

# IMPORTANT NOTICE

**NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES. NOT FOR DISTRIBUTION TO ANY PERSON THAT IS NOT A QUALIFIED INVESTOR WITHIN THE MEANING OF THE PROSPECTUS REGULATION. IF YOU ARE NOT A QUALIFIED INVESTOR, DO NOT CONTINUE.**

**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 to them any time you receive any information from us as a result of such access. **You acknowledge that you will not forward this electronic form of the prospectus to any other person.**

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**INVESTMENT COMPANY ACT**”) AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT 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. ACCORDINGLY, THE SECURITIES WILL ONLY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS PURSUANT TO REGULATION S OF THE SECURITIES ACT.

THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY 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.

THE FOLLOWING 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. IN ORDER TO BE ELIGIBLE TO VIEW THIS PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE SECURITIES, INVESTORS MUST NOT BE U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT). THE FOLLOWING PROSPECTUS IS BEING SENT AT YOUR REQUEST AND BY ACCESSING THE PROSPECTUS, YOU SHALL BE DEEMED TO HAVE CONFIRMED AND REPRESENTED TO US THAT (A) YOU HAVE UNDERSTOOD AND AGREE TO THE TERMS SET OUT HEREIN, (B) YOU CONSENT TO DELIVERY OF THE PROSPECTUS BY ELECTRONIC

TRANSMISSION AND (C) YOU ARE NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) OR ACTING FOR THE ACCOUNT OR BENEFIT OF A 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.

**IMPORTANT – EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, restated or supplemented, the “**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, restated or supplemented, the “**EU Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, restated or supplemented, the “**Prospectus Regulation**”) (“**qualified investor**”). The expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, restated or supplemented, the “**EU PRIIPs Regulation**”) (if applicable) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the EU PRIIPs Regulation.

**IMPORTANT – UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2 of Regulation (EU) No 600/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

**MiFID II Product governance / Professional investors and ECPs only target market** – solely for the product approval process of Citibank Europe plc (the “**Manufacturer**”), the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or

recommending the Notes (a “**distributor**”) should take into consideration the 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.

**UK MiFIR product governance / Professional investors only target market** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”) and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

The Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Jubilee Place 3 B.V. (the “**Issuer**”), Citibank, N.A., London Branch (the “**Seller**”), Citibank Europe plc (the “**Arranger**”), Citibank Europe plc (the “**Lead Manager**”), nor any person who controls any such person nor any director, officer, employee or agent of any such person or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Lead Manager.

The Prospectus has been prepared by the Issuer solely for use in connection with the sale of the Notes offered pursuant to the Prospectus. The Class R Notes are not being offered pursuant to the Prospectus. The Prospectus is personal to each offeree to whom it has been delivered by the Issuer and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. Distribution of the Prospectus to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Each prospective investor in the United States, by accepting delivery of the Prospectus, agrees to the foregoing and to make no photocopies of the Prospectus or any documents related hereto and, if the offeree does not purchase any note or the offering is terminated, to return the Prospectus and all documents attached hereto to the Lead Manager.

The Notes are offered subject to prior sale or withdrawal, cancellation or modification of this offering without notice. The Issuer and the Lead Manager also reserve the right to reject any offer to purchase the Notes in whole or in part for any reason and to allot to any prospective purchaser less than the full amount of Notes sought by such investor.

You acknowledge that you have been afforded an opportunity to request from the Issuer, and have received and reviewed, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in the Prospectus. You also acknowledge that you have not relied on the Arranger, the Lead

Manager or any person affiliated with the Arranger or the Lead Manager in connection with the investigation of the accuracy of such information or your investment decision. The contents of the Prospectus are not to be construed as legal, business or tax advice. Each prospective purchaser should consult its own attorney, business adviser and tax adviser for legal, business and tax advice relating to an investment in the Notes.

The Prospectus summarises documents and other information in a manner that does not purport to be complete, and these summaries are subject to, and qualified in their entirety by reference to, all of the provisions of such documents. In making an investment decision, you must rely on your own examination of these documents (copies of which are available from the Issuer or Lead Manager upon request), the Issuer and the terms of the offering and the Notes, including the merits and risks involved.

No representation or warranty is made by the Arranger, the Lead Manager, the Issuer or any other person as to the legality under legal investment or similar laws of an investment in the Notes or the classification or treatment of the Notes under any risk-weighting, securities valuation, regulatory accounting or other financial institution regulatory regimes of the National Association of Insurance Commissioners, any state insurance commissioner, any federal or state banking authority, or any other regulatory body. You should obtain your own legal, accounting, tax and financial advice as to the desirability of an investment in the Notes, and the consequences of such an investment.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of the Notes and arises or is noted between the date of this Prospectus and the time at which the Notes are admitted to trading on the Official List (as defined below), prepare a supplement to this Prospectus. The obligation to prepare a supplement to this Prospectus shall not apply following the time at which the Notes are admitted to trading on the Official List.

# JUBILEE PLACE 3 B.V.

(a private company with limited liability incorporated under the laws of the Netherlands, with its seat (zetel) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register (Handelsregister) of the Dutch Chamber of Commerce (Kamer van Koophandel) under number 84221607)

LEI: 724500WRPGAKTC79PI54

Class <sup>(1)</sup>	Initial Class Principal Amount	Issue Price	Reference Rate <sup>(2)</sup>	Margin (per annum)	Step-Up Margin (per annum)	First Optional Redemption Date <sup>(3)</sup>	Expected Ratings <sup>(4)</sup> (S&P/Moody's)	Final Maturity Date
A	€ 287,689,000	100.458 per cent.	3-month EURIBOR	0.85 per cent.	1.4875 per cent.	The Notes Payment Date falling in January 2027	AAA/Aaa	The Notes Payment Date falling in January 2059
B	€ 18,851,000	100.00 per cent.	3-month EURIBOR	1.10 per cent.	1.925 per cent.	The Notes Payment Date falling in January 2027	AA/Aa3	The Notes Payment Date falling in January 2059
C	€ 10,655,000	100.00 per cent.	3-month EURIBOR	1.60 per cent.	2.60 per cent.	The Notes Payment Date falling in January 2027	A/A2	The Notes Payment Date falling in January 2059
D	€ 7,377,000	99.041 per cent.	3-month EURIBOR	2.00 per cent.	3.00 per cent.	The Notes Payment Date falling in January 2027	BBB/Baa3	The Notes Payment Date falling in January 2059
E	€ 3,279,000	92.177 per cent.	3-month EURIBOR	2.10 per cent.	3.10 per cent.	The Notes Payment Date falling in January 2027	BB+/Ba3	The Notes Payment Date falling in January 2059
X1	€ 13,114,000	99.482 per cent.	3-month EURIBOR	3.00 per cent.	3.00 per cent.	The Notes Payment Date falling in January 2027	B-/B1	The Notes Payment Date falling in January 2059
X2	€ 3,278,000	96.842 per cent.	3-month EURIBOR	5.50 per cent.	5.50 per cent.	The Notes Payment Date falling in January 2027	B-/Ca	The Notes Payment Date falling in January 2059
S1	€ 100,000	100.00 per cent.	N/A	Class S1 Payment <sup>(5)</sup>	N/A	The Notes Payment Date falling in January 2027	NR/NR	The Notes Payment Date falling in January 2059
S2	€ 100,000	100.00 per cent.	N/A	Class S2 Payment <sup>(5)</sup>	N/A	The Notes Payment Date falling in January 2027	NR/NR	The Notes Payment Date falling in January 2059
R	€ 2,000,000	N/A	N/A	Class R Notes Revenue Amount <sup>(5)</sup>	N/A	The Notes Payment Date falling in January 2027	NR/NR	The Notes Payment Date falling in January 2059

## Notes:

- (1) The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes are collectively the **"Notes"**. The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes are collectively the **"Investor Notes"**. The Class S1 Note, the Class S2 Note and the Class R Notes are collectively the **"Residual Notes"**.

The Notes (other than the Class R Notes) are being sold through the Lead Manager. The Class R Notes are not being offered pursuant to this Prospectus.

- (2) The rate of interest payable on each respective Class of Notes (other than the Residual Notes) and each accrual period will be based on a per annum rate equal to the Reference Rate plus a certain Margin as described above where the Reference Rate will be 3-month EURIBOR. The Class R Notes will entitle the Class R Noteholders to the Class R Notes Revenue Amount. The Class S1 Note will entitle the Class S1 Noteholder to the Class S1 Payment. The Class S2 Note will entitle the Class S2 Noteholder to the Class S2 Payment.
- (3) The First Optional Redemption Date is the Notes Payment Date falling in January 2027. The first Notes Payment Date will occur on 17 April 2022 and each Notes Payment Date thereafter will occur on the 17<sup>th</sup> or next Business Day in July, October, January and April each year.
- (4) A designation of "NR" means that the Credit Rating Agencies will not rate that Class of Notes as of the Closing Date.
- (5) No rate of interest is earned on the Class S1 Note, the Class S2 Note or the Class R Notes. Payments on the Class S1 Note, the Class S2 Note and the Class R Notes will be payable on each Notes Payment Date.

**ARRANGER and LEAD MANAGER**

**Citibank Europe plc**

The date of this Prospectus is 19 January 2022.

<b>Closing Date:</b>	The Issuer will issue the Notes in the classes set out above on 21 January 2022 (or such later date as may be agreed between the Issuer, the Arranger and the Lead Manager) (the “ <b>Closing Date</b> ”).
<b>Standalone/programme issuance:</b>	Standalone issuance.
<b>Seller:</b>	Citibank, N.A., London Branch.
<b>Underlying Assets:</b>	<p>The Issuer will make payments on the Notes and the VRR Loan in accordance with the relevant Priority of Payments from, among other things, payments of principal and interest received from a portfolio comprising the (i) the Mortgage Receivables sold and assigned by the Seller to the Issuer on the Closing Date (the “<b>Completion Mortgage Receivables</b>”) and (ii) any further Mortgage Receivables sold and assigned by the Seller to the Issuer on a single date to be agreed between the Seller and the Issuer (the “<b>Post-Closing Mortgage Receivables Purchase Date</b>”), such date to occur from (and including) the Closing Date to (and including) 17 April 2022 (the “<b>Final Post-Closing Mortgage Receivables Purchase Date</b>”) (the “<b>Post-Closing Mortgage Receivables</b>”), in each case legal title to which will be sold and assigned by the Seller to the Issuer on the Closing Date or the Post-Closing Mortgage Receivables Purchase Date, as applicable. The Mortgage Loans from which the Mortgage Receivables result will be secured over residential and mixed-use properties located in the Netherlands (the “<b>Portfolio</b>”) and were originated by Dutch Mortgage Services B.V. (“<b>DMS</b>” and the “<b>DMS Originator</b>”), DNL 1 B.V. (“<b>DNL</b>” and the “<b>DNL Originator</b>”) and Community Hypotheken B.V. (“<b>Community</b>” and the “<b>Community Originator</b>” and together with the DMS Originator and the DNL Originator, the “<b>Originators</b>”).</p> <p>The Completion Mortgage Receivables were, and any Post-Closing Mortgage Receivables will be, acquired by the Seller from DMS Vastgoed Finance B.V. (“the <b>DMS Original Seller</b>”), Ivy Real Estate Finance B.V. (the “<b>DNL Original Seller</b>”) and Community Mortgages 1 B.V. (the “<b>Community Original Seller</b>” and together with the DMS Original Seller and the DNL Original Seller, the “<b>Original Sellers</b>”).</p> <p>See Section 6.2 (<i>Description of Mortgage Loans</i>) for further information.</p>

<b>Security for the Notes:</b>	The Noteholders will, together with the other Secured Creditors, benefit from security rights created in favour of the Security Trustee over, among other things, the Mortgage Receivables and the Issuer Rights (see Section 4.7 ( <i>Security</i> )).
<b>Denomination:</b>	The Notes will have a minimum denomination of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. At the Closing Date, one (1) Class S1 Note and one (1) Class S2 Note will be issued.
<b>Form:</b>	The Notes will be represented by Global Notes in global bearer form. Interests in the Global Notes will only in limited circumstances be exchangeable for Notes in definitive form.
<b>Interest:</b>	<p>The Investor Notes will carry a floating rate of interest equal to the higher of (a) the interest rate equal to 3-month EURIBOR (determined in accordance with Condition 4 (<i>Interest</i>)) plus the relevant Initial Margin, or, from (and including) the First Optional Redemption Date, the relevant Step-Up Margin, payable quarterly in arrear on each Notes Payment Date and (b) zero.</p> <p>The Class R Noteholders will be entitled to the Class R Notes Revenue Amount on each Notes Payment Date. The Class S1 Noteholder will be entitled to the Class S1 Payment. The Class S2 Noteholder will be entitled to the Class S2 Payment.</p>
<b>Redemption Provisions:</b>	Information on the optional and mandatory redemption conditions applicable to the Notes is set out in full in Condition 6 ( <i>Redemption</i> ) of the terms and conditions of the Notes (the “ <b>Conditions</b> ”).
<b>Subscription and Sale:</b>	The Arranger and the Lead Manager have agreed with the Issuer and the Seller that the Lead Manager will subscribe and pay for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note and the Class S2 Note on the Closing Date, in accordance with the Subscription Agreement, subject to certain conditions precedent being satisfied.
<b>Credit Rating Agencies:</b>	Each of Moody’s Deutschland GmbH (“ <b>Moody’s</b> ”) and S&P Global Ratings Europe Limited (“ <b>S&amp;P</b> ”) (each a “ <b>Credit Rating Agency</b> ” and together, the “ <b>Credit Rating Agencies</b> ”) is established in the European Union and is registered under the CRA



Regulation and as such is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation at <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>.

In the UK, pursuant to the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, SI 2019/266 (“**CRAR**”), such credit ratings (if issued) are expected to be endorsed by S&P Global Ratings UK Limited or Moody’s Investors Service Ltd, as applicable, each being a credit rating agency established in the UK and registered by the United Kingdom Financial Conduct Authority (“**FCA**”) pursuant to the CRAR. See further Section 4.4 (*Regulatory and Industry Compliance – CRA Regulation*).

**Credit ratings:**

Credit ratings are expected to be assigned to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes (the “**Rated Notes**”) as set out above on or before the Closing Date. The Class S1 Note, the Class S2 Note and the Class R Notes will not be rated.

If ratings are assigned to certain Classes of Notes, the assignment of a rating to such Notes by any Credit Rating Agency is not a recommendation to invest in the Rated Notes or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Credit Rating Agency.

Any credit rating assigned to a Class of Notes may be revised, suspended or withdrawn at any time.

There can be no assurance as to whether any other rating agency would rate any Class of Notes, or what rating would be assigned by any such rating agency. Any rating assigned by such other rating agency to a Class of Notes could be lower than the rating assigned by the Credit Rating Agencies to such Class of Notes.

**Listing:**

This Prospectus comprises a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended) (the “**Prospectus Regulation**”). This Prospectus has been approved as a prospectus by the Central Bank of Ireland (the “**Central Bank**”) as the competent authority under the Prospectus Regulation. The Central Bank only approves this

Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note and the Class S2 Note which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended) (“**MiFID II**”) and/or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) for the Notes (other than the Class R Notes) to be admitted to the official list (the “**Official List**”) and trading on its regulated market. Euronext Dublin is a regulated market for the purposes of MiFID II. The Class R Notes will not be listed or admitted to trading on the regulated market of Euronext Dublin. This Prospectus is not a prospectus for the purposes of Section 12(a)(2) or any other provision of or rule under the Securities Act.

**No ‘STS’ designation:**

Neither the Issuer, the Seller, the Arranger nor the Lead Manager have any intention to notify ESMA or the FCA or otherwise seek designation of the securitisation in connection with which the Notes are issued, as ‘STS’ or ‘simple, transparent and standardised’ as set out in Chapter 4 of the Securitisation Regulations, or to seek compliance with all criteria and requirements for such designation set out therein.

**Limited recourse obligations of the Issuer:**

The Notes will be limited recourse obligations of the Issuer and will not be the obligations of, or guaranteed by, or the responsibility of, any other entity. The Issuer will have no or limited sources of funding available to it. See the risk factor entitled “*The Notes and the VRR Loan are limited recourse obligations of the Issuer*”.

**Limited recourse obligations of the Seller:**

The Seller has limited funds and resources available to it to satisfy any payment obligations owing by it under or in connection with the Transaction Documents.

The obligations of the Seller are limited recourse obligations and the limited funding available to the

Seller has required that each of the Secured Creditors (other than the Seller) and the Issuer has explicitly acknowledged in the Transaction Documents that it will not take any action to wind up the Seller or institute similar proceedings in any circumstance. Any claim which the Issuer may have against the Seller will only be satisfied to the extent the Seller has certain contractual remedies available to it against (ultimately) the Originators at the time. See the risk factor entitled “*Risks related to limited liability and recourse to the Seller*”.

**Subordination:**

The obligations of the Issuer in respect of the Notes will rank subordinate to the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments (see Section 5 (*Credit structure*)) and payment of principal and interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes and the Class R Notes will be subordinated to payment of principal and interest on the Class A Notes and the Class S1 Payment and the Class S2 Payment in respect of the Class S1 Note and the Class S2 Note and payments of principal in respect of any other relevant Higher Ranking Class or Classes of Notes and limited as more fully described in Section 4.1 (*Terms and Conditions*) and Section 5 (*Credit structure*).

**The Notes:**

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) unless in an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with all applicable securities laws of any state of the United States. For a description of certain further restrictions on offers, sales and transfers of Notes in this Prospectus, see Section 4.3 (*Subscription and Sale*).

**The Volcker Rule:**

The Issuer is not, and after giving effect to any offering and sale of Notes and the application of the proceeds thereof will not be, a “covered fund” for purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (commonly known as the “**Volcker Rule**”). In reaching this conclusion, although other statutory or regulatory exemptions under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”) and under the Volcker Rule and its

related regulations may be available, the Issuer has relied on the determinations that it may rely on an exemption from registration under the Investment Company Act under Section 3(c)(5) of the Investment Company Act and, accordingly, may rely on the exemption from the definition of a “covered fund” under the Volcker Rule made available to entities that do not rely solely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for their exemption from registration under the Investment Company Act. Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

**Benchmarks Regulation:**

Amounts payable under the Notes may be calculated by reference to the Euro Interbank Offered Rate (“**EURIBOR**”) and the interest received on each of the Issuer Accounts (excluding, if applicable, any Swap Collateral Custody Accounts) is determined by reference to the Euro Short-term Rate (“**€STR**”). EURIBOR is provided by the Euro Money Markets Institute (“**EMMI**”). As at the date of this Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the “**BMR**”). €STR is provided by the European Central Bank (the “**ECB**”). As at the date of this Prospectus, the ECB does not appear on the register of administrators and benchmarks established and maintained by ESMA. As far as the Issuer is aware, the ECB, as administrator of €STR is not required to be registered by virtue of Article 2 of the BMR.

**Credit Enhancement:**

Credit enhancement of the Notes (and the VRR Loan) is provided in the following manner:

- (i) in relation to any Class of Notes (other than the Class X1 Notes and the Class X2 Notes), the overcollateralisation funded by Notes ranking junior to such Class of Notes in the Priority of Payments;
- (ii) excess Available Revenue Funds; and
- (iii) any Liquidity Reserve Excess Amounts that are applied as Available Principal Funds.

See Section 5 (*Credit structure*) for further details. In relation to the Liquidity Reserve Fund, see Section 5.5 (*Credit Structure – Liquidity Support*) for further details.

### **Liquidity Support:**

Liquidity support for the Investor Notes, the Class S1 Note and the Class S2 Note (and, where applicable, equivalent payments on the VRR Loan) is provided in the following manner:

- (i) in respect of the Notes, the subordination in payment of those Classes of Notes ranking junior in the relevant Priority of Payments;
- (ii) in respect of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes), the Class S1 Note and the Class S2 Note, the Principal Addition Amounts, provided that the Principal Addition Amounts will be available to pay interest due on a relevant Class of Notes in relation to such Notes Payment Date; and
- (iii) in respect of the Class A Notes, the Class S1 Note and the Class S2 Note only, the Liquidity Reserve Fund Balance.

See Section 5 (*Credit structure*) for further details. In relation to the Liquidity Reserve Fund, see Section 5.5 (*Credit Structure – Liquidity Support*) for further details.

### **EU and UK Risk Retention Undertaking:**

On the Closing Date, Citibank, N.A., London Branch (the “**Retention Holder**”) will, as an originator, retain a material net economic interest of not less than five (5) per cent. in the securitisation (representing downside risk and economic outlay) in accordance with Article 6 of each of (i) Regulation (EU) 2017/2402, as amended, varied or substituted from time to time including the Securitisation Rules applicable from time to time in the EU (the “**EU Securitisation Regulation**”) (which does not take into account any corresponding national measures) and (ii) the EU Securitisation Regulation as it forms part of the domestic law of the United Kingdom pursuant to section 3 of the EUWA and as amended by the Securitisation Regulations 2018 (SI 2018/1288) and the Securitisation (Amendment) (EU Exit) Regulations 2019 (SI 2019/660) (the “**UK Securitisation Exit Regulations**”), as amended, replaced, recast, restated or applied with any relevant modification on or after IP Completion Date, including the Securitisation Rules applicable from time to time in the UK (the “**UK Securitisation Regulation**”) and, together with the EU Securitisation Regulation, the “**Securitisation Regulations**”) (the “**Risk Retention**”). As at the Closing Date, the Risk Retention will comprise the Retention Holder providing the VRR Loan representing not less than five (5) per cent. of the nominal value of each tranche sold or transferred to investors on the Closing Date, in accordance with Article 6 of the EU Securitisation

Regulation and Article 6 of the UK Securitisation Regulation. Any change in the manner in which the interest is held may only be made in accordance with the applicable laws and regulations and will be notified to the Noteholders. See Section 4.4 (*Regulatory and Industry Compliance – EU and UK Risk Retention Requirements*) for further information.

**U.S. Credit Risk Retention:**

This securitisation transaction will be subject to the credit risk retention requirements of Section 15G of the Exchange Act as added by Section 941 of the Dodd-Frank Act (the “**U.S. Credit Risk Retention Requirements**”). The Retention Holder, as “sponsor” for purposes of the U.S. Credit Risk Retention Requirements as implemented pursuant to Regulation RR (17 CFR § 246.1 *et seq.*) (“**U.S. Regulation RR**”), is required to acquire and retain (either directly or through a majority owned affiliate) at least five (5) per cent. of the credit risk of the securitized assets. The Retention Holder intends to satisfy the U.S. Credit Risk Retention Requirements on the Closing Date by acquiring and retaining (directly or through a majority-owned affiliate) a “single vertical security” (as defined in U.S. Regulation RR) that is an “eligible vertical interest” (as defined in U.S. Regulation RR) in the Issuer, in the form of the VRR Loan. The VRR Loan will represent at least five (5) per cent. of all “ABS interests” (as defined in U.S. Regulation RR) in the Issuer and will entitle the Retention Holder to a specified percentage of the amounts paid on each other class of ABS interests issued by the Issuer. See the Section entitled “*U.S. Credit Risk Retention Requirements*” for further information.

**VRR Loan:**

For the purposes of, *inter alia*, satisfying U.S., EU and UK risk retention requirements, the Issuer will, pursuant to the VRR Loan Agreement, be provided with the VRR Loan. The entity providing the VRR Loan will be the Retention Holder (the “**VRR Lender**”). As at the Closing Date, the principal amount of the VRR Loan will be equal to EUR 18,233,842.11, being equal to no less than five (5) per cent. of (100/95) of the aggregate principal amount of the Notes.

The VRR Lender will be entitled to receive the VRR Proportion of interest, principal and other amounts received by the Issuer under the underlying assets (after taking account of amounts used to pay certain costs and expenses) and such amounts shall be

payable to the VRR Lender (see the Section entitled “*Description of the VRR Loan*” for more information).

This Prospectus therefore contains information relating to the VRR Loan to enable prospective Noteholders to understand the liabilities of the Issuer to the VRR Lender. All references in this Prospectus to the VRR Loan are included for information purposes only and in order to describe the VRR Loan insofar as it is relevant to the issue of the Notes.

**Significant Investor:**

The Class S1 Note and the Class S2 Note will be issued on the Closing Date to Citibank Europe plc and represent, *inter alia*, a right to receive Class S1 Payment and Class S2 Payment. The Class X1 Notes, the Class X2 Notes and the Class R Notes will be issued on the Closing Date to a third-party investor. The Class X1 Notes and the Class X2 Notes represent the right to receive interest and repayments of their principal balance. The Class R Notes represent a right to receive Class R Notes Revenue Amounts and repayments of their principal balance.

Significant concentrations of holdings of the Notes by one or more individual investors may occur. Any investor holding a material concentration may have a majority holding and therefore be able to pass, or hold a sufficient minority to block, certain Noteholder resolutions. Any investor holding the requisite portion or more of any Class of Notes (other than the Class S1 Note, the Class S2 Note or the Class R Notes) will be able to constitute the quorum, and pass Ordinary Resolutions and Extraordinary Resolutions, at a meeting of Noteholders of that Class. The interests of any such Noteholder may conflict with the interests of any other Noteholder. Any such Noteholder may act in its own commercial interests without notice to, and without regard to, the interest of any other Noteholder.

On the Closing Date, the Retention Holder will provide the Issuer the VRR Loan in compliance with its risk retention requirements as described above. As at the Closing Date, the principal amount of the VRR Loan will be equal to € 18,233,842.11, being equal to no less than five (5) per cent. of (100/95) of the aggregate principal amount of the Notes.

**SECTION 1 (*RISK FACTORS*) CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE**

**INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED IN THE SECTION.**

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law. Unless otherwise indicated in this Prospectus or the context otherwise requires, capitalised terms used in this Prospectus have the meaning ascribed thereto in Section 9.1 (*Definitions*) of the Glossary of Defined Terms set out in this Prospectus. The principles of interpretation set out in Section 9.2 (*Interpretation*) of the Glossary of Defined Terms in this Prospectus shall apply to this Prospectus.



## IMPORTANT NOTICES

**THE NOTES WILL BE OBLIGATIONS OF THE ISSUER ONLY. THE NOTES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY PERSON OTHER THAN THE ISSUER. IN PARTICULAR, THE NOTES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY OF THE SELLER, THE RETENTION HOLDER, THE ARRANGER, THE LEAD MANAGER, THE SERVICERS, THE BACK-UP SERVICER FACILITATOR, THE ISSUER ADMINISTRATOR, THE CASH MANAGER, THE ISSUER ACCOUNT BANK, THE ACCOUNT AGENT, THE AGENT BANK, THE COLLECTION ACCOUNT BANKS, THE SWAP COUNTERPARTY, THE PAYING AGENT, THE SECURITY TRUSTEE (EACH AS DEFINED HEREIN), ANY COMPANY IN THE SAME GROUP OF COMPANIES AS ANY SUCH ENTITIES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (TOGETHER, THE “RELEVANT PARTIES”). NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES OR THE VRR LOAN SHALL BE ACCEPTED BY ANY OF THE RELEVANT PARTIES OR BY ANY PERSON OTHER THAN THE ISSUER.**

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes will each be represented on issue by temporary global notes in bearer form exchangeable into permanent global notes (as further described under “*Form of Notes*”) (each a “**Global Note**”). The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes may be issued in definitive bearer form under certain circumstances.

THE CLASS R NOTES ARE NOT BEING OFFERED PURSUANT TO THIS PROSPECTUS.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING OF THE NOTES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. NO REPRESENTATION IS MADE BY THE ISSUER OR BY ANY RELEVANT PARTY THAT THIS PROSPECTUS MAY BE LAWFULLY DISTRIBUTED, OR THAT THE NOTES MAY BE LAWFULLY OFFERED, IN COMPLIANCE WITH ANY APPLICABLE REGISTRATION OR OTHER REQUIREMENTS IN ANY SUCH JURISDICTION, OR PURSUANT TO AN EXEMPTION AVAILABLE THEREUNDER, AND NONE OF THEM ASSUMES ANY RESPONSIBILITY FOR FACILITATING ANY SUCH DISTRIBUTION OR OFFERING. IN PARTICULAR, SAVE FOR OBTAINING THE APPROVAL OF THIS PROSPECTUS AS A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION BY THE CENTRAL BANK OF IRELAND, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER OR BY ANY RELEVANT PARTY WHICH WOULD PERMIT A PUBLIC OFFERING OF THE NOTES OR DISTRIBUTION OF THIS PROSPECTUS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED, IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS COMES ARE REQUIRED BY THE ISSUER, THE ARRANGER AND THE LEAD MANAGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER

JURISDICTION OF THE UNITED STATES AND THEREFORE MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR FEDERAL SECURITIES LAWS. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN U.S. PERSONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON REALES OR TRANSFERS, SEE SECTION 4.3 (*SUBSCRIPTION AND SALE*).

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR ANY OTHER U.S. REGULATORY AUTHORITY AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE LEAD MANAGER AND EACH SUBSEQUENT PURCHASER OF THE NOTES WILL BE DEEMED BY ITS ACCEPTANCE OF SUCH NOTES TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF THE NOTES AS SET OUT IN THE SUBSCRIPTION AGREEMENT AND DESCRIBED IN THIS PROSPECTUS AND, IN CONNECTION THEREWITH, MAY BE REQUIRED TO PROVIDE CONFIRMATION OF ITS COMPLIANCE WITH SUCH RESALE AND OTHER TRANSFER RESTRICTIONS IN CERTAIN CASES. SEE SECTION 4.3 (*SUBSCRIPTION AND SALE*). NONE OF THE ISSUER NOR ANY RELEVANT PARTY MAKES ANY REPRESENTATION TO ANY PROSPECTIVE INVESTOR OR PURCHASER OF THE NOTES REGARDING THE LEGALITY OF INVESTMENT THEREIN BY SUCH PROSPECTIVE INVESTOR OR PURCHASER UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS OR REGULATIONS.

THE ISSUER IS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS. TO THE BEST OF ITS KNOWLEDGE THE INFORMATION CONTAINED IN THIS PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE ISSUER ACCEPTS SUCH RESPONSIBILITY ACCORDINGLY. ANY INFORMATION FROM THIRD PARTIES CONTAINED AND SPECIFIED AS SUCH IN THIS PROSPECTUS (REFERENCE IS MADE TO THE FOOTNOTES IN SECTION 6.4 (*DUTCH RESIDENTIAL MORTGAGE MARKET*) IN THIS RESPECT) HAS BEEN ACCURATELY REPRODUCED AND AS FAR AS THE ISSUER IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING. THE ISSUER ACCEPTS SUCH RESPONSIBILITY ACCORDINGLY.

IN ADDITION TO THE ISSUER, THE SELLER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE FOLLOWING SECTIONS OF THIS PROSPECTUS: SECTION 2.6 (*PORTFOLIO INFORMATION*), SECTION 3.4 (*SELLER & ORIGINATORS*), SECTION 6.1 (*STRATIFICATION TABLES*), SECTION 6.2 (*DESCRIPTION OF MORTGAGE LOANS*) AND SECTION 6.3 (*ORIGINATION AND SERVICING*). ANY INFORMATION FROM THIRD PARTIES CONTAINED AND SPECIFIED AS SUCH IN THIS PROSPECTUS (REFERENCE IS MADE TO SECTION 2.6 (*PORTFOLIO INFORMATION*), SECTION 3.4

(*SELLER & ORIGINATORS*), SECTION 6.1 (*STRATIFICATION TABLES*), SECTION 6.2 (*DESCRIPTION OF MORTGAGE LOANS*) AND SECTION 6.3 (*ORIGINATION AND SERVICING*) IN THIS RESPECT) HAS BEEN ACCURATELY REPRODUCED AND THAT AS FAR AS THE SELLER IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING. THE SELLER ACCEPTS RESPONSIBILITY ACCORDINGLY.

IN ADDITION TO THE ISSUER, THE SELLER ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE PARAGRAPHS RELATING TO RETENTION AND DISCLOSURE REQUIREMENTS UNDER THE EU AND UK RISK RETENTION REQUIREMENTS. ANY INFORMATION FROM THIRD PARTIES CONTAINED AND SPECIFIED AS SUCH IN THIS PROSPECTUS (REFERENCE IS MADE TO SECTION 4.4 IN THIS RESPECT) HAS BEEN ACCURATELY REPRODUCED AND THAT AS FAR AS THE SELLER IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING. THE SELLER ACCEPTS SUCH RESPONSIBILITY ACCORDINGLY.

IN ADDITION TO THE ISSUER, EACH SERVICER ACCEPTS RESPONSIBILITY FOR THE INFORMATION IN RESPECT OF IT CONTAINED IN SECTION 3.5 (*SERVICERS*) OF THIS PROSPECTUS. ANY INFORMATION FROM THIRD PARTIES CONTAINED AND SPECIFIED AS SUCH IN THIS PROSPECTUS (REFERENCE IS MADE TO SECTION 3.5 (*SERVICERS*) OF THIS PROSPECTUS IN THIS RESPECT) HAS BEEN ACCURATELY REPRODUCED AND THAT AS FAR AS EACH SERVICER IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING. EACH SERVICER ACCEPTS SUCH RESPONSIBILITY ACCORDINGLY.

IN ADDITION TO THE ISSUER, BCMGLOBAL ACCEPTS RESPONSIBILITY FOR THE INFORMATION IN RESPECT OF IT CONTAINED IN SECTION 3.5 (*SERVICERS*) OF THIS PROSPECTUS AND NOT FOR THE INFORMATION CONTAINED IN ANY OTHER SECTION AND CONSEQUENTLY, BCMGLOBAL DOES NOT ASSUME ANY LIABILITY IN RESPECT OF THE INFORMATION CONTAINED IN ANY SECTION OTHER THAN PARAGRAPH BCMGLOBAL IN SECTION 3.5 (*SERVICERS*) OF THIS PROSPECTUS. ANY INFORMATION FROM THIRD PARTIES CONTAINED AND SPECIFIED AS SUCH IN THIS PROSPECTUS (REFERENCE IS MADE TO SECTION 3.5 (*SERVICERS*) OF THIS PROSPECTUS) HAS BEEN ACCURATELY REPRODUCED AND THAT AS FAR AS BCMGLOBAL IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING. BCMGLOBAL ACCEPTS SUCH RESPONSIBILITY ACCORDINGLY.

IN ADDITION TO THE ISSUER, THE SWAP COUNTERPARTY ACCEPTS RESPONSIBILITY FOR THE INFORMATION IN RESPECT OF IT CONTAINED IN SECTION 3.8 (*SWAP COUNTERPARTY*) OF THIS PROSPECTUS AND NOT FOR THE INFORMATION CONTAINED IN ANY OTHER SECTION AND CONSEQUENTLY, THE SWAP COUNTERPARTY DOES NOT ASSUME ANY LIABILITY IN RESPECT OF THE INFORMATION CONTAINED IN ANY SECTION OTHER THAN SECTION 3.8 (*SWAP COUNTERPARTY*) OF THIS PROSPECTUS. ANY INFORMATION FROM THIRD PARTIES CONTAINED AND SPECIFIED AS SUCH IN THIS PROSPECTUS (REFERENCE IS MADE TO SECTION 3.8 (*SWAP COUNTERPARTY*) OF THIS PROSPECTUS IN THIS RESPECT)

HAS BEEN ACCURATELY REPRODUCED AND THAT AS FAR AS THE SWAP COUNTERPARTY IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING. THE SWAP COUNTERPARTY ACCEPTS SUCH RESPONSIBILITY ACCORDINGLY.

**IMPORTANT – EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, restated or supplemented, the “**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, restated or supplemented, the “**EU Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, restated or supplemented, the “**Prospectus Regulation**”) (“**qualified investor**”). The expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, restated or supplemented, the “**EU PRIIPs Regulation**”) (if applicable) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the EU PRIIPs Regulation.

**IMPORTANT – UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2 of Regulation (EU) No 600/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

**MiFID II Product governance / Professional investors and ECPs only target market** – solely for the product approval process of Citibank Europe plc (the “**Manufacturer**”), the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the 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.

**UK MiFIR product governance / Professional investors only target market** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**") and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**Benchmarks Regulation:** Amounts payable under the Notes may be calculated by reference to the Euro Interbank Offered Rate ("**EURIBOR**") and the interest received on each of the Issuer Accounts (excluding, if applicable, any Swap Collateral Custody Accounts) is determined by reference to the Euro Short-term Rate ("**€STR**"). EURIBOR is provided by the Euro Money Markets Institute ("**EMMI**"). As at the date of this Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the "**BMR**"). €STR is provided by the European Central Bank (the "**ECB**"). As at the date of this Prospectus, the ECB does not appear on the register of administrators and benchmarks established and maintained by ESMA. As far as the Issuer is aware, the ECB, as administrator of €STR is not required to be registered by virtue of Article 2 of the BMR.

This Prospectus has been approved as a prospectus by the Central Bank of Ireland (the "**Central Bank**") as the competent authority under the Prospectus Regulation. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank of Ireland should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. This Prospectus is valid for twelve (12) months from its date in relation to the Notes which are to be admitted to trading on the Official List. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Notes (other than the Class R Notes) are admitted to trading on the regulated market of Euronext Dublin. The Class R Notes will not be listed or admitted to trading on the regulated market of Euronext Dublin.

None of the Arranger, the Lead Manager 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 offer of the Notes. The Lead Manager and the 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 Lead Manager and the Arranger or their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document. Furthermore, none of the Arranger or

the Lead Manager will have any responsibility for any act or omission of any other party in relation to this offer.

None of the Arranger, the Lead Manager or any of their respective affiliates shall be responsible for any matter which is the subject of any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents, or any other agreement or document relating to the Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved.

The Arranger and the Lead Manager are acting exclusively for the Issuer and no one else in connection with the offer. They will not regard any other person (whether or not a recipient of this document) as its client in relation to the offer and will not be responsible to anyone other than the Issuer for providing the protections afforded to its clients nor for giving advice in relation to the offer or any transaction or arrangement referred to herein.

Citibank, N.A., London Branch has been engaged by the Issuer as Paying Agent for the Notes, upon the terms and subject to the conditions set out in the Paying Agency Agreement, for the purpose of paying sums due on the Notes and of performing all other obligations and duties imposed on it by the Conditions and the Paying Agency Agreement. Citibank, N.A., London Branch in its capacity of Paying Agent is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Notes, other than the Security Trustee in accordance with the Trust Agreement and the Paying Agency Agreement. Neither Citibank, N.A., London Branch nor any of its directors, officers, agents or employees makes any representation or warranty, express or implied, or accepts any responsibility, as to the accuracy, completeness or fairness of the information or opinions described in this Prospectus, in any investor report or for any other statements made or purported to be made either by itself or on its behalf in connection with the Issuer or the offering of the Notes. Accordingly, Citibank, N.A., London Branch disclaims all and any liability, whether arising in tort or contract or otherwise, in respect of this Prospectus and or any such other statements.

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.

## TABLE OF CONTENTS

1.	RISK FACTORS .....	22
1.1	Risks related to limited liability and recourse to the Seller .....	23
1.2	Risks related to the availability of funds to pay amounts due on the Notes and the VRR Loan .....	26
1.3	Risks relating to the Mortgage Loans .....	27
1.4	Risks relating to the structure .....	35
1.5	Risks related to changes to the structure and the Transaction Documents .....	43
1.6	Risks relating to third parties and conflicts of interest .....	47
1.7	Market and liquidity risks related to the Notes .....	49
1.8	Legal, regulatory and taxation risks .....	53
2.	TRANSACTION OVERVIEW .....	69
2.1	Structure diagram.....	69
2.2	Risk factors .....	70
2.3	Principal parties.....	71
2.4	Notes .....	74
2.5	Credit structure.....	89
2.6	Portfolio information .....	96
2.7	Portfolio documentation.....	99
2.8	General .....	102
3.	PRINCIPAL PARTIES .....	103
3.1	Issuer .....	103
3.2	Shareholder .....	106
3.3	Security Trustee .....	107
3.4	Seller & Originators .....	109
3.5	Servicers .....	111

3.6	Issuer Administrator .....	111
3.7	Reporting Entity.....	112
3.8	Swap Counterparty .....	113
3.9	Cash Manager.....	115
3.10	Other parties .....	116
4.	NOTES.....	118
4.1	Terms and Conditions .....	118
4.2	Form of Notes .....	163
4.3	Subscription and Sale .....	165
4.4	Regulatory and Industry Compliance.....	169
4.5	Use of Proceeds.....	179
4.6	Taxation in the Netherlands.....	179
4.7	Security .....	182
4.8	Credit Ratings .....	184
5.	CREDIT STRUCTURE .....	187
5.1	Available Funds.....	187
5.2	Priorities of Payments .....	192
5.3	Loss Allocation .....	204
5.4	Hedging.....	207
5.5	Liquidity Support .....	215
5.6	Issuer Accounts.....	217
5.7	Cash Management Services .....	219
5.9	Description of the VRR Loan .....	232
6.	PORTFOLIO INFORMATION .....	238
6.1	Stratification Tables.....	238
6.2	Description of Mortgage Loans.....	253



6.3	Origination and Servicing .....	255
6.4	Dutch Residential Mortgage Market .....	276
7.	PORTFOLIO DOCUMENTATION.....	281
7.1	Purchase and Sale.....	281
7.2	Representations and Warranties .....	292
7.3	Mortgage Loan Criteria.....	295
7.4	Servicing Agreements .....	298
7.5	Interest rate reset in respect of Mortgage Receivables.....	305
8.	GENERAL .....	306
9.	GLOSSARY OF DEFINED TERMS .....	311
9.1	Definitions .....	311
9.2	Interpretation.....	356
10.	REGISTERED OFFICES.....	360

## 1. **RISK FACTORS**

*The following is a description of the principal risks associated with an investment in the Notes. These risk factors are material to an investment in the Notes. Prospective Noteholders should carefully read and consider all the information contained in this Prospectus, including the risk factors set out in this Section, prior to making any investment decision. An investment in the Notes is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom.*

*The Issuer believes that the risks described below are the material risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks relating to the Notes are exhaustive. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of the Notes.*

*Prospective Noteholders should read the detailed information set out elsewhere in this document and reach their own views, together with their own professional advisers, prior to making any investment decision.*

*The purchase of the Notes involves substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. For the avoidance of doubt, the following risk factors do not address risks relevant to prospective holders of the Class R Notes.*

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

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

- (v) *if such an investor is not able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect his investment and his ability to bear the applicable risks.*

Various factors that may affect the Issuer's ability to fulfil its obligations under the Notes are categorised below as either: (i) risks related to limited liability and recourse to the Seller, (ii) risks related to the availability of funds to pay amounts due on the Notes and the VRR Loan, (iii) risks relating to the Mortgage Loans, (iv) risks relating to structure, (v) risks related to changes to the structure and the Transaction Documents, (vi) risks relating to third parties and conflicts of interest, (vii) market and liquidity risks related to the Notes, or (viii) legal, regulatory and taxation risks, in each case which are material for the purpose of making an informed investment decision with respect to the Notes. Several risks may fall into more than one of these eight categories and investors should therefore not conclude from the fact that a risk factor is discussed under a specific category that such risk factor could not also fall and be discussed under one or more other categories.

### 1.1 Risks related to limited liability and recourse to the Seller

#### **The Seller does not have direct knowledge of matters represented in certain Loan Warranties**

Although the Seller will give certain representations and warranties in respect of the Mortgage Receivables sold by it, the Seller was not the originator of any of the relating Mortgage Loans and has acquired the Mortgage Receivables under mortgage receivables purchase agreements entered into on the Signing Date as between: (i) the DMS Original Seller and the Seller (the “**DMS Mortgage Receivables Purchase Agreement**”); (ii) the DNL Original Seller and the Seller (the “**Ivy Mortgage Receivables Purchase Agreement**”); and (iii) the Community Original Seller and the Seller (the “**Community Mortgage Receivables Purchase Agreement**”, and together with the DMS Mortgage Receivables Purchase Agreement and the Ivy Mortgage Receivables Purchase Agreement, the “**Original Sellers Mortgage Receivables Purchase Agreements**”). In turn (i) the DMS Original Seller acquired the Mortgage Receivables resulting from Mortgage Loans originated by DMS under an asset purchase agreement dated 31 October 2019, as amended and restated on 5 November 2019 and as further amended and restated on 24 November 2020, between the DMS Original Seller and DMS (the “**Original DMS Asset Purchase Agreement**”); (ii) the DNL Original Seller acquired the Mortgage Receivables resulting from Mortgage Loans originated by DNL under an asset purchase agreement dated 12 December 2019, as amended and restated on 24 November 2020, between the DNL Original Seller and DNL (the “**Original DNL Asset Purchase Agreement**”); and (iii) the Community Original Seller acquired the Mortgage Receivables resulting from Mortgage Loans originated by the Community Original Seller under an asset purchase agreement dated 13 December 2019, as amended and restated on 24 November 2020, between the Community Original Seller and Community (the “**Original Community Asset Purchase Agreement**”, and together with the Original DMS Asset Purchase Agreement and the Original DNL Asset Purchase Agreement, the “**Originator Asset Purchase Agreements**”).

The Original Sellers Mortgage Receivables Purchase Agreements contain limited warranties made by the Original Sellers in respect of the Mortgage Loans and contain no repurchase obligation of the Original Sellers in the event of a breach of any such warranties. Rather, liability of the Original Sellers for breach of representation and warranty is limited to an indemnity payment.

The Seller does not have direct knowledge as to whether certain Loan Warranties (including the Loan Warranties which relate to the origination process) are correct or not. Accordingly, it may be practically difficult for the Seller to detect a breach of warranty in respect of the Mortgage Receivables sold by it to the extent that the same relates to a matter outside of the immediate knowledge of the Seller.

The sole remedy provided in the Mortgage Receivables Purchase Agreement for the Issuer in respect of a breach of Loan Warranty is the requirement that the Seller indemnifies the Issuer (see further Section 1 (*Risk factors – Limited remedies available to the Issuer and the Security Trustee in respect of any breach of representation or warranty made by the Seller under the Mortgage Receivables Purchase Agreement*) and Section 7.1 (*Portfolio Documentation – Purchase and Sale - Seller's indemnity obligation in relation to the Mortgage Loans and Mortgaged Assets*), subject to the Seller's obligations in respect of such indemnity being limited as provided in the limitation on liability in respect of warranties provided to it by the Original Sellers under the Original Sellers Mortgage Receivables Purchase Agreements.

Further, there can be no assurance that, should the Issuer claim against the Seller under the Mortgage Receivables Purchase Agreement, the Seller will have the ability to make a corresponding claim against the relevant Original Seller, or that such Original Seller will have the ability to make a corresponding claim against the relevant Originator and that (in the absence of being able to do so) the relevant Original Seller would otherwise have the resources to meet such a claim by the Seller. In such circumstances, there may be a material and adverse impact on the ability of the Issuer to meet its payment obligations under the Notes and the VRR Loan.

The obligations of the Seller are not guaranteed by, nor will they be the responsibility of, any person other than the Seller and neither the Issuer nor the Security Trustee will have recourse to any other person in the event that the Seller, for whatever reason, fails to meet its indemnity obligations.

**Limited remedies available to the Issuer and the Security Trustee in respect of any breach of representation or warranty made by the Seller under the Mortgage Receivables Purchase Agreement**

Upon a breach of a representation or warranty in respect of a Mortgage Receivable which is not capable of remedy or, if capable of remedy, has not been remedied within the agreed grace period, the Seller shall be required to make an indemnity payment to the Issuer and the Security Trustee (on behalf of the Secured Creditors) in respect of all Liabilities relating to the breach of Loan Warranty (the “**Relevant Liabilities**”).

The Seller shall only be liable under the Mortgage Receivables Purchase Agreement to pass on to the Issuer and the Security Trustee (on behalf of the Secured Creditors) any warranty payment amounts received by the Seller from any of the Original Sellers, as the case may be, to the extent the Seller has received such warranty payment amounts from the relevant Original Seller (such amounts to be deposited directly in the relevant Issuer Account). The Seller has undertaken in the Mortgage Receivables Purchase Agreement promptly and diligently to exercise all rights, powers or remedies provided to it under the Original Sellers Mortgage Receivables Purchase Agreements or as otherwise provided by law, without delay or omission (including, without limitation, in respect of all covenants, undertakings, and obligations and/or breach of representations and warranties) in favour of the Seller in relation to each Mortgage Receivable, and promptly to pass to the Issuer

any and all proceeds of such exercise. However, the Issuer has no direct recourse to the Original Sellers and is therefore reliant upon the Seller exercising, enforcing and protecting its rights under the Original Sellers Mortgage Receivables Purchase Agreements, which the Seller may not do, or may not have the resources to do.

Each Original Seller shall be liable under the relevant Original Sellers Mortgage Receivable Purchase Agreement to pass on to the Seller any warranty payment amounts received by it from the relevant Originator under the relevant Originator Asset Purchase Agreement. It is noted that the relevant Originators may have limited means to meet any warranty payment obligations.

However, the Issuer's and the Security Trustee's (on behalf of the Secured Creditors) recourse against the Seller in relation to any indemnity payment in respect of any breach of Loan Warranties in respect of a Mortgage Receivable is contractually limited pursuant to the terms of the Mortgage Receivables Purchase Agreement to the amount recovered by the Seller under corresponding indemnity claims under the relevant Original Sellers Mortgage Receivables Purchase Agreements, and the amount recovered by the Seller under the Original Sellers Mortgage Receivables Purchase Agreements is limited to the amount recovered by the Original Sellers from the corresponding Originators and Servicers in respect of the relevant Mortgage Receivables. In addition to the above, each Original Seller has limited assets, and there can be no assurance that they will have the financial resources to make any indemnity payment in respect of any Relevant Liabilities to the Seller under the relevant Original Sellers Mortgage Receivables Purchase Agreements. Other than its rights arising under the Original Sellers Mortgage Receivables Purchase Agreements and any amounts received thereunder, none of the Original Sellers are expected to have any material sources of funds. In addition, the resources of the Originators to make indemnity payments may also be limited.

Accordingly, there can be no assurance that, should the Issuer or the Security Trustee (on behalf of the Secured Creditors) claim against the Seller under the Relevant Liabilities, the Seller will have the ability to make a corresponding claim against the relevant Original Seller, or that (in the absence of being able to do so) such Original Seller would otherwise have the resources to meet such a claim.

Furthermore, pursuant to the limited recourse and non-petition provisions in the Mortgage Receivables Purchase Agreement and the Master Definitions Agreement, except in limited circumstances, neither the Issuer nor the Security Trustee (on behalf of the Secured Creditors) are permitted to petition for the winding-up of or the making of an administration order or present a petition before any competent court or any analogous proceedings in respect of any payment obligation of the Seller arising under any Transaction Document.

In such circumstances, there may be a material and adverse impact on the ability of the Issuer to meet its payment obligations under the Notes and the VRR Loan.

**The WHOA, when applied to the Originators and/or Original Sellers, could affect their payment obligations and when applied to the Issuer could affect the rights of the Security Trustee under the Security and the Noteholders under the Notes**

On 1 January 2021 the Act on Confirmation of Extrajudicial Restructuring Plans (*Wet homologatie onderhands akkoord*) ("**WHOA**") entered into force. The WHOA introduces a Dutch law framework for the implementation of a composition plan that allows a debtor that "foresees that it will be unable to pay its debts as they fall due" to restructure its debts

outside bankruptcy or moratorium of payments proceedings. Pursuant to the WHOA, such debtor may initiate a proceeding whereby it retains its power of disposal (*beschikkingsbevoegdheid*) and can offer a composition plan to its creditors (including secured creditors and shareholders) which, if approved and ratified by the courts, is binding on them and could change their rights (provided all other conditions set out in the WHOA are met).

The WHOA is not applicable to banks and insurers. A court can, *inter alia*, refuse to accept a composition plan at the request of an affected creditor who did not vote in favour of such composition plan and who will be worse off than in case of an insolvency. If a proposal for a composition plan has been made or will be made within two (2) months of initiating proceedings, a judge may grant a stay on enforcement for a maximum of four (4) months, with a possible extension for an additional four (4) months. During such period, *inter alia*, a pledgee of claims may not collect nor notify the debtor(s) of such claims in case of an undisclosed pledge. Pursuant to the WHOA, the preparation or offering of a composition plan does not constitute a termination event or a ground to change contractual obligations or to suspend its obligation of the party contracting with the debtor. The WHOA could also be applicable to restructurings that stretch beyond Dutch borders.

As set out above, the WHOA provides that a debtor may offer its creditors a composition plan which, if implemented, changes the rights of any of its creditors. As a result thereof, it may well be that the terms of claims against the Originators or the Original Sellers and claims and security rights of creditors against the Issuer can be affected if the applicable majority of creditors within the relevant class of creditors votes in favour of such composition plan. This may have an adverse effect on the payment obligations of the Originators and/or Original Sellers and the rights of the Security Trustee under the Security and the Noteholders under the Notes.

## 1.2 **Risks related to the availability of funds to pay amounts due on the Notes and the VRR Loan**

### **The Issuer has limited sources of funds which may be insufficient to allow for repayment in full of the Notes and the VRR Loan**

The ability of the Issuer to meet its obligations to pay principal and interest on the Notes, amounts due in respect of the Class S1 Note, the Class S2 Note and the Class R Notes and the VRR Loan and its operating and administrative expenses will be dependent solely on: (i) receipts from or in connection with the Mortgage Receivables in the Portfolio; (ii) amounts received from the Seller under the Mortgage Receivables Purchase Agreement; (iii) interest earned on the Issuer Accounts (other than the Swap Collateral Accounts) (if any); (iv) any amounts resulting from the hedging arrangements entered into under the Swap Agreement; (v) income from any Authorised Investments (if any); and (vi) amounts available in respect of the Liquidity Reserve Fund (applied in accordance with the terms of the Cash Management Agreement). Other than the foregoing, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes, the VRR Loan and/or any other payment obligation of the Issuer under the applicable Priority of Payments. If such funds are insufficient, any such insufficiency will be borne by the Noteholders, the VRR Lender and the other Secured Creditors, subject to the applicable Priority of Payments.

### **The Notes and the VRR Loan are limited recourse obligations of the Issuer**

The Notes and the VRR Loan will be limited recourse obligations of the Issuer. Other than the sources of funds referred to in the foregoing paragraph, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes and the VRR Loan. Upon enforcement of the Security by the Security Trustee, if:

- (a) there are no Pledged Assets remaining which are capable of being realised or otherwise converted into cash;
- (b) all amounts available from the Pledged Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the relevant Security Document; and
- (c) there are insufficient amounts available from the Pledged Assets to pay in full, in accordance with the provisions of the relevant Security Document, amounts outstanding under the Notes (including payments of principal and interest) and amounts due in respect of the Class R Notes and the VRR Loan,

then the Secured Creditors (which include the Noteholders and the VRR Lender) shall have no further claim against the Issuer or its directors, shareholder, officers or successors in respect of any amounts owing to them which remain unpaid (in the case of the Noteholders, principally payments of principal and interest, Step-Up Margins, Class S1 Payment, Class S2 Payment and Class R Revenue Amount in respect of the Notes (as applicable)) and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be extinguished.

### **The Issuer may not be able to redeem the Notes at the Final Maturity Date or on Optional Redemption Dates**

The ability of the Issuer to redeem all of the Notes on the Final Maturity Date in full and to pay all amounts due to the Noteholders, including after the occurrence of an Event of Default, may depend upon whether the collections under the Mortgage Receivables are sufficient to redeem the Notes. Notwithstanding the increase in the margin applicable to each class of Investor Notes from (and including) the First Optional Redemption Date, no guarantee can be given that the Notes will on the First Optional Redemption Date or on any Optional Redemption Date thereafter be redeemed. The ability of the Issuer to redeem the Notes will largely depend on the Issuer having sufficient funds available to redeem such Notes, for example through a sale of the Portfolio. However, there is no guarantee that the Issuer will have sufficient funds to redeem the Notes, in which case the Notes cannot or can only be partially redeemed (See also the risk factor entitled “*Considerations relating to yield, prepayments, mandatory redemption and optional redemption*”).

## **1.3 Risks relating to the Mortgage Loans**

### **The Issuer is subject to the risk of default in payment by Borrowers, and therefore payments in respect of the Notes and the VRR Loan are subject to a credit risk**

The Issuer is subject to the risk of default in payment by the Borrowers and the failure by the Servicers on behalf of the Issuer to realise or recover sufficient funds under the arrears and default procedures in respect of any Mortgage Loan and the Mortgaged Asset(s) in order to discharge all amounts due and owing by the relevant Borrower(s) under such

Mortgage Loan, which may adversely affect payments on the Notes and the VRR Loan. This risk is mitigated to some extent by certain credit enhancement features which are described in Section 5 (*Credit Structure*). However, no assurance can be made as to the effectiveness of such credit enhancement features, or that such credit enhancement features will protect the Noteholders or the VRR Lender from all risk of loss. Should there be credit losses arising in respect of the Mortgage Loans, this could have an adverse effect on the ability of the Issuer to make payments of, *inter alia*, interest and/or principal on the Notes and payments due in respect of the VRR Loan.

**Foreclosure proceeds may be insufficient to recover all amounts owing by a Borrower under a Mortgage Loan**

The appraisal foreclosure value (*executiewaarde*) of the Mortgaged Asset is normally lower than the appraised value of the relevant Mortgaged Asset. There can be no assurance that, at the time of enforcement, all amounts owed by a Borrower under a Mortgage Loan can be recovered from the proceeds of the foreclosure on the relevant Mortgaged Asset and it is likely that the proceeds will be below market value (see Section 6.2 (*Description of Mortgage Loans*)).

Accordingly, there is a risk that, upon enforcement of the relevant Mortgage not all amounts owing by a Borrower under a Mortgage Loan can be recovered from the proceeds of the foreclosure of the related property together with any proceeds of the enforcement of any other security for the Mortgage Loan. If there is a failure to recover such amounts, this would result in Realised Losses which may lead to losses under the Notes and the VRR Loan.

**Declining values of Mortgaged Assets may lead to losses under the Notes and the VRR Loan**

The value of the Mortgaged Asset in respect of the Mortgage Loans may be affected by, among other things, a decline in the residential property values in the Netherlands. The value of the Mortgaged Assets is exposed to decreases in real estate prices, arising for instance from downturns in the economy generally, oversupply of properties in the market, and changes in tax regulations related to housing (such as the decrease in deductibility of interest on mortgage payments). Furthermore, the value of the Mortgaged Assets is exposed to destruction and damage resulting from floods and other natural and man-made disasters, or widespread health crises (such as a pandemic or epidemic), government policies, action or inaction in response to such crises or such potential crises (including, but not limited to, the COVID-19 pandemic (or any strain of the foregoing)), and/or the fear of any such crises whether in the Netherlands or in any other jurisdiction, and may lead to a deterioration of economic conditions in the Netherlands and also globally. If the residential property market in the Netherlands should experience an overall decline in property values, such a decline could in certain circumstances result in the value of a Mortgaged Asset being significantly reduced and, in the event that a Mortgaged Asset is required to be enforced, may result in an adverse effect on payments on the Notes and the VRR Loan.

The Issuer cannot guarantee that the value of a property will remain at the same level as on the date of origination of the related Mortgage Loan. A fall in property prices resulting from the deterioration in the housing market could result in losses being incurred by lenders where the net recovery proceeds are insufficient to redeem any outstanding mortgage loan secured on such property. If the value of the Mortgaged Asset is reduced this may



ultimately result in losses to Noteholders or the VRR Lender if the Security is required to be enforced and the resulting proceeds are insufficient to make payments on all Notes and may affect the ability of the Issuer to make payments on the VRR Loan. See also the risk factor entitled “*The law applicable to the non-regulated rental market in the Netherlands is subject to change and this may lead to a decrease in the value of the Mortgaged Assets*”.

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

Under Dutch law a debtor has a right of set-off (*verrekening*) if it has a claim that corresponds to its debt owed to the same counterparty and it is entitled to pay its debt and to enforce its claim. Subject to these requirements being met, each Borrower may be entitled to set off amounts due to it by the relevant Originator (if any) with amounts it owes in respect of the Mortgage Receivable originated by such Originator prior to notification of the relevant assignment of the Mortgage Receivable originated by such Originator. For example, Borrowers may be entitled to set-off the relevant Mortgage Receivable against a claim (if any) they may have against the relevant Originator, such as (i) counterclaims resulting from damages incurred by a Borrower as a result of acts performed by such Originator and (ii) depending on the circumstances, other counterclaims such as counterclaims relating to any undrawn Construction Deposits. As a result of the set-off of amounts due and payable by the relevant Originator to the Borrower with amounts the Borrower owes in respect of the Mortgage Receivable, the Mortgage Receivable will, partially or fully, be extinguished (*gaat teniet*).

The Mortgage Conditions applicable to the Mortgage Loans provide that payments by the Borrowers should be made without set-off. Although this provision is intended as a waiver by the Borrowers of their set-off rights *vis-à-vis* the relevant Originator, under Dutch law it is possible that such waiver is ruled to be invalid by the courts. A contractual waiver included in general conditions is, as a matter of statutory Dutch law, deemed invalid when contained in contractual relationships with consumers. Whilst the Borrowers do not qualify as 'consumer' the risk cannot be excluded that a court will apply such provision of Dutch law *mutatis mutandis* to the Mortgage Loans. Should such waiver be declared invalid, the Borrowers will have the set-off rights described above.

In accordance with the Originator Asset Purchase Agreements, the Assignment I has taken place from time to time and accordingly each Originator has sold and transferred legal title to the relevant Mortgage Receivables to the relevant Original Seller. On the Closing Date, the Assignment II will take place and accordingly each Original Seller sells and will transfer legal title to the relevant Mortgage Receivables to the Seller. Upon completion of Assignment II and on the Closing Date, the Assignment III will take place and accordingly the Seller sells and will transfer legal title to the Mortgage Receivables to the Issuer by way of undisclosed assignment (*stille cessie*). Each of the Assignment II and Assignment III will be effected by means of a deed of assignment in private form (*onderhandse akte*), without notification of each of the Assignment II and Assignment III to the Borrowers being required. For as long as the Assignment I (and/or Assignment II and/or Assignment III, as applicable) has not been notified to the relevant Borrower, the Borrower remains entitled to set-off the Mortgage Receivable as if no assignment had taken place. After notification of the Assignment I (and/or Assignment II and/or Assignment III, as applicable) to a Borrower, such Borrower will have the right to set off a counterclaim against the relevant Originator and the Seller respectively (and the Security Trustee as pledgee), as applicable, with amounts it owes in respect of the Mortgage Receivable, provided that the legal requirements for set-off are met (see above) and further provided that (i) the counterclaim of the Borrower results from the same legal relationship as the relevant Mortgage Receivable or (ii) the counterclaim of the Borrower has originated (*opgekomen*) and

became due and payable (*opeisbaar*) prior to the notification of Assignment I (and/or Assignment II and/or Assignment III, as applicable) to the relevant Borrower. The question of whether a court will come to the conclusion that the relevant Mortgage Receivable and the claim of the Borrower against the relevant Originator, the Original Seller and the Seller respectively (and the Security Trustee as pledgee), as applicable, result from the same legal relationship will depend on all relevant facts and circumstances involved. But even if these were held to be different legal relationships, set-off will be possible if the counterclaim of the Borrower has originated (*opgekomen*) and became due and payable (*opeisbaar*) prior to notification of the relevant Assignment, provided that all other requirements for set-off have been met (see paragraphs above).

If notification of the Assignment I (and/or Assignment II and/or Assignment III) is made after the bankruptcy of the relevant Originator having become effective, it is defended in legal literature that the Borrower will, irrespective of the notification of the assignment, continue to have the broader set-off rights afforded to it in the Dutch Bankruptcy Act. Under the Dutch Bankruptcy Act a person which is both debtor and creditor of the bankrupt entity can set off its debt with its claims, if each claim (i) came into existence prior to the moment at which the bankruptcy becomes effective or (ii) resulted from transactions with the bankrupt entity which were concluded prior to the bankruptcy becoming effective. A similar provision applies in case of suspension of payments.

Should a Borrower successfully assert set-off or defence to payments under the Mortgage Receivables and the Seller will not be able to make good such shortfall as required under the Mortgage Receivables Purchase Agreement, any such loss will be recorded as Realised Losses as further described in Section 5.3 (*Loss Allocation*) and may result in losses under the Notes. The set-off risk described in this paragraph is sought to be reduced by restricting the activities of the Originator as the Originators are, for example, not entitled to maintain Borrower deposits, but there cannot be any guarantee that such (contractual) restrictions will be observed in practice or that no other claims may arise between the relevant Originator and Borrower.

### **Borrowers may default on their obligations**

Borrowers may default on their obligations due under Mortgage Loans for a variety of financial and personal reasons, including as a result of loss or reduction of earnings (and self-employed Borrowers may have more volatile earnings), illness, divorce, the impact of any epidemic or pandemic outbreak, including the COVID-19 pandemic, (the effects of which might include, without limitation, the granting of payment holidays, payment relief or other deferral of payments by affected Borrowers) (see further the risk factor entitled “*The performance of the Mortgage Loans may be adversely impacted by payment holidays granted to Borrowers following hardship caused by the COVID-19 pandemic*”) and other similar factors which may, individually or in combination, lead to an increase in delinquencies by, and bankruptcies of, Borrowers or Borrowers becoming subject to debt rescheduling arrangements (*schuldsaneringsregelingen*) or suspension of payments (*surseance van betaling*). Certain national and international macroeconomic factors may also contribute to or hinder the economic health of a Borrower and thus the economic performance of the Mortgage Loans.

**The performance of the Mortgage Loans may be adversely impacted by payment holidays granted to Borrowers following hardship caused by the COVID-19 pandemic**

Governments in various countries have introduced measures aimed at preventing the further spread of COVID-19 and at mitigating the economic consequences of the outbreak. The Dutch government announced economic measures aimed at protecting jobs, households' wages and companies, such as deferral of tax payments, guarantee schemes and a compensation scheme for heavily affected sectors in the economy. At the date of this Prospectus, the Originators do not have a general policy under which payment holiday requests that relate to COVID-19 are automatically allowed. Under its standard arrears management policy and procedures, each Originator allows, subject to certain conditions being met and on a borrower per borrower basis, Borrowers to defer making payments under the Mortgage Receivables for a limited period. If such deferral of payments would be agreed in this manner, these Mortgage Receivables would not be considered to be in arrears. The amount deferred will not accrue interest if this is agreed between the relevant Originator and the Borrower, and will be separately accounted for in the administration of the relevant Originator. The amount deferred as a result of such arrears arrangements will, until payment of such amount deferred, be reported separately and will result in a limited increase of the debt of the Borrower, a disruption in the scheduled payment of interest and principal and could result in higher losses under the Mortgage Receivables and higher delinquencies in the future as a result of the increased payment obligations when the deferred payments are due. As a result, if the amounts collected are disrupted by a significant number of such arrears arrangements, or the delinquencies increase, the Issuer may not be able to pay all amounts due under the Notes and the VRR Loan. As at the Portfolio Reference Date, there are no Mortgage Loans in the Provisional Mortgage Portfolio to which a payment holiday or any other allowed deferral of payment applies as a result of the COVID-19 pandemic.

**Risks associated with non-owner-occupied properties**

It is intended that the Mortgaged Assets will be let by the relevant Borrower to tenants. There can be no guarantee that each such Mortgaged Asset will be the subject of an existing tenancy when the relevant Mortgage Receivable is transferred to the Issuer or that any tenancy which is granted will subsist throughout the life of the Mortgage Loan and/or that the rental income achievable from tenancies of the relevant Mortgaged Asset will be sufficient to provide the Borrower with sufficient income to meet the Borrower's interest obligations in respect of the Mortgage Loan.

As such, the security for the Notes and the VRR Lender will also from time to time be affected by the condition of the private residential rental market in the Netherlands and, in particular, the condition of the private residential rental market within the various regional areas in the Netherlands where the relevant Mortgaged Assets are located. The condition of the private residential rental market will influence both the ability of Borrowers to find tenants and the amount of rental income which may be achieved by the relevant Borrower in any letting.

Upon enforcement of a Mortgage in respect of a Mortgaged Asset which is the subject of an existing tenancy, the Servicers may not be able to obtain vacant possession of the Mortgaged Asset, in which case the Servicers will only be able to sell the Mortgaged Asset as an investment property with one or more sitting tenants. This may affect the amount which such Servicer could realise upon enforcement of the Mortgage and a sale of the

Mortgaged Asset and in turn may result in the Issuer having insufficient funds to fulfil its payment obligations under the Notes and the VRR Loan.

### **Risk of losses associated with Interest-only Mortgage Loans**

A portion of the Mortgage Loans (or parts thereof) will be in the form of Interest-only Mortgage Loans (see Section 6.2 (*Description of Mortgage Loans*)). The ability of such a Borrower to repay an Interest-only Mortgage Loan at maturity frequently may depend on such Borrower's ability to sell or refinance the associated Mortgaged Asset or obtain funds from another source. There can be no assurance that the Borrower has any such other source of funds, or that any such other source of funds will be paid into and otherwise maintained, or that it will be sufficient to make the relevant repayment when due, or that the proceeds will be applied by paying amounts due under the Interest-only Mortgage Loan. Moreover, the Mortgage Conditions in respect of Interest-only Mortgage Loans do not require a Borrower to put in place alternative funding arrangements.

The ability of a Borrower to sell or refinance the Mortgaged Asset will be affected by a number of factors, including the value of the Mortgaged Asset, the financial condition of the Borrower, tax laws and general economic conditions at the time. Because of the greater risk relating to refinancing of Interest-only Mortgage Loans, a significant downturn in the property market or the economy could lead to a greater increase in defaults or the repayment of principal on Interest-only Mortgage Loans than on repayment of other types of Mortgage Loans.

If a Borrower cannot repay any such Interest-only Mortgage Loan and a loss occurs, this may affect repayments on the Notes (and the VRR Loan) if the resulting Principal Deficiency Ledger entry cannot be cured from Available Revenue Funds being applied for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments.

### **Increases in prevailing market interest rates may adversely affect the performance of the Portfolio**

Borrowers with a Mortgage Loan subject to a variable rate of interest or with a Mortgage Loan for which the related interest rate adjusts following an initial fixed rate may be exposed to increased monthly payments if the related mortgage interest rate adjusts upward (or, in the case of a Mortgage Loan with an initial fixed rate at the end of the relevant fixed rate period). This increase in Borrowers' monthly payments, which (in the case of a Mortgage Loan with an initial fixed rate) may be compounded by any further increase in the related mortgage interest rate during the relevant fixed period, may ultimately result in higher delinquency rates and losses in the future.

Borrowers seeking to avoid increased monthly payments (caused by, for example, the expiry of an initial fixed rate, or a rise in the related variable interest rates) by refinancing their Mortgage Loans may no longer be able to find available replacement Mortgage Loans at comparably low interest rates. Any decline in housing prices may also leave Borrowers with insufficient property value to permit them to refinance. These events, alone or in combination, may contribute to higher delinquency rates, slower prepayment rates and higher losses on the Portfolio, which in turn may affect the ability of the Issuer to make payments of, *inter alia*, interest and/or principal on the Notes and the VRR Loan.

### **No assurance that Issuer will receive benefit of any claims under insurance contracts**

The Mortgage Conditions, mortgage offers and/or applications require Borrowers to have buildings insurance (*opstalverzekering*) for the relevant Mortgaged Asset. However, even in relation to these Mortgaged Assets, it will be difficult in practice for the Servicers and/or the Issuer to determine whether the relevant Borrower has valid insurance in place at any time. The Issuer does not have the benefit of any contingent insurance to cover the risks of a Borrower failing to have buildings insurance. No assurance can be given that the Issuer will receive the benefit of any claims made under any such insurance contract or that the amounts received in respect of a successful claim will be sufficient to reinstate the affected Mortgaged Asset or otherwise cover the losses of the Issuer. This could adversely affect the Issuer's ability to make payment of, *inter alia*, interest and/or principal in respect of the Notes and payments due in respect of the VRR Loan.

### **The Issuer may not have direct rights against third parties**

The Seller has assigned its rights against valuers to the Issuer pursuant to the Mortgage Receivables Purchase Agreement in respect of the Mortgage Receivables, to the extent that they are assignable (the Seller itself having acquired such rights from the Original Sellers pursuant to the terms of the relevant Original Sellers Mortgage Receivables Purchase Agreements and the Original Sellers having acquired such rights from the Originators pursuant to the terms of the relevant Originators Mortgage Receivables Purchase Agreements). However, neither the Original Sellers nor the Seller originated the Mortgage Loans and the said rights may therefore not have been effectively assigned to the Original Sellers by the Originators or to the Seller by the Original Sellers. The Issuer may therefore not have any direct rights against any valuers who, when acting for the relevant Originator in relation to the origination of any Mortgage Loan, may have been negligent or fraudulent.

In circumstances where the monetary value of such claims against valuers individually, or in aggregate, is material in the context of the Notes, the Issuer may therefore not be able to direct or pursue any such claim directly and so may ultimately not recover any amount in respect of such claims, or such recovery may be materially delayed or reduced. In such circumstances, no assurance can be given that the Issuer will receive the benefit of any such claims made against any such valuers by the Originator of the relevant Mortgage Loan, or that the amounts (if any) received by the Issuer in respect of a successful claim will be sufficient to cover the related losses of the Issuer. This could adversely affect the Issuer's ability to make payment of, *inter alia*, interest and/or principal in respect of the Notes and payments due in respect of the VRR Loan.

### **Risks relating to Post-Closing Mortgage Receivables**

After the Closing Date, on a single date to occur prior to the Final Post-Closing Mortgage Receivables Purchase Date, the Issuer may purchase and accept assignment of the Post-Closing Mortgage Receivables from the Seller. The Mortgage Loans from which the Post-Closing Mortgage Receivables result have been originated by the relevant Originator on or prior to 31 December 2021. Any Post-Closing Mortgage Receivable is required as at the date of its acquisition by the Issuer to comply with the Post-Closing Mortgage Receivables Purchase Conditions, including the Post-Closing Mortgage Receivables Hedging Condition and the representations and warranties specified in the Mortgage Receivables Purchase Agreement, which reflect those for the Completion Mortgage Receivables. See Section 7.1

(*Purchase and Sale*) for the conditions applicable to the acquisition of Post-Closing Mortgage Receivables by the Issuer.

There can be no certainty that, following acquisition of any Post-Closing Mortgage Receivables by the Issuer, the Portfolio will have similar proportions or similar concentration characteristics as set out in the tables in Section 6.1 (*Stratification Tables*) below in relation to the Completion Mortgage Receivables constituting the Portfolio on the Closing Date.

The ratings expected to be assigned to the Rated Notes by each Credit Rating Agency on the Closing Date, if obtained, will be provided on the basis that some, all or none of the Post-Closing Reserves will be utilised to purchase Post-Closing Mortgage Receivables on or prior to the Final Post-Closing Mortgage Receivables Purchase Date. The expected ratings are based on the Provisional Mortgage Portfolio, which does not include the Post-Closing Mortgage Loans. If the characteristics of Post-Closing Mortgage Loans deviate from the Provisional Mortgage Portfolio, the expected ratings and definitive ratings might differ.

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

The Seller has represented to the Issuer and the Security Trustee that each of the Mortgage Loans meets the Seller's and/or the relevant Originator's underwriting policy, including its underwriting criteria at the time of application. The underwriting criteria and procedures of any Originator may not have identified or appropriately assessed the risk that the interest and principal payments due on a Mortgage Loan will be repaid when due, or at all, or whether the value of the Mortgaged Asset will be sufficient to otherwise provide for recovery of such amounts. To the extent exceptions or amendments were made to an Originator's underwriting criteria and procedures in originating a Mortgage Loan, those exceptions or amendments may increase the risk that principal and interest amounts may not be received or recovered and compensating factors, if any, which may have been the premise for making an exception or amendment to the underwriting criteria and procedures may not in fact compensate for any additional risk. These factors may lead to the Issuer having insufficient funds available to it to fulfil its payment obligations under the Notes and this may result in losses under the Notes.

**Risk related to Construction Deposits**

Pursuant to the Mortgage Conditions, part of the Mortgage Loan may be applied towards refurbishment of or improvements to the Mortgaged Asset. In that case part of the monies drawn down under the Mortgage Loan is not disbursed to the Borrower but withheld by the relevant Originator and deposited on an account held by the Collection Foundation. If the Originator is unable to pay the relevant Construction Deposit to or on behalf of the Borrower, such Borrower may invoke defences or set-off such amount, any interest due in respect thereof and any claims for damages with its payment obligation under the Mortgage Loan, and in that regard the legal requirements for set-off are met.

The amount for which a Borrower can invoke set-off or defences may, depending on the circumstances, exceed the relevant Construction Deposit. Therefore, the remaining risk is that, if and to the extent that the amount for which a Borrower successfully invokes a set-off or defences exceeds the relevant Construction Deposit, such set-off or defence may lead to losses under the corresponding Mortgage Receivables, which would reduce the

amounts available for payment to Noteholders and consequently could lead to losses under the Notes. Also, if a Construction Deposit is not used by the relevant Borrower, the relevant amount will form part of the Available Principal Funds as a result of which the Most Senior Class of Notes may be redeemed earlier. At the Portfolio Reference Date, the total Outstanding Principal Amount of the Construction Deposits is EUR 1,081,738.00 which is equal to 0.34% of the total Outstanding Principal Amount of all Mortgage Receivables included in the Provisional Mortgage Portfolio.

#### 1.4 Risks relating to the structure

##### **If the Issuer has insufficient funds on any Notes Payment Date, certain interest payments are permitted to be deferred**

In respect of the Most Senior Class of Investor Notes (other than the Class A Notes), if, on any Notes Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of Deferred Interest (as defined below) (including, for this purpose, any Deferred Interest previously deferred in accordance with the Conditions and accrued interest thereon and deferred prior to the date on which the Class of Notes became the Most Senior Class of Notes) payable in respect of the Class of Notes after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall be entitled under Condition 17 (*Subordination by Deferral*) of the Conditions to defer to the next Notes Payment Date (only to the extent of the insufficiency).

Other than in respect of the Most Senior Class of Investor Notes, if, on any Notes Payment Date, the Issuer has insufficient funds to make payment in full of all accrued interest in respect of any class of the Investor Notes ("**Normal Interest**") (including, for this purpose, any Deferred Interest previously deferred in accordance with the Conditions and any accrued interest thereon), that would otherwise be payable absent the deferral provisions in respect of any of the Investor Notes (other than the Most Senior Class of Investor Notes) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer will be entitled under Condition 17 (*Subordination by Deferral*) of the Conditions to defer payment of that amount (to the extent of the insufficiency) which shall from then on be treated as Deferred Interest.

In the event that amounts of Normal Interest which have accrued on each class of Investor Notes are not paid in full (other than the Most Senior Class of Investor Notes) and deferred as noted above, such failure to pay will not constitute an Event of Default until the Final Maturity Date, and the Security Trustee will not be able to take any action to enforce the Security.

On any date in respect of a class of Investor Notes, the aggregate amount of accrued interest in respect of that Class of Note which has been deferred and remains outstanding on that date shall be "**Deferred Interest**".

Interest shall accrue on the aggregate outstanding amount of Deferred Interest in respect of a class of Investor Notes (other than the Class A Notes) on each day that such Deferred Interest remains outstanding but has not yet become due and payable (excluding the amount, if any, of Deferred Interest which is paid or discharged on that day and excluding each day, if any, where Deferred Interest is paid on a later date in accordance with the Conditions because the due date is not a Business Day) at the same rate of interest applicable to that Class of Note during the Interest Period in which that day falls.

The full amount of Deferred Interest in relation to a class of Investor Notes (other than the Class A Notes) shall be due and payable on the first date as the relevant Class of Notes becomes due and repayable in full in accordance with the Conditions and, prior to that date, shall be due and payable on each Notes Payment Date (only to the extent of the amount to be applied in payment of that Deferred Interest in accordance with the Conditions).

Failure to pay Normal Interest which has accrued on the Most Senior Class of Investor Notes shall constitute an Event of Default which may result in the Security Trustee enforcing the Security. In addition, failure to pay the Class S1 Payment in respect of the Class S1 Note or the Class S2 Payment in respect of the Class S2 Note shall constitute an Event of Default which may also result in the Security Trustee enforcing the Security.

**There may be insufficient funds available to repay in full the Notes as a result of income or principal deficiencies**

If, on any Notes Payment Date prior to the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, as a result of shortfalls in Available Revenue Funds (taking into account the availability of the Liquidity Reserve Fund Balance) there would be a PAA Deficit, the Issuer shall apply Available Principal Funds as Principal Addition Amounts in accordance with the Pre-Enforcement Principal Priority of Payments to cure such PAA Deficit. Available Principal Funds may only be redirected as Principal Addition Amounts and applied as Available Revenue Funds to cover such PAA Deficit (arising as a result of any inability to pay interest due in respect of the Investor Notes other than the Class X1 Notes and the Class X2 Notes) and certain prior payments.

Application of any losses and any Principal Addition Amounts will be recorded in sequential order as described in Section 5 (*Credit Structure*).

It is expected that during the course of the life of the Notes and the VRR Loan, any principal deficiencies (should they arise) will be recouped from Available Revenue Funds. Available Revenue Funds will be applied, after meeting prior ranking obligations as set out under the Pre-Enforcement Revenue Priority of Payments, to credit (a) in an amount equal to the Pre-Enforcement Revenue Note Share (on a simultaneous, *pari passu* and *pro rata* basis with limb (b)): *first* the Class A Principal Deficiency Sub-Ledger, *second* the Class B Principal Deficiency Sub-Ledger, *third* the Class C Principal Deficiency Sub-Ledger, *fourth* the Class D Principal Deficiency Sub-Ledger and *fifth* the Class E Principal Deficiency Sub-Ledger and (b) in an amount equal to the Pre-Enforcement Revenue VRR Share, the VRR Loan Principal Deficiency Sub-Ledger.

If there are insufficient funds available as a result of such income or principal deficiencies, then one or more of the following consequences may ensue:

- (i) the Available Revenue Funds and Available Principal Funds may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Notes and amounts due in respect of the Class S1 Note, the Class S2 Note, the Class R Notes and the VRR Loan; and
- (ii) there may be insufficient Available Revenue Funds and Available Principal Funds to repay the Notes and all amounts due in respect of the Class S1 Note, the Class S2



Note, the Class R Notes and the VRR Loan on or prior to the Final Maturity Date of the Notes.

### **Considerations relating to yield, prepayments, mandatory redemption and optional redemption**

The yield to maturity of the Notes (and the VRR Loan) will depend on, among other things, the amount and timing of payment of principal and interest on the Mortgage Loans and the price paid by the holders of the Notes of each Class. Payments of principal and interest may arise from, amongst other sources, prepayments and sale proceeds arising on enforcement of a Mortgage Loan. Such yield may be adversely affected by, amongst other things, a higher or lower than anticipated rate of prepayments on the Mortgage Loans. The rate of prepayment of Mortgage Loans is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing programmes, local and regional economic conditions, homeowner mobility, changes in tax laws, declines in real estate prices, damage to or destruction of the Mortgaged Assets and changes in Borrowers' behaviour. This may lead to the Notes being redeemed prior to their scheduled maturity date or sooner than an investor may have expected such Notes to be redeemed. However, the rate of payment cannot be predicted. Subject to the Mortgage Conditions, a Borrower may "overpay" or prepay principal at any time. No assurance can be given as to the level of prepayments that the Portfolio will experience. Accelerated prepayments will lead to a reduction in the weighted average life of the Notes (other than the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes). In the case of the Class X1 Notes and the Class X2 Notes, accelerated prepayments will lead to a reduced amount of Available Revenue Funds over time, which will lead to a reduction in the likelihood of a full repayment of the Class X1 Notes and the Class X2 Notes. Generally, when market interest rates increase, borrowers are less likely to prepay their Mortgage Loans, while conversely, when market interest rates decrease, borrowers (in particular those paying by reference to a fixed interest rate) are generally more likely to prepay their Mortgage Loans. Borrowers may prepay Mortgage Loans when they refinance their Mortgage Loans or sell their properties (either voluntarily or as a result of enforcement action taken).

If the Seller is required to make an indemnity payment to the Issuer in relation to a Mortgage Loan and its Mortgaged Asset because, for example, one of the Mortgage Loans does not comply with the Loan Warranties, then the payment received by the Issuer will have the same effect as a prepayment of all or part of the relevant Mortgage Loans.

Payments and prepayments of principal on the Mortgage Loans will be applied, *inter alia*, to reduce the Principal Amount Outstanding of the Notes (and to make corresponding payments on the VRR Loan) on a pass-through basis on each Notes Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments (see Section 5.2 (*Priorities of Payments*) below). All payments of principal in respect of the Notes (and corresponding payments on the VRR Loan) will be made subordinate to amounts applied as Principal Addition Amounts.

In addition, the Issuer may purchase Post-Closing Mortgage Receivables on the Post-Closing Mortgage Receivables Purchase Date, subject to satisfaction of the Post-Closing Mortgage Receivables Purchase Conditions, including the Post-Closing Mortgage Receivables Hedging Condition and the representations and warranties specified in the Mortgage Receivables Purchase Agreement, which reflect those for the Completion Mortgage Receivables. If the Post-Closing Mortgage Receivables Purchase Conditions are

not satisfied in respect of a Post-Closing Mortgage Receivable, the Issuer will not be able to purchase such Post-Closing Mortgage Receivable on the Post-Closing Mortgage Receivables Purchase Date. Where the Issuer only purchases some, but not all, of the Post-Closing Mortgage Receivables specified as such in the Mortgage Receivables Purchase Agreement this will result in:

- (i) the Post-Closing Mortgage Receivables Purchase Price in respect of the Post-Closing Mortgage Receivables purchased being paid to the Seller on the Post-Closing Mortgage Receivables Purchase Date; and
- (ii) on the first Notes Payment Date following the purchase of the Post-Closing Mortgage Receivables (a) any remaining amounts standing to the credit of the Post-Closing Principal Reserve Ledger being applied *pro rata* and *pari passu* in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) (with simultaneous corresponding payments on the VRR Loan); (b) any remaining amounts standing to the credit of the Post-Closing Revenue Reserve Ledger being applied as Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments; and (c) any remaining amounts standing to the credit of the Class R Post-Closing Reserve Ledger being applied to the Class R Noteholder (with simultaneous corresponding payments on the VRR Loan).

Where no Post-Closing Mortgage Receivable satisfies the Post-Closing Mortgage Receivables Purchase Conditions, the Issuer will be unable to purchase any Post-Closing Mortgage Receivables resulting in all amounts standing to the credit of the Post-Closing Principal Reserve Ledger, Post-Closing Revenue Reserve Ledger and Class R Post-Closing Reserve Ledger being applied as set out under paragraph (ii) immediately above.

The number of Post-Closing Mortgage Receivables purchased by the Issuer will impact on the amounts payable, and the timing of payments, in respect of the Notes.

As at the date of this Prospectus, all Mortgage Loans have received their first payment and the Mortgage Receivables resulting therefrom will be sold and assigned by the Seller to the Issuer on the Closing Date. As such, there will be no Post-Closing Mortgage Receivables.

In addition, on or following the First Optional Redemption Date, the Issuer may, subject to completion of certain conditions and receipt of funds pursuant to the Portfolio Purchase Option, redeem all of the Notes and the VRR Loan. Pursuant to the Portfolio Purchase Option, the Portfolio Option Holder has an option (on and from the First Optional Redemption Date), to elect to purchase (directly or indirectly) the Mortgage Receivables from the Issuer. No make-whole amount or other early repayment fee will be paid to the Noteholders or the VRR Lender if any such option is exercised by the Portfolio Option Holder or otherwise (other than a payment to the Class S1 Noteholder in respect of the Class S1 Payment Early Repayment Amount (and any corresponding payment to the VRR Lender), in the event that the Notes are redeemed prior to the First Optional Redemption Date other than as a result of the exercise of the Regulatory Change Option). However, the Portfolio Option Holder does not have an obligation to exercise its rights in respect of the Portfolio Purchase Option on the First Optional Redemption Date or at any time thereafter and as such, no assurance can be given that the Notes and the VRR Lender will be redeemed in full on or following the First Optional Redemption Date as a result of a purchase or sale of the Portfolio.

The VRR Lender has the right to offer to purchase the Mortgage Receivables from the Issuer and thereby effect a redemption of the Notes on the occurrence of a Regulatory Change Event (subject to the Portfolio Option Holder's right to exercise the Portfolio Purchase Option and the subsequent exercise of the VRR Lender Right to Match).

The Issuer may, subject to the Conditions and subject to the Portfolio Option Holder's right to exercise the Portfolio Purchase Option, and the VRR Lender Right to Match, redeem all of the Notes and the VRR Loan if (A) a change in tax law results in the Issuer being required to make a deduction or withholding for or on account of tax, or (B) as a result of certain illegality events. See further Section 4.1 (*Terms and Conditions*) below.

Any redemption of the Notes following such matters, in particular where such event occurs within a short time of the Closing Date, may adversely affect the yield to maturity of the Notes. Noteholders may not be able to invest the amounts received as a result of the premature redemption of the Notes on conditions similar to, or better than, those of the Notes.

**Payments to the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes are subordinated and may be delayed or reduced in certain circumstances**

To the extent that the Issuer does not have sufficient funds to satisfy its obligations to all its creditors, the holders of the lower ranking Classes of Notes will be the first to see their claims against the Issuer unfulfilled. However, there is no assurance that these subordination provisions will protect the holders of the Higher Ranking Classes of Notes from all or any risk of loss. For further information on the subordination provisions and the sequential order in which the Classes of Notes will be paid, please see "*Priorities of Payments*" below.

In addition to the above, payments on the Notes and the VRR Loan are subordinated to payments of certain fees, costs and expenses payable to the other Secured Creditors (including the Security Trustee, the Issuer Account Bank, the Account Agent, the Agent Bank, the Directors, the Servicers, the Back-Up Servicer Facilitator, the Issuer Administrator, the Cash Manager and the Paying Agents) and certain third parties.

Payments of principal in respect of all Classes of Notes (except the Class X1 Notes and the Class X2 Notes) (and equivalent payments on the VRR Loan) will be subordinate to payments of any Principal Addition Amounts.

The priority of the Notes and the VRR Loan is further set out in Section 5.2 (*Priorities of Payments*).

There is no assurance that these subordination rules will protect the holders of Notes or the VRR Loan from all risk of loss.

**There are limitations on enforcement and the proceeds of any such enforcement may not be sufficient to make all the payments due on the Notes and the VRR Loan**

No Noteholder nor the VRR Lender shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the provisions of the Transaction Documents and/or to take any other proceedings

(including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Security Trustee having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing, provided that no Noteholder nor the VRR Lender shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer in any circumstances. Accordingly, other than in exceptional circumstances, Noteholders and the VRR Lender will be reliant on the Security Trustee to take enforcement action. Furthermore, the proceeds of any such enforcement action (if any) may not be sufficient to make all the payments due on the Notes and the VRR Loan.

### **Interest rate risk in respect of the Investor Notes**

The Issuer is subject to the risk of a mismatch between the rate of interest payable by the Borrowers in respect of the Mortgage Loans and the rate of interest payable in respect of the Investor Notes (and equivalent payments on the VRR Loan). In addition, amounts due in respect of the Class S1 Note and the Class S2 Note are based on a percentage of the current balance of the Mortgage Loans as set out in the Conditions. The Mortgage Loans in the Portfolio pay or will pay (i) a fixed rate of interest for an initial period and after such initial period revert to a floating rate of interest linked to the Euro Interbank Offered Rate (“**EURIBOR**”), or (ii) a floating rate of interest linked to EURIBOR, while the Issuer’s liabilities under the Investor Notes (and equivalent payments on the VRR Loan) are based on 3-month EURIBOR for the relevant period.

The Issuer will enter into the Swap Agreement with the Swap Counterparty on or prior to the Closing Date (see Section 5.4 (*Credit Structure – Hedging*)). The Interest Rate Swap is intended to hedge the interest rate risk arising in respect of the Investor Notes. A failure by the Swap Counterparty to make timely payments of amounts due under the Swap Agreement will constitute a default thereunder (after giving effect to any applicable grace period). The Swap Agreement provides that the amounts owed by the Swap Counterparty on payment dates under the Interest Rate Swap (which correspond to the Notes Payment Dates) may be netted, if in the same currency and in respect of the same Transaction (as defined in the Interest Rate Swap), against the amounts owed by the Issuer on the same payment date. Accordingly, (i) if the amounts owed by the Issuer to the Swap Counterparty on a payment date are greater than the amounts owed by the Swap Counterparty to the Issuer on the same payment date, then the Issuer will pay the positive difference to the Swap Counterparty on such payment date; (ii) if the amounts owed by the Swap Counterparty to the Issuer on a payment date are greater than the amounts owed by the Issuer to the Swap Counterparty on the same payment date, then the Swap Counterparty will pay the positive difference to the Issuer on such payment date; and (iii) if the amounts owed by both parties are equal on a payment date, neither party will make a payment to the other on such payment date. The Interest Rate Swap is scheduled to terminate on 19 January 2032, subject to adjustment in accordance with the Business Day Convention (as defined in the Interest Rate Swap).

The Issuer may purchase Post-Closing Mortgage Receivables on the Post-Closing Mortgage Receivables Purchase Date, subject to satisfaction of the Post-Closing Mortgage Receivables Purchase Conditions, including the Post-Closing Mortgage Receivables Hedging Condition. On or prior to the purchase of any Post-Closing Mortgage Receivables by the Issuer, the notional amount of the Interest Rate Swap will be increased to account for such Post-Closing Mortgage Receivables. Such increase of the notional amount of the Interest Rate Swap may trigger (i) an upfront payment from the Issuer to the Swap Counterparty or (ii) an upfront payment from the Swap Counterparty to the Issuer.

To the extent that the Swap Counterparty defaults in its obligations under its Swap Agreement to make payments to the Issuer, on any payment date under the Interest Rate Swap, the Issuer will be exposed to the possible variance between the interest rates payable on the Fixed Rate Mortgage Loans in the Portfolio and 3-month EURIBOR. Further, (i) in the event that 3-month EURIBOR is negative, the Interest Period Swap Counterparty Amount will be negative, and as such, the Issuer would need to make payment of the absolute value of that amount to the Swap Counterparty and (ii) if the Swap Counterparty fails to pay any amounts when due under the Swap Agreement, the Available Revenue Funds may be insufficient to make the required payments on the Notes and the VRR Loan and the Noteholders and the VRR Lender may experience delays and/or reductions in the interest payments due to be received by them.

The Swap Counterparty will be obliged to make payments under the Swap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Swap Counterparty will, subject to certain limited exceptions as set out in the Swap Agreement, be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required. The Swap Agreement will provide, however, that in case of a Tax Event (as defined in the Swap Agreement), the Swap Counterparty may transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event. If the Swap Counterparty is unable to transfer its rights and obligations under the Swap Agreement to another office, branch or affiliate, it will have the right to terminate the Swap Agreement. Upon such termination, the Issuer or the Swap Counterparty may be liable to make a termination payment to the other party.

If the Swap Counterparty posts any Swap Collateral pursuant to the terms of the Swap Agreement, such collateral will, prior to any early termination of the Interest Rate Swap, be utilised solely in returning collateral and making payments directly to the Swap Counterparty (and outside the Priority of Payments). Following an early termination of the Interest Rate Swap, any Swap Collateral or the liquidation proceeds thereof which is not returned to the Swap Counterparty as a termination payment and which is not intended to be utilised for a replacement swap shall constitute Available Revenue Funds.

If a replacement swap is entered into following an Event of Default or Termination Event (each as defined in the Swap Agreement), this may be on terms less favourable to the Issuer and therefore may mean that reduced amounts are available for distribution by the Issuer to the Secured Creditors (including, *inter alios*, the Noteholders and the VRR Lender). The Issuer may not be able to enter into a replacement interest rate swap with a replacement Swap Counterparty immediately or at a later date. If a replacement Swap Counterparty cannot be found, or during the period between the termination of the Interest Rate Swap and the entry of a replacement interest rate swap, the risk of a difference between the rate of interest to be received by the Issuer on the Fixed Rate Mortgage Loans in the Portfolio and the rate of interest payable by the Issuer on the Notes will not be hedged, and so the funds available to the Issuer to pay any interest on the Investor Notes and the VRR Loan may be insufficient if the interest revenues received by the Issuer on such Fixed Rate Mortgage Loans in the Portfolio are substantially lower than the rate of interest payable by it on the Notes and the VRR Loan. In these circumstances, the holders of Notes may experience delays and/or reductions in the interest payments to be received by them, and the Rated Notes may also be downgraded.

The fixed amounts payable by the Issuer under the Interest Rate Swap are not intended to be an exact match of the interest amounts that the Issuer receives in respect of the Fixed

Rate Mortgage Loans in the Portfolio. As such, there may be circumstances in which the fixed amounts payable by the Issuer under the Interest Rate Swap exceeds the amount that the Issuer receives in respect of the Fixed Rate Mortgage Loans in the Portfolio.

Any amount required to be paid by the Issuer in respect of an early termination of the Interest Rate Swap (including any extra costs incurred in entering into replacement interest rate swaps but other than any Interest Rate Swap Excluded Termination Amount) will rank prior to payments in respect of the Notes and the VRR Loan. This may adversely affect amounts available to pay interest on the Investor Notes and, following service of an Enforcement Notice on the Issuer (which has not been revoked), *inter alia*, interest and principal on the Notes and the VRR Loan.

No assurance can be given as to the ability of the Issuer to enter into a replacement swap transaction following an early termination of the Interest Rate Swap, or if one or more replacement transactions are entered into, as to the credit rating of the interest rate swap provider for the replacement transactions.

**Swap termination payments payable by the Issuer may adversely affect funds available to pay amounts due to the Noteholders**

The Swap Agreement provides that, upon the occurrence of certain events, the Interest Rate Swap may be terminated and a termination payment by either the Issuer or the Swap Counterparty may be payable, depending on, among other things, the cost of entering into a replacement transaction at the time. Any termination payment due by the Issuer (other than an Interest Rate Swap Excluded Termination Amount) will rank prior to payments in respect of the Notes. Depending on the circumstances prevailing at the time of termination (and, if applicable, the terms of any replacement swap transaction), any such termination payment could be substantial and may adversely affect the funds available to pay amounts due to the Noteholders.

Any additional amounts required to be paid by the Issuer following termination of the Interest Rate Swap (including any extra costs incurred in entering into replacement interest rate swaps) will also rank prior to payments in respect of the Notes. This may affect amounts available to pay interest on the Investor Notes and, following service of an Enforcement Notice on the Issuer, *inter alia*, interest and principal on the Notes.

No assurance can be given as to the ability of the Issuer to enter into one or more replacement transactions, or if one or more replacement transactions are entered into, as to the credit rating or creditworthiness of the interest rate swap counterparty for the replacement transactions which may not be sufficiently high to prevent a downgrade of any of the Rated Notes by the Credit Rating Agencies.

**Application of the BRRD to the Swap Counterparty may limit the rights of the Issuer to exercise its rights against the Swap Counterparty**

The Swap Counterparty is incorporated in France. Amongst other things, the BRRD provides for the introduction of a package of minimum early intervention and resolution-related tools and powers for relevant authorities (including a bail-in tool) and for special rules for cross-border groups. If resolution action is taken in respect of the Swap Counterparty, any termination amount payable by the Swap Counterparty under the Swap Agreement (after the application of any collateral previously provided by the Swap Counterparty) may be reduced by the application of the bail in tool described above. As

such, Noteholders should be aware that the terms of the Swap Agreement may limit the right of the Issuer to exercise its rights against the Swap Counterparty in certain circumstances, which could result in losses under the Swap Agreement and which could adversely affect the Issuer's ability to make payments on the Notes and the VRR Loan.

### **Insolvency of the Swap Counterparty**

In the event of the insolvency of the Swap Counterparty, the Issuer will be treated as a general creditor of the Swap Counterparty. Consequently, the Issuer will be subject to the credit risk of the Swap Counterparty. To mitigate this risk, under the terms of the Swap Agreement, in the event that the relevant ratings of the Swap Counterparty fail to meet the relevant required ratings, the Swap Counterparty will, in accordance with the terms of the Swap Agreement, be required to elect to take certain remedial measures within the applicable time frame stipulated in the Swap Agreement (at its own cost), which may include providing Swap Collateral for its obligations under the Swap Agreement, arranging for its obligations under the Swap Agreement to be transferred to an entity with the relevant required ratings, or procuring another entity with the required ratings to become guarantor in respect of its obligations under the Swap Agreement or taking such other action (which may include inaction) as would result in the Credit Rating Agencies maintaining the then current rating of the Rated Notes. However, no assurance can be given that, at the time that such actions are required, the Swap Counterparty will be able to provide collateral or that another entity with the required ratings will be available to become a replacement Swap Counterparty, co-obligor or guarantor or that the Swap Counterparty will be able to take the requisite other action.

Accordingly, if any of the Rated Notes remain outstanding in circumstances where the Swap Counterparty is insolvent and fails to make any payment to the Issuer (or take other remedial measures) as required under the Swap Agreement, the Issuer will be exposed to the variance between the interest rates payable on the Fixed Rate Mortgage Loans in the Portfolio and 3-month EURIBOR. Unless one or more comparable replacement swaps are entered into, the Issuer may have insufficient funds to make payments due on the Notes after that date.

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

### **A conflict between the interests of holders of different Classes of Notes and Secured Creditors could lead to decisions by the Security Trustee which may have an adverse effect on one or more Classes of Notes**

Circumstances may arise when the interests of the holders of different Classes of Notes or the holder of the VRR Loan could be in conflict. If, in the sole opinion of the Security Trustee there is a conflict between such interests, the Security Trustee shall in any such case have regard (except as expressly provided otherwise and at all times have regard to and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) to the interests of the holders of the Class of Notes ranking in priority to the other relevant Classes of Notes in the Pre-Enforcement Priority of Payments and, if all other Notes have been redeemed, the Class R Notes. Noteholders should further be aware that in case of a conflict of interest between the Secured Creditors, the ranking set out in the Post-Enforcement Priority of Payments determines which interest of which Secured Creditor prevails. Noteholders should be aware that the interest of Secured Creditors ranking higher in the Post-Enforcement Priority of Payments than the relevant Class of Notes shall prevail and

therefore there is a risk that actions of the Security Trustee (in conflicting circumstances having regard only to the interests of the Higher Ranking Class of Notes) may not be in the interest of a Noteholder (other than the holders of the Higher Ranking Class of Notes) and this may lead to losses under its Notes and/or (if it intends to sell such Notes) could have an adverse effect on (the value of) such Notes.

**A resolution adopted at a meeting of the holders of the Most Senior Class of Notes is binding on all Noteholders and a resolution adopted by a Noteholders' meeting of a relevant Class is binding on all Noteholders of that Class**

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind the VRR Lender and all Noteholders (including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the requisite majority for such vote) (subject to certain entrenched rights).

The Conditions also specify that any modification or waiver which affects a VRR Entrenched Right, a Class S Entrenched Right or a Class R Entrenched Right will require the consent of the VRR Lender, the Class S1 Noteholder and the Class S2 Noteholder or the Class R Noteholders respectively. There can be no assurance that the VRR Lender, the Class S1 Noteholder and the Class S2 Noteholder or the Class R Noteholders (as applicable) will provide consent to any such modification in a timely manner or at all. The VRR Lender, the Class S1 Noteholder and the Class S2 Noteholder and the Class R Noteholders may act solely in its own interest and it does not have any duties to any other Noteholders.

Noteholders and the VRR Lender are therefore exposed to the risk that changes are made to the Transaction Documents and the Conditions without their knowledge or consent or that consent for such changes is withheld by the VRR Lender, the Class S1 Noteholder and the Class S2 Noteholder, the Class R Noteholders or the Swap Counterparty. Such changes or the absence of consent thereof may have an adverse effect on them or that consent.

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

Pursuant to the terms of the Trust Agreement, the Security Trustee shall be obliged, without any consent or sanction of the Noteholders or VRR Lender, or, subject to the receipt of consent from any of the Secured Creditors party to the Transaction Document being modified, any of the other Secured Creditors, to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification, a VRR Entrenched Right, a Class S Entrenched Right, a Class R Entrenched Right or a Swap Counterparty Entrenched Right) to the Conditions and/or any other Transaction Document to which it is a party or in relation to which it holds security or enter into any new, supplemental or additional documents that the Issuer (in each case) considers necessary, in order to:

- (i) enable the Issuer and/or the Swap Counterparty to comply with any obligations which apply to it in relation to the Interest Rate Swap under (i) Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (as amended) (including, without limitation, any associated regulatory technical standards and



advice, guidance or recommendations from relevant supervisory regulators, the European Market Infrastructure Regulation or “**EU EMIR**”) and/or (ii) EU EMIR as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (“**UK EMIR**” and, together with EU EMIR, “**EMIR**”) (as applicable);

- (ii) enable the Issuer to comply with, or implement or reflect, any change in the criteria of one or more of the Credit Rating Agencies which may be applicable from time to time;
- (iii) enable the Issuer to comply with any changes in the requirements under (i) the EU Securitisation Regulation or (ii) the UK Securitisation Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards or binding technical standards in relation to the EU Securitisation Regulation or the UK Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto;
- (iv) enable the Notes (other than the Class R Notes) to be (or to remain) listed on Euronext Dublin;
- (v) enable the Issuer or any of the other transaction parties to comply with the Foreign Account Tax Compliance Act (“**FATCA**”);
- (vi) enable the Issuer to comply with any disclosure or reporting requirements under each of (i) the EU Securitisation Regulation and (ii) the UK Securitisation Regulation;
- (vii) enable the Issuer to change the screen rate or base rate in respect of the Notes to an alternative reference rate and make such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change, subject to certain certification and other requirements set out in the Trust Agreement (a “**Reference Rate Modification**”); and
- (viii) enable the Issuer to change (i) the benchmark rate that then applies in respect of the fixed-floating rate swap under any Swap Agreement to an alternative benchmark rate and (ii) any adjustment spread under any Swap Agreement (if required) in consequence of a Reference Rate Modification, subject to the prior consent of the Swap Counterparty and certain certification and other requirements set out in the Trust Agreement (a “**Swap Rate Modification**”),

(each a “**Proposed Amendment**”), and subject to receipt by the Security Trustee of a certificate issued by the Issuer signed by the Issuer Director certifying to the Security Trustee that such Proposed Amendment is necessary to comply with or, as the case may be, is solely to implement and reflect such requirement, and in each case has been drafted solely to that effect.

If Noteholders representing at least ten (10) per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer that they object to the Proposed Amendment, then such modification will not be made unless an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding (in the event that the objection is made by such Noteholders) is passed in favour of such modification in accordance with the Trust Agreement.

The Conditions specify that the Issuer may enter into new or amended agreements required to effect the appointment of a substitute servicer, as applicable, to act as Servicer of some or all of the Mortgage Loans, provided that the conditions to the appointment of a substitute or successor servicer set out in the relevant Servicing Agreement are satisfied.

The Conditions specify that certain categories of amendments (including changes to majorities required to pass resolutions or quorum requirements) would be classified as Basic Terms Modifications. Investors should note that a Basic Terms Modification is required to be sanctioned by an Extraordinary Resolution of the holders of the relevant affected Class or Classes of Notes then outstanding, unless the Security Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class or Classes of Notes then outstanding.

The Conditions also provide that the Security Trustee may agree, without the consent of the Noteholders, the VRR Lender or the other Secured Creditors (other than any Secured Creditors which are party to the relevant Transaction Document), to (a) any modification of, or the waiver or authorisation of any breach or proposed breach of, the Conditions or any of the Transaction Documents which is not, in the opinion of the Security Trustee, materially prejudicial to the interests of the Noteholders or (b) any modification which, in the opinion of the Security Trustee, is of a formal, minor or technical nature or to correct a manifest error (other than in respect of a Basic Terms Modification, the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights or the Swap Counterparty Entrenched Rights).

See Condition 13 (*Meetings of Noteholders, Modification, Waiver, Substitution and Alternative Reference Rate*).

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

### **Significant investor**

Significant concentrations of holdings of the Notes by one or more individual investors may occur. Any investor holding a material concentration may have a majority holding and therefore be able to pass, or hold a sufficient minority to block, certain Noteholder resolutions.

In addition, on the Closing Date, the Retention Holder will retain at least five (5) per cent. of each Class of Notes in the form of the VRR Loan in accordance with (i) the requirements of Article 6 of the EU Securitisation Regulation, (ii) the requirements of Article 6 of the UK Securitisation Regulation and (iii) the U.S. Credit Risk Retention Requirements.

Any investor holding the requisite portion or more of any Class of Notes will be able to constitute the quorum, and pass Ordinary Resolutions and Extraordinary Resolutions, at a meeting of Noteholders of that Class. The interests of any such Noteholder may conflict with the interests of any other Noteholder. Any such Noteholder may act in its own

commercial interests without notice to, and without regard to, the interest of any other Noteholder.

## 1.6 Risks relating to third parties and conflicts of interest

### Issuer reliance on third parties

The Issuer is also a party to contracts with a number of other third parties who have agreed to perform services in relation to the Issuer and/or the Notes and the VRR Loan. In particular, but without limitation, the Swap Counterparty has agreed to provide hedging to the Issuer pursuant to the Swap Agreement, the Issuer Director has agreed to provide certain corporate services to the Issuer pursuant to the Issuer Management Agreement, the Servicers have agreed to provide certain administration services in respect of the Portfolio pursuant to the Servicing Agreements, the Issuer Account Bank has agreed to provide the Issuer Accounts pursuant to the Issuer Account Agreement, the Account Agent has agreed to provide certain account agency services pursuant to the Issuer Account Agreement, the Back-Up Servicer Facilitator has agreed to provide certain services in the event that the appointment of a Servicer is terminated pursuant to the Servicing Agreements, the Issuer Administrator has agreed to provide certain administrative services pursuant to the Cash Management Agreement, the Cash Manager has agreed to provide cash management services pursuant to the Cash Management Agreement, and the Paying Agent and the Agent Bank have all agreed to provide services with respect to the Notes pursuant to the Paying Agency Agreement. In the event that any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party (including any failure arising from circumstances beyond their control and/or are removed or if such a party resigns without a sufficiently experienced substitute or any substitute being appointed in their place promptly thereafter, collections on the Portfolio and/or payments to Noteholders and the VRR Lender may be disrupted and Noteholders and/or the VRR Lender may be adversely affected.

Furthermore, as customary contractual protections (such as limitations on liability and exculpatory provisions are included in certain of the Transaction Documents for the benefit of such third party service providers, there are likely to be limited circumstances in which successful claims may be brought against any such third party in the case of any material default by such third party, and so amounts that are sufficient to compensate for any resulting loss are unlikely to be recovered and this may reduce amounts available to the Issuer to make payments of interest, principal and other amounts (as applicable) on the Notes and the VRR Loan.

### Certain material interests and potential for conflicts

Certain parties who are party to the Transaction Documents (each, a “**Transaction Party**”) and their respective affiliates are acting in a number of capacities in connection with the transaction described herein. For example, Citibank, N.A., London Branch is acting as Seller, VRR Lender and Cash Manager; Citibank Europe plc, Netherlands Branch is acting as Issuer Account Bank; and Citibank Europe plc is acting as Account Agent, Arranger and Lead Manager. Those Transaction Parties and any of their respective affiliates acting in such capacities will have only the duties and responsibilities expressly agreed to by each such entity in the relevant capacity and will not, by reason of it or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each such capacity. In no event shall such Transaction Party or any of their respective affiliates be

deemed to have any fiduciary obligations to any person by reason of their or any of their respective affiliates acting in any capacity.

In addition to the interests described in this Prospectus, the Arranger, the Lead Manager, the Retention Holder, the Seller and their respective related entities, associates, officer of employees (the “**Related Persons**”):

- (i) may from time to time be a Noteholder or have other interests with respect to the Notes and they may also have interests relating to other arrangements with respect to a Noteholder or a Note or any other Transaction Party;
- (ii) may receive (and will not have to account to any person for) fees, brokerage and commissions or other benefits and act as principal with respect to any dealing with respect to any Notes;
- (iii) may purchase all or some of the Notes and resell them in individually negotiated transactions with varying terms;
- (iv) may be or have been involved in a broad range of transactions including, without limitation, banking, lending, advisory, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Issuer or any other Transaction Party or any related entity, both on its own account and for the account of other persons;
- (v) may make investment recommendations and/or publish or express independent research views in respect of securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Prospective investors should be aware that:

- (a) each Related Person in the course of its business (including in respect of interests described above) may act independently of any other Related Person or Transaction Party;
- (b) to the maximum extent permitted by applicable law, the duties of each Related Person in respect of the Notes are limited to the relevant contractual obligations set out in the Transaction Documents (if any) and, in particular, no advisory or fiduciary duty is owed to any person. No Related Person shall have any obligation to account to the Issuer, any Transaction Party or any Noteholder for any profit as a result of any other business that it may conduct with either the Issuer or any Transaction Party;
- (c) a Related Person may have or come into possession of Relevant Information;
- (d) to the maximum extent permitted by applicable law no Related Person is under any obligation to disclose any Relevant Information to any other Related Person, to any Transaction Party or to any potential investor and this Prospectus and any subsequent conduct by a Related Person should not be construed as implying that such person is not in possession of such Relevant Information;

- (e) each Related Person may have various potential and actual conflicts of interest arising in the ordinary course of its businesses, including in respect of the interests described above, having previously engaged or in the future engaging in transactions with other parties, having multiple roles, making investments or holding securities for their own account or carrying out other transactions for third parties. For example, a Related Person's dealings with respect to a Note, the Issuer or a Transaction Party, may affect the value of a Note; and
- (f) the parties to the transaction may, pursuant to the Transaction Documents, 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 Issuer to perform its obligations in respect of the Notes and the VRR Loan.

Prior to the Closing Date, Citibank, N.A., London Branch previously provided and currently provides the financing and/or arrangement to each of DMS, Community and DNL for the provision of financing secured over, amongst other things, all of the Mortgage Receivables in the Portfolio ("**Warehouse Financings**"). Citibank, N.A., London Branch expects that such Warehouse Financings will be partially repaid on or about the Closing Date by each of DMS, Community and DNL using the proceeds of sale received by the Seller from the Issuer in respect of the Portfolio. In acting as a lender or an arranger of such Warehouse Financings, Citibank, N.A., London Branch and its affiliates will act in their commercial interests and will not be required to take into account the interests of the Noteholders or any other party.

These interests may conflict with the interests of a Noteholder and Noteholders may suffer loss as a result.

## 1.7 **Market and liquidity risks related to the Notes**

### **Absence of secondary market and lack of liquidity in the secondary market may adversely affect the market value of the Notes**

There is not, at present, any active and/or liquid secondary market for any Class of Notes. None of the Notes have been, or will be, registered under the Securities Act or any other applicable securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set out under Section 4.3 (*Subscription and Sale*). There can be no assurance that such market will develop or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity or that such liquidity will continue. A decrease in liquidity of the Notes may cause an increase in the volatility associated with the price of the Notes. Investors may not be able to sell their Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

The secondary market for mortgage-backed securities has experienced significant disruptions resulting from reduced investor demand for such securities. This has had a material adverse impact on the market value of mortgage-backed securities similar to the Notes and resulted in the secondary market for mortgage-backed securities experiencing very limited liquidity. These conditions may improve, continue or worsen in the future. Limited liquidity in the secondary market has had and may continue to have an adverse effect on the market value of mortgage-backed securities, especially those securities that

are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors.

In addition, potential investors in the Notes should be aware of the prevailing global credit market conditions (which continue at the date of this Prospectus), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. In particular, it should be noted that the market for the Notes is likely to be affected by any restructuring of sovereign debt by Member States of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended (the Eurozone). Such lack of liquidity may result in investors suffering losses on the Notes in secondary trades even if there is no decline in the performance of the portfolio. The Issuer cannot predict whether these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and investments similar to the Notes at that time.

Whilst central bank schemes such as the ECB liquidity scheme provide an important source of liquidity in respect of eligible securities, restrictions in respect of the relevant eligibility criteria for eligible collateral which apply and will apply in the future under such facilities are likely to adversely impact secondary market liquidity for mortgage-backed securities in general.

**The impact of the start, restart or potential termination of the ECB purchase programme and the PEPP may have an adverse impact on the secondary market value and liquidity of the Notes**

In September 2014, the ECB initiated an asset purchase programme (the “**APP**”) which commenced in March 2015 and encompassed the earlier executed asset-backed securities purchase programme and the covered bond purchase programme. On 16 December 2021 it was announced by the Governing Council of the ECB that in line with a step-by-step reduction in asset purchases under the APP and to ensure that the monetary policy stance remains consistent with inflation stabilising at its target over the medium term, the Governing Council decided on a monthly net purchase pace of €40 billion in the second quarter and €30 billion in the third quarter under the APP. From October 2022 onwards, the Governing Council will maintain net asset purchases under the APP at a monthly pace of €20 billion for as long as necessary to reinforce the accommodative impact of its policy rates. The Governing Council expects net purchases to end shortly before it starts raising the key ECB interest rates. The Governing Council also intends to continue reinvesting, in full, the principal payments from maturing securities purchased under the APP for an extended period of time past the date when it starts raising the key ECB interest rates and, in any case, for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation.

On 16 December 2021 it was also announced by the Governing Council of the ECB that in the first quarter of 2022, the Governing Council expects to conduct net asset purchases under the pandemic emergency purchase programme (“**PEPP**”) at a lower pace than in the previous quarter. It will discontinue net asset purchases under the PEPP at the end of March 2022.

The Governing Council decided to extend the reinvestment horizon for the PEPP. It now intends to reinvest the principal payments from maturing securities purchased under the PEPP until at least the end of 2024. In any case, the future roll-off of the PEPP portfolio will be managed to avoid interference with the appropriate monetary policy stance.

It remains uncertain which effect the APP and the PEPP will have on the volatility in the financial markets and the overall economy in the Eurozone and the wider European Union. The restart of the asset purchase programmes or their termination could have an adverse effect on the secondary market value and liquidity of the Notes. Prospective investors should be aware that they may suffer a loss if they intend to sell any of the Notes on the secondary market for such Notes as a result of the impact the restart or potential termination of the APP or PEPP, as applicable, may have on the secondary market value and liquidity of the Notes.

**Risk that negative interest rates on the Issuer Accounts results in the Issuer having insufficient funds to pay any amounts due under the Notes or the VRR Loan**

Pursuant to the Issuer Account Agreement the interest rate accruing on the balances standing to the credit of any of the Issuer Accounts could be less than zero, equal to or just above zero. Any negative interest will be payable by the Issuer to the Issuer Account Bank. If the Issuer has the obligation to pay interest accruing on the balances standing to the credit of any of the Issuer Accounts to the Issuer Account Bank instead of receiving interest thereon, this will reduce the income of the Issuer and its possibility to generate further income on the assets held in the form of cash in the Issuer Accounts. This risk increases if the amount deposited on the Issuer Accounts becomes (more) substantial. Ultimately such negative interest rate and/or an enduring obligation of the Issuer to make such payments in respect thereof to the Issuer Account Bank could result in the Issuer having insufficient funds to pay any amounts due under the Notes or the VRR Loan. This may lead to losses under the Notes.

**The absence of a listing of the Notes may lead to a decrease of the market value of the Notes**

Application has been made to Euronext Dublin for the Notes (other than the Class R Notes) to be admitted to listing on or about the Closing Date. Once admitted to trading on the Official List, there is a risk that the Notes (other than the Class R Notes) will no longer be listed and that, consequently, investors may not be able to sell their notes readily. The market value of the Notes (other than the Class R Notes) may therefore decrease. This could adversely affect a Noteholder's ability to sell the Notes (other than the Class R Notes) and/or the price an investor receives for such Notes (other than the Class R Notes) in the secondary market. As a result, prospective investors should be aware that they may not be able to sell or suffer a loss if they sell any of the Notes (other than the Class R Notes) on the secondary market for such Notes (other than the Class R Notes) and such Notes (other than the Class R Notes) are no longer listed.

**The performance of the Notes may be adversely affected by the conditions in the global financial markets (including, but not limited to, the UK's withdrawal from the EU ("Brexit") and the COVID-19 pandemic) and these conditions may not improve in the near future**

Global markets and economic conditions have been negatively impacted in recent years by the banking and sovereign debt crisis in the EU and comparable developments globally. In particular, concerns have been raised with respect to continuing economic, monetary and political conditions in the Eurozone comprised of the Member States of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended. Further, uncertainty exists surrounding the effect of Brexit to the EU which may cause increased economic volatility

and adverse market uncertainty. The deteriorating relationship between China and the United States may also enhance volatility in global markets.

In addition, the outbreak of COVID-19 (also known as the Coronavirus) and its global spread since February 2020 has created significant immediate challenges to global (capital) markets, financial institutions and businesses. Although the long-term magnitude of the economic shock cannot yet be quantified, it will likely dampen economic activity.

The market's reaction to Brexit, the COVID-19 pandemic and these (potential) impacts could adversely affect the business, financial condition and available liquidity of counterparties to the Issuer and their ability to perform the respective obligations under the relevant Transaction Documents. These factors and further general market conditions could adversely affect the liquidity and performance of the Notes. Furthermore, these factors could result in the Issuer having insufficient funds to fulfil its obligations under the Notes in full and as a result could adversely affect the performance of the Notes and lead to losses under the Notes. Noteholders should also be aware that these factors could have an adverse effect on the value of the Notes if they intend to sell such Notes.

**Ratings of the Rated Notes may be qualified, downgraded or withdrawn, which may lower the market value of the Rated Notes**

The expected ratings of the Rated Notes to be assigned on the Closing Date are set out under "*Credit Ratings*". A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency if, in its judgment, circumstances (including a reduction in the perceived creditworthiness of third parties, including a reduction in the credit rating of the Swap Counterparty, the Issuer Account Bank and the Swap Collateral Custody Account Bank (if appointed)) in the future so warrant. See also Section 1.6 (*Risks relating to third parties and conflicts of interest*).

At any time, any Credit Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Rated Notes may be withdrawn, lowered or qualified. A qualification, downgrade or withdrawal of any of the ratings mentioned above may adversely impact upon the value of the Notes. The Issuer has not requested that the Class S1 Note, the Class S2 Note or the Class R Notes be rated by the Credit Rating Agencies.

Except as described above, the Issuer has not requested a rating of any Class of Notes by any rating agency other than the Credit Rating Agencies; there can be no assurance, however, as to whether any other rating agency will rate any Class of Notes or, if it does, what rating would be assigned by such rating agency. Any rating assigned by such other rating agency to a Class of Notes could be lower than the rating assigned by the Credit Rating Agencies to such Class of Notes, and could have an adverse effect on the value of the Rated Notes. Rating agencies other than the Credit Rating Agencies could seek to rate the Rated Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the value of the Rated Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "**ratings**" or "**rating**" in this Prospectus is to the ratings assigned by the Credit Rating Agencies who rate the Most Senior Class of Notes as at the relevant time only. The ratings expected to be assigned to the Rated Notes by each Credit Rating Agency on the Closing Date, if obtained, will be provided on the basis that some, all or none of the Post-Closing Reserves will be utilised to purchase Post-Closing Mortgage Receivables on or prior to the Final Post-Closing Mortgage Receivables



Purchase Date. The expected ratings are based on the Provisional Mortgage Portfolio, which does not include the Post-Closing Mortgage Loans. If the characteristics of Post-Closing Mortgage Loans deviate from the Provisional Mortgage Portfolio, the expected ratings and definitive ratings might differ.

As highlighted above, the ratings assigned to the Rated Notes by each Credit Rating Agency will be based on, among other things, the issuer default rating and the short-term and/or long-term unsecured, unguaranteed and unsubordinated debt ratings (or, in relation to Moody's, the deposit rating or, as appropriate, counterparty rating) of the Issuer Account Bank, the Swap Collateral Custody Account Bank (if appointed) and the Swap Counterparty. In the event the Issuer Account Bank, Swap Collateral Custody Account Bank (if appointed) or Swap Counterparty is downgraded below the requisite ratings trigger, there can be no assurance that a replacement to the counterparty will be found which has the ratