the tasks referred to in section 4.8.

**"Rated Notes" ("Bonos con Rating")** means the Class A Notes, the Class B Notes and the Class C Notes.

**"Rated Notes Maximum Outstanding Amount" ("Importe máximo de los Bonos con Rating")** means the maximum aggregated Notes Outstanding Balance to be Issued by the Fund for the Class A Notes, Class B Notes and Class C notes is € 300,000,000.

**"Rating Agencies" ("Agencias de Calificación")** means Moody's and DBRS.

**"Repurchase Value" ("Valor de Recompra")** means at any time (i) in respect of any Receivable other than a Defaulted Receivable, the par value, and (ii) in respect of a Defaulted Receivable, the par value less any Seller's provisions allocated, or to be allocated after such repurchase would have been performed, with respect to such Receivable matching its book value on the Seller's balance sheet at such time. In any case, this Repurchase Value, together with the rest of the Available Funds, will be enough to repay the Rated Notes.

**"Receivables" ("Derechos de Crédito")** means the credit rights arising from the Mortgage Loans.

**"Redemption Deficit" ("Déficit de Amortización")** means the deficit that will occur on any Payment Date if the difference between (i) and (ii) below is greater than zero

(i) The difference between the Outstanding Nominal Balance of the Class A, Class B and Class C Notes on the previous Payment Date and the Outstanding Nominal Balance of the Non-Defaulted Receivables at the end of the immediately previous Collection Period; and

(ii) The amounts standing to the credit to the Treasury Account after paying items (1) to (4) of the Pre-Enforcement Priority of Payments.

**"Redemption Payment Date"** means any Payment Date during the Redemption Period.

**"Redemption Period" ("Periodo de Amortización")** means the period that will start on the Issuance Period End Date (excluded) and will terminate on the Legal Maturity Date or upon an Early Liquidation of the Fund.

**"Reference Rate" ("Tipo de Referencia")** means the reference rate for determining the Interest Rate applicable to the Notes in accordance with section 4.8.3 of the Securities Note.

**"Registration Document" ("Documento de Registro")** means the asset-backed securities registration document in this Prospectus, prepared using the outline provided in Annex 9 of the Prospectus Delegated Regulation.

**"Regulation S"** means the regulation S under the Securities Act.

**"Regulatory Call Event" ("Supuesto de Cambio Regulatorio")** means:

- (1) any enactment or implementation of, or supplement or amendment to, or change in any applicable law, policy, rule, guideline or regulation of any competent international, European or national body (including the European Central Bank, the Prudential Regulation Authority or any other competent international, European or national regulatory or supervisory authority) or the application or official

interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline; or

- (2) a notification by or other communication from an applicable regulatory or supervisory authority is received by the Seller with respect to the transactions contemplated by the Transaction Documents,

which, in either case, occurs on or after the Date of Incorporation and results in, or would in the reasonable opinion of the Seller result in, a material adverse change in the rate of return on capital of the Fund and/or the Seller or materially increasing the cost or materially reducing the benefit for the Seller of the transactions contemplated by the Transaction Documents.

It is understood that the declaration of a Regulatory Call Event will not be prevented by the fact that, prior to the Date of Incorporation, the event constituting any such Regulatory Call Event was:

- (1) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the European Central Bank, the Prudential Regulation Authority or the European Union; or
- (2) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Date of Incorporation, provided that the application of the EU Securitisation Regulation and the applicable legislation shall not constitute a Regulatory Call Event, but without prejudice to the ability of a Regulatory Call Event to occur as a result of any implementing regulations, policies or guidelines in respect thereof announced or published after the Date of Incorporation; or
- (3) expressed in any statement by an official of the competent authority in expert meetings or other discussions in connection with such Regulatory Call Event (but without receipt of an official interpretation or other official communication); or
- (4) the competent authority issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than this transaction. Accordingly, such proposals, statements, notifications or views are not taken into account when assessing the rate of return on capital of the Fund and/or Seller or an increase of the cost or reduction of benefits to the Seller of the transactions contemplated by the Transaction Documents immediately after the Date of Incorporation.

**“Regulatory Change Call Option” (“Opción de Venta de Cambio Regulatorio”)** means the exercise by the Seller of a call option upon occurrence of a Regulatory Call Event.

**“Reporting Agent” (“Agente Informador”)** means the Management Company, on behalf of the Fund, as the entity in charge of preparing all information related with the transaction to be submitted to ESMA.

**“Reporting Entity” (“Entidad Informadora”)** means the Seller, as the entity designated to fulfil the disclosure requirements under article 7 of the EU Securitisation Regulation.

**“Reserve Fund” (“Fondo de Reserva”)** means a credit enhancement mechanism to cover losses arising from the default of any Receivable and in order to allow payments to be made by the Fund in accordance with the Priority of Payments set forth in section 3.4.7 of the Additional Information.

**“Reserved Matters”** means the following:

- (i) to change any date fixed for the payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest due on any date in respect of the Notes or to alter the method

of calculating the amount of any payment in respect of the Notes or the Subordinated Loan for Initial Expenses Agreement;

- (ii) to change the currency in which amounts due and payable;
- (iii) to alter the priority of payments;
- (iv) to change the quorum required at any Meeting of Creditors or the majority required to pass an Extraordinary Resolution;
- (v) to authorise the Management Company or (if relevant) any other Transaction Party to take or waive any action which is not expressly regulated under the Deed of Incorporation and other Transaction Documents;
- (vi) to approve the liquidation of the Fund in accordance with Article 23.2.b) of Law 5/2015;
- (vii) to approve any proposal by the Management Company for any relevant modification of the Deed of Incorporation or any arrangement in respect of the obligations of the Fund under or in respect of the Notes;
- (viii) to instruct the Management Company or any other person to do all that may be necessary to give effect to any Extraordinary Resolution;
- (ix) to give any other authorisation or approval which under the Deed of Incorporation or the Notes is required to be given by Extraordinary Resolution;
- (x) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution; and
- (xi) to amend this definition of Reserved Matters.

For the avoidance of doubt, the approval of a Base Rate Modification shall not be considered a Reserved Matter.

**"Resolution"** means a resolution passed by the Noteholders or the Other Creditor (i) at a Meeting of Creditors of one or several Classes of Notes and/or the Other Creditor or (ii) by virtue of a Written Resolution.

**"Restructuring"** means, with respect to a Receivable, the forgiveness, reduction or postponement of principal, interest or fees or a change in the ranking, priority or subordination of such obligation (together, the **"Restructuring Events"**), provided that such decision, with respect to the Restructuring Events, will be made: (i) with regard to the standards of a reasonable and prudent holder of such obligation (disregarding for such purposes the effect of any securitisation of such Receivable but taking into account any security or collateral allocable to that Receivable); and (ii) with the intent that such Restructuring is to minimise any expected loss in respect of such Receivable.

**"Reversible Subordination Events"** will refer to Class B Reversible Subordination Events and Class C Reversible Subordination Events.

**"Risk Factors" ("Factores de Riesgo")** means the description in this Prospectus of the major risk factors linked to the Issuer, the securities and the assets backing the issue.

**"Royal Decree 878/2015" ("Real Decreto 878/2015")** means the Royal Decree 878/2015, of October 2, on compensation, settlement and registration of negotiable securities represented through book entries (as amended).

**"Royal Decree 1310/2015" ("Real Decreto 1310/2015")** means Royal Decree 1310/2005 of 4 November partly implementing Securities Market Law 24/1988 of 28 July in regard to admission to trading of securities in official secondary markets, public offerings for sale or subscription and the prospectus required for that purpose.

**"Royal Decree-Law 24/2021"** means Royal Decree-Law 24/2021 of 2 November transposing EU directives on covered bonds, cross-border distribution of collective investment undertakings, open data and re-use of public sector information, the exercise of copyright and related rights applicable to certain online transmissions and to radio and television broadcasts, temporary exemptions for certain imports and supplies, for consumers and for the promotion of clean and energy-efficient road vehicles, as amended by the Royal Decree-Law 29/2021.

**"Rules" or "Rules for the Meeting of Creditors" ("Reglamento" o "Reglamento de la Junta de Acreedores")** means the rules applicable to the Meeting of Creditors.

**"Securities Act" ("Ley de Valores")** means the United States Securities Act of 1933, as amended.

**"Securities Market Act" ("Ley del Mercado de Valores")** means the consolidated text of the Securities Market Act approved by Legislative Royal Decree 4/2015 of 23 October (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*).

**"Securities Note" ("Nota de Valores")** means the securities note in this Prospectus, prepared using the outline provided in Annex 15 of the Prospectus Delegated Regulation.

**"Seller" or "Originator" ("Cedente" u "Originador")** means ANDBANK ESPAÑA, S.A.U.

**"Seller Call Options" ("Opciones de Venta del Cedente")** means the Clean-Up Call Option, the Regulatory Change Call Option and the Tax Change Call Option.

**"Seller Event of Default"** means the occurrence of any of the following events:

1. Breach of Obligations:

Any breach by the Seller of:

- (a) any of its material non-monetary obligations under the Transaction Documents to which it is a party and such breach is not remedied by the Seller within:
  - (iii) five (5) Business Days; or
  - (iv) fifteen (15) Business Days if the breach is due to force majeure or technical reasons, after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Seller by the Management Company to remedy such breach; or
- (b) any of its material monetary obligations under the Transaction Documents to which it is a party and such breach is not remedied by the Seller within:
  - (iii) two (2) Business Days; or
  - (iv) five (5) Business Days if the breach is due to force majeure or technical reasons; after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Seller by the Management Company to remedy such breach.

2. Breach of Representations:

Any breach by the Seller of any representation, warranty or undertaking made or given by the Seller in respect of itself in the in the Deed of Incorporation as repeated in this Prospectus, is materially false or incorrect or has been breached and, where such materially false or incorrect representation or warranty or breached undertaking can be corrected or remedied by the Seller, is not corrected or remedied by the Seller within:

- (i) five (5) Business Days; or
- (ii) sixty (60) calendar days if the breach is due to force majeure or technical reasons, after the earlier of the date on which it is aware of such misrepresentation or such breach and/or receipt of notification in writing to the Seller by the Management Company to remedy such false or incorrect representation or warranty or breached undertaking.

3. Insolvency and Resolutions Measures: upon the occurrence of any Insolvency and Resolutions Measures in respect of the Seller.

**"Seller's Internal Scoring" ("Scoring Interno del Cedente")** means the internal measure of the risk associated to a mortgage loan at the time of its origination according to the Origination Policy and reported by the Seller to the Management Company on a loan by loan basis as part of the initial information of each Mortgage Loan at the relevant Purchase Date in order to check the Global Eligibility Criteria.

**"Seller's Notice" ("Notificación del Cedente")** means the written notice to be sent by the Seller to the Issuer and the Rating Agencies of its intention to exercise the relevant Seller's Call Option at least forty (40) Business Days prior to the Early Redemption Date.

**"Self-Certified Mortgage Loans" ("Préstamos Hipotecarios Certificados")** means mortgage loans sold and underwritten on the basis that the applicants and/or intermediaries representing them were made aware before the start of the lender's assessment that income could be self-certified.

**"Servicer"** means ANDBANK ESPAÑA, S.A.U.

**"Servicer Alert Event"** means (i) the interruption of the flow of regular information from the Servicer; (ii) a deterioration in the content thereof; (iii) the deterioration of the solvency of the Loan Servicer, measured by the failure to maintain the required capital pursuant to applicable law for a period of six (6) months, and (iv) the declaration of insolvency of the Servicer.

**"Servicer Alert Notification"** means the notification to be made by the Management Company due to the occurrence of a Servicer Alert Event not remedied within thirty (30) Business Days.

**"Servicer Replacement Term"** means sixty (60) days from the date on which the Management Company notifies the occurrence of any event that shall result in the replacement of the Servicer.

**"Servicer Termination Event"** means the occurrence of any of the events described in section 3.7.2.9 of the Additional Information.

**"Servicing Agreement"** means the servicing agreement executed between the Seller and the Management Company, on behalf of the Fund.

**"Servicing Fee"** means the fee to be paid by the Fund to the Seller under the Servicing Agreement.

**"Servicing Policies"** means the Mortgage Loan servicing criteria described in the Deed of Incorporation and in the Servicing Agreement.

**"Sole Arranger" ("Entidad Directora")** means INTERMONEY VALORES, SV, S.A.

**"Special Securitisation Report on the Preliminary Portfolio"** means the stratification tables included in section 2.2.2.3 of the Additional Information, and the CPR tables to be included in the Financial Conditions under the hypothesis stated in section 4.10 of the Securities Notes.

**"SR Repository" ("Registro SR")** means a 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.

**"SSPE"** means securitisation special purpose entity for the purposes of EU Securitisation Report.

**"STS Notification" ("Notificación STS")** means the STS notification to be submitted by the Originator to ESMA in accordance with article 27 of the EU Securitisation Regulation.

**"STS-Securitisation" ("Titulización-STS")** means simple, transparent and standardised securitisations according to the EU Securitisation Regulation.

**"STS Verification" ("Verificación STS")** means the assessment of the compliance of the Notes with the requirements of articles 19 to 22 of the EU Securitisation Regulation prepared by PCS.

**"Subordinated Loan for Initial Expenses" ("Préstamo Subordinado para Gastos Iniciales")** means the subordinated loan granted by the Seller to the Fund to pay the Initial Expenses.

**"Subordinated Loan for Initial Expenses Agreement" ("Contrato de Préstamo Subordinado para Gastos Iniciales")** means the subordinated loan agreement granted by the Seller to the Fund to pay the Initial Expenses.

**"Subordinated Loan Provider" ("Acreedor del Préstamo Subordinado")** means the Seller.

**"Subordination Events"** means Class B Reversible Subordination Events, Class B Non-Reversible Subordination Events (together, Class B Subordination Events), Class C Reversible Subordination Events, and "Class C Non-Reversible Subordination Events (together, Class C Subordination Events).

**"Subscriber" ("Entidad Suscriptora")** means each subscriber of the Notes. Andbank España, S.A.U. shall subscribe the Notes under the Initial Issuance and, additionally when applicable, the Additional Notes.

**"Subscription Date" ("Fecha de Suscripción")** means the date on which the Notes of each Issuance are expected to be fully subscribed pursuant to the Management, Placement and Subscription Agreement. The Subscription Date for the Initial Issuance will be 19 January 2022.

**"Subscription Period" ("Periodo de Suscripción")** means the period of time on the Subscription Date in which the Notes of each Issuance are expected to be fully subscribed.

**"TARGET2 Business Day" ("Día Hábil TARGET2")** means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System (TARGET2) is open.

**"Tax Change Call Option" ("Opción de Venta de Cambio Fiscal")** means the exercise by the Seller of a call option upon occurrence of a Tax Change Call Event.

**"Tax Change Event" ("Supuesto de Cambio Fiscal")** means any event after the Date of Incorporation derived from changes in relevant taxation law and accounting provisions and/or regulation (or official interpretation of that taxation law and accounting provisions and/or regulation by authorities) as a consequence of which the Fund is or becomes at any time required by law to deduct or withhold, in respect of any payment under any of the Notes, any present or future taxes, levies or governmental charges, regardless of their nature, which are imposed under any applicable legal system or in any country with competent jurisdiction, or for the account of, any political subdivision thereof or government agency



authorised to levy taxes, that materially affects the allocation of benefits among the parties of the transaction.

**"Theoretical Redemption Deficit" ("Déficit Teórico de Amortización")** means the deficit that will occur on any Payment Date if the difference between (x) item (i) defined under the definition of Principal Amount Available; and (y) the remaining Available Funds after payments done until item (4) of the Pre-Enforcement Priority of Payments assuming (even if applicable) no postponement in the payment of interest on Class B and Class C, is equal to or greater than zero (0).

**"Third Party Verification Agent (STS)" ("Tercero Verificador")** means PCS.

**"Transaction Documents" ("Documentos de la Operación")** means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management, Placement and Subscription Agreement; (iii) the Subordinated Loan Agreement for Initial Expenses; (iv) the Bank Account Agreement; (v) the Paying Agency Agreement; (vi) the Servicing Agreement, and (vii) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

**"Transaction Party"** means any person who is a party to a Transaction Document and **"Transaction Parties"** means some or all of them.

**"Transfer Tax and Stamp Duty Act" ("Ley del Impuesto sobre Transmisión y Actos Jurídicos Documentados")** means the consolidated text of the Transfer Tax and Stamp Duty Act approved by Legislative Royal Decree 1/1993 of 24 September.

**"Treasury Account" ("Cuenta de Tesorería")** means the bank account in the name of the Fund held in the Bank Account Provider, in accordance with the provisions of the Bank Account Agreement, through which all the payments to be made by the Fund at any time will be made, following the instructions of the Management Company.

**"Treasury Account Interest Periods" ("Periodos de Devengo de Interés de la Cuenta de Tesorería")** are defined as the calendar month.

**"U.S. Risk Retention Rules"** means the credit risk retention regulations issued under section 15G of the U.S. Securities Exchange Act of 1934, as amended.

**"VAT Act" ("Ley del IVA")** means the Law 37/1992, of 28 December, on Value Added Tax.

**"Variable Fee" ("Comisión Variable")** means the variable fee to which the Seller is entitled pursuant to section 3.4.7.6 of the Additional Information.

**"Volcker Rule"** means section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules.

**"Weighted Average DTI"** means the one calculated among the debt to income ratios attributed to each Loan on the Offer Date of each outstanding Receivable.

**"Written Resolution"** means a resolution in writing signed by or on behalf of all Noteholders and the Other Creditor who are then entitled to receive notice of a meeting in accordance with the Rules for the Meeting of Creditors, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders or by or on behalf of one or more of the Other Creditor;

*(Remainder of page left intentionally blank).*



## ANNEX II – FORM OF FINAL CONDITIONS

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### Form

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Set out below is a form of Final Conditions that will be completed for the issue of the Notes by the Fund to be listed in AIAF in accordance with the provisions of the Prospectus.

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# FINAL CONDITIONS

DATED {DAY} {MONTH} {YEAR}

To the base prospectus (the “**Prospectus**”) registered with the SPANISH SECURITIES MARKET COMMISSION (COMISIÓN NACIONAL DEL MERCADO DE VALORES) (the “**CNMV**”) on 13 January 2022.

# IM ANDBANK RMBS 1

## FONDO DE TITULIZACIÓN

€ {•}

Residential mortgage backed securities issuance Programme for the issue of:

{•} <b>Class A Notes</b>	€ {•}
{•} <b>Class B Notes</b>	€ {•}
{•} <b>Class C Notes</b>	€ {•}
{•} <b>Class Z Notes</b>	€ {•}

Issued under the Prospectus registered with the CNMV.

**BACKED BY RECEIVABLES ASSIGNED BY**

**ANDBANK** /  
Private Bankers

**SOLE ARRANGER**



**SUBSCRIBER**

**ANDBANK** /  
Private Bankers

**LEAD MANAGERS**

**ANDBANK** /  
Private Bankers



**PAYING AGENT**



**BANK ACCOUNT PROVIDER**



These final conditions (the “**Final Conditions**”) have been prepared for the purpose of 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 and must be read in conjunction with the Prospectus (and its supplements when applicable) in order to obtain all the relevant information.

The following Final Conditions (the “**Final Conditions**”) include the characteristics of the securities described in detail therein.

The Prospectus and the Final Conditions may be consulted on the website of the Management Company ([www.imtitulizacion.com](http://www.imtitulizacion.com)) and the CNMV ([www.cnmv.es](http://www.cnmv.es)).

Any websites included and/or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus nor have been scrutinised or approved by the CNMV.

The Fund will issue	<input type="checkbox"/>	Class A Notes
	<input type="checkbox"/>	Class B Notes
	<input type="checkbox"/>	Class C Notes
	<input type="checkbox"/>	Class Z Notes
(the “ <b>Notes</b> ”).		
ISIN	<input type="checkbox"/>	Class A Notes ES0305564009.
	<input type="checkbox"/>	Class B Notes ES0305564017.
	<input type="checkbox"/>	Class C Notes ES0305564025.
	<input type="checkbox"/>	Class Z Notes ES0305564033.

*(Remainder of page left intentionally blank).*

## IMPORTANT NOTICE

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**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE NOTES DESCRIBED IN THE PROSPECTUS IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED.**

**FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**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 (MIFID II); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, 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 REGULATION (EU) 2017/1129 (AS AMENDED, THE "PROSPECTUS REGULATION"). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE PRIIPS REGULATION) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA 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.**

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States or other relevant jurisdiction. The Notes may not at any time be offered, sold or delivered within the United States or to, or for the account or benefit of, any person who is a U.S. Person (as defined in Regulation S under the Securities Act ("**Regulation S**")) by any person referred to in Rule 903(b)(2)(iii) of Regulation S, (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of the securities as determined and certified by the Sole Arranger, in either case except in accordance with Regulation S.

### **U.S. RISK RETENTION RULES**

**THE TRANSACTION DESCRIBED IN THIS PROSPECTUS WILL NOT INVOLVE RISK RETENTION BY THE SELLER (AS SUCH TERM IS DEFINED BELOW) FOR PURPOSES OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "U.S. RISK RETENTION RULES"), AND THE ISSUANCE OF THE NOTES WAS NOT DESIGNED TO COMPLY WITH THE U.S. RISK RETENTION RULES. 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, EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER (A "U.S. RISK RETENTION CONSENT") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY THE U.S. RISK RETENTION RULES, THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES (RISK RETENTION U.S. PERSONS). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES, OR A BENEFICIAL INTEREST THEREIN, ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES BY ITS ACQUISITION OF THE NOTES, OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND IN CERTAIN CIRCUMSTANCES WILL BE**

**REQUIRED TO MAKE CERTAIN REPRESENTATIONS AND AGREEMENTS (INCLUDING AS A CONDITION TO ACCESSING OR OTHERWISE OBTAINING A COPY OF THIS PROSPECTUS OR OTHER OFFERING MATERIALS RELATING TO THE NOTES), TO THE ISSUER, THE ORIGINATOR, THE MANAGEMENT COMPANY, THE SOLE ARRANGER (AS DEFINED BELOW) AND ON WHICH EACH OF SUCH PERSONS WILL RELY WITHOUT ANY INVESTIGATION, THAT, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE, OR BENEFICIAL INTEREST THEREIN, FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE, OR BENEFICIAL INTEREST THEREIN, AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).**

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Prospective investors should read this Final Conditions and the Prospectus carefully before making an investment.

*(Remainder of page left intentionally blank).*

## PERSONS RESPONSIBLE FOR THE INFORMATION

The securities described in these Final Conditions are issued by IM ANDBANK RMBS 1, FONDO DE TITULIZACIÓN (the “**Fund**” or the “**Issuer**”), with registered office at calle Príncipe de Vergara 131, planta 3ª, and Spanish Tax Identification Number (NIF) no. {•}.

{•}, acting in the name and on behalf of the Management Company, Intermoney Titulización, S.G.F.T., S.A. (the “**Management Company**”), with its registered offices at Calle Príncipe de Vergara 131, Madrid, assumes responsibility for the information contained in these Final Conditions.

{•} acts (i) in his capacity of {•} of the Management Company pursuant to his appointment by the Management Company’s board of directors meeting held on {•}, and (ii) under the powers that were conferred to him by the Management Company’s board of directors at its meeting held on the {•}.

## DESCRIPTION, CLASS AND CHARACTERISTICS OF THE RELEVANT ISSUED SECURITIES MAIN CHARACTERISTICS OF THE ISSUED SECURITIES

Capitalised words and expressions in this Final Conditions shall have the same meanings as set out in the Prospectus except insofar as the context otherwise requires.

<b>1</b>	Issuer:	The Fund.
<b>2</b>	Note Identification:	<input type="checkbox"/> Class A Notes <input type="checkbox"/> Class B Notes <input type="checkbox"/> Class C Notes <input type="checkbox"/> Class Z Notes
<b>3</b>	Status:	<input type="checkbox"/> Class A: ( <i>senior</i> ) unsubordinated. <input type="checkbox"/> Class B: ( <i>mezzanine</i> ) subordinated. <input type="checkbox"/> Class C: ( <i>mezzanine</i> ) subordinated. <input type="checkbox"/> Class Z: ( <i>junior</i> ) subordinated.
<b>4</b>	Currency:	Euro (€).
<b>5</b>	Principal Amount:	<input type="checkbox"/> Class A: EUR {•}. <input type="checkbox"/> Class B: EUR {•}. <input type="checkbox"/> Class C: EUR {•}. <input type="checkbox"/> Class Z: EUR {•}.
<b>6</b>	Number of Notes:	<input type="checkbox"/> Class A: {•}. <input type="checkbox"/> Class B: {•}. <input type="checkbox"/> Class C: {•}. <input type="checkbox"/> Class Z: {•}.
<b>7</b>	Issuance Price:	<input type="checkbox"/> Class A: {•}%.

		<input type="checkbox"/> Class B: {•}%. <input type="checkbox"/> Class C: {•}%. <input type="checkbox"/> Class Z: {•}%. (Class A Notes, Class B Notes, Class C Notes and Class Z Notes under Initial Issuance shall be issued at par value. Price of the Notes issued under any Additional Issuances can be below, at or above par).
<b>8</b>	Denomination per Note:	Class A Notes, Class B Notes, Class C Notes and Class Z Notes: € 100,000.
<b>9</b>	Issuance Date	{day} {month} {year}. (to occur on the Date of Incorporation and, during the Purchase Period, five (5) business days before a Payment Date).
<b>10</b>	Subscription Date:	{day} {month} {year}.
<b>11</b>	Subscription Period:	Will start at 9:00 CET and end at 12:00 CET on the Subscription Date.
<b>12</b>	Disbursement Date	{day} {month} {year}. (Disbursement Date of the Initial Issuance will be Initial Disbursement Date; and Additional Disbursement Dates will coincide with a Payment Date of the Issuance Period).
<b>13</b>	Payment Dates	On each monthly Payment Date with a first applicable Payment Date on {day} {month} {year}.
<b>14</b>	Amortisation starting date	On Payment Date immediately following the Issuance Period End Date.
<b>15</b>	Legal Maturity Date:	{day} {month} {year}.
<b>16</b>	Interest:	(Additional information on the securities interest can be found in section 21 of these Final Conditions)
<b>17</b>	Early redemption:	Yes. (Additional information on the Early Redemption of the Notes can be found in section 4.4.3 of the Registration Document)
<b>18</b>	Representation of the securities:	Book-entries managed by the SOCIEDAD DE GESTIÓN DE LOS SISTEMAS DE REGISTRO, COMPENSACIÓN Y LIQUIDACIÓN DE VALORES, IBERCLEAR, with registered office at Plaza de la Lealtad, 1, 28014 Madrid.
<b>19</b>	Listing and admission to trading:	Application has been made for the Notes to be admitted to trading on AIAF Fixed Income Market.
<b>20</b>	Placement	{Yes / No}

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

<b>21</b>	<b>Floating</b> rate Note provisions:	<input type="checkbox"/> Applicable to Class A Notes, Class B Notes Class C Notes and Class Z Notes. <input type="checkbox"/> Not Applicable. <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Interest Period(s):	According to section 4.8.1 Securities Note.
	(ii) Interest Rate:	According to section 4.8.2 of the Securities Note, shall be the higher of (i) zero percent (0%); and (ii) the result of adding the Reference Rate and a margin for each Class: <input type="checkbox"/> {•}% for Class A Notes. <input type="checkbox"/> {•}% for Class B Notes. <input type="checkbox"/> {•}% for Class C Notes. <input type="checkbox"/> {•}% for Class Z Notes.
	(iii) Reference Rate:	EURIBOR, as described in section 4.8.3 of the Securities Note, and subject to Fallback provision in section 4.8.3.2 of the Securities Notes.
	(iv) Payment Date(s):	{•} of each month (subject to the Business Day Convention).
	(v) First Payment Date:	{day} {month} {year}.

**PROVISIONS RELATING TO REDEMPTION**

<b>22</b>	Scheduled amortisation starting date:	{day} {month} {year}.  (First Payment Date immediately following the Issuance Period End Date).
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**OTHER PROVISIONS APPLICABLE TO THE NOTES**

<b>23</b>	Relevant Rating Agencies:	<input type="checkbox"/> DBRS Ratings, GMBH, Branch in Spain. <input type="checkbox"/> MOODY'S Investors Service España, S.A.
<b>24</b>	Ratings:	<input type="checkbox"/> DBRS Ratings, GMBH, Branch in Spain: {•}. <input type="checkbox"/> MOODY'S Investors Service España, S.A.: {•}.



<b>25</b>	Estimated Note Issuance Expenses:	€ {•}.
<b>26</b>	Historic Interest Rates:	Details of historic EURIBOR rates can be obtained from <a href="https://www.emmi-benchmarks.eu/">https://www.emmi-benchmarks.eu/</a> .
<b>27</b>	Distribution:	
	Group of potential Note Subscribers to whom the Notes Issuances intended:	<input type="checkbox"/> Qualified investors. Percentage placed [%]. <input type="checkbox"/> Seller. Percentage retained [%].
<b>28</b>	Excess liquidity fee	{•}%.

### INFORMATION ON THE ADMISSION TO TRADING OF THE NOTES

An application will be made for the Notes described in these Final Conditions to be admitted to trading on the AIAF.

The Management Company shall carry out its best efforts to achieve that the admission to trading of the Notes of each Issuance on AIAF is carried out not later than thirty (30) calendar days after the Disbursement Date.

### OTHER NOTES ISSUED BY THE FUND ON THIS ISSUANCE DATE

The following are the main characteristics of other Notes issued by the Fund together with the {•} Class on the date of these Final Conditions.

Class	Rating	Issuance Date	Outstanding Nominal Balance	Reference Rate	Margin	Legal Maturity Date
Class A	{•} (sf) by {•} and {•} (sf) by {Moody's}.	{•}	{•}	{•}	{•}	{•}
Class B	{•} (sf) by {DBRS} and {•} (sf) by {Moody's}.	{•}	{•}	{•}	{•}	{•}
Class C	{•} (sf) by {DBRS} and	{•}	{•}	{•}	{•}	{•}

	{•}	(sf)	by				
	{Moody's}						
Class Z	{•}	(sf)	by	{•}	{•}	{•}	{•}
	{DBRS}		and				
	{•}	(sf)	by				
	{Moody's}						

## WEIGHTED AVERAGE LIFE OF THE NOTES, INTERNAL RATE OF RETURN AND ASSUMPTIONS

*(To include a table of the results Weighted Average Lives and Internal Rates of Return of each of Class of Notes, and the hypotheses and assumptions considered to include exact wording.)*

The information provided in the following tables takes into account the following assumptions:

- (i) Delinquency and default rates of the Receivables will equal to {•}% and {•}%, respectively;
- (ii) Delinquency and default recoveries rates of the Receivables will equal to {•}% and {•}%, respectively.
- (iii) The prepayment rate used for calculating repayment of the Receivables is {•}%, {•}% and {•}%;
- (iv) the reference rate will be the {•}% and will be considered constant through the life of the issued Notes.
- (v) The excess liquidity fee payable by the Fund to the Bank Account Provider will be at constant rate which equal to {•}%;
- (vi) None of Class B Non-Reversible Subordination Event has occurred/ A Class B Non-Reversible Subordination Event has occurred.
- (vii) None of Class B Reversible Subordination Event has occurred/ A Class B Reversible Subordination Event has occurred.
- (viii) None of Class C Non-Reversible Subordination Event has occurred/ A Class C Non-Reversible Subordination Event has occurred.
- (ix) None of Class C Reversible Subordination Event has occurred/ A Class C Reversible Subordination Event has occurred.

*Note: Without prejudice to the provisions of section 4.10 of the Securities Note, the set of assumptions referred to in this section may vary throughout the life of the Programme without modifying this Final Conditions Model:*

<b>Classes {•}</b>			
Scenario	1	2	3
Early Repayment Rate (ERR)	{•}	{•}	{•}
Average Life (years)	{•}	{•}	{•}
First Payment Date of Principal	{•}	{•}	{•}
Payment Date on which full redemption occurs	{•}	{•}	{•}
IRR (%)	{•}	{•}	{•}
Duration (years)	{•}	{•}	{•}
Cumulative Default Ratio	{•}	{•}	{•}

According to 4.2.2.5 of the Additional Information, Bloomberg Finance LP (“**Bloomberg**”) has elaborated and published a liability cash flow model that represents the contractual relationship of the Receivables and the payments flowing between the Originator, the Fund and the Noteholders. Cashflow estimations included in the Final Conditions will be materially consistent with those that would be obtained by any investor who would input such hypothesis into the cash flow model provided on Bloomberg.

**These Final Conditions have been countersigned on all their pages and signed in Madrid, on {•}.**

Signature:

\_\_\_\_\_  
Mr {•}.

Signed on behalf of

INTERMONEY TITULIZACIÓN, S.G.F.T., S.A.

on behalf of **IM ANDBANK RMBS 1, FONDO DE TITULIZACIÓN**

## **IM ANDBANK RMBS 1, FONDO DE TITULIZACIÓN**

A securitisation fund (*fondo de titulización*) incorporated in Spain, pursuant to the provisions of Law 5/2015

### **SELLER, SERVICER, LEAD MANAGER, SUBSCRIBER AND SUBORDINATED LOAN PROVIDER**

#### **Andbank España, S.A.U.**

Calle Serrano, 37  
28001 Madrid

### **LEAD MANAGER AND SOLE ARRANGER**

#### **Intermoney Valores, S.V., S.A.**

Calle Príncipe de Vergara, 131.  
28002 Madrid

### **MANAGEMENT COMPANY**

#### **Intermoney Titulización, S.G.F.T., S.A.**

Calle Príncipe de Vergara, 131, 3ª planta  
28002 Madrid

### **PAYING AGENT, SWAP COUNTERPARTY AND BANK ACCOUNT PROVIDER**

#### **Banco Santander, S.A.**

Av. de Cantabria, s/n  
28660 Boadilla del Monte, Madrid

### **LEGAL ADVISER**

#### **Cuatrecasas, Gonçalves Pereira, S.L.P.**

Calle Almagro, 9  
28010 Madrid

### **AUDITOR**

#### **Ernst & Young, S.L.**

Plaza Pablo Ruiz Picasso, 1  
28020 Madrid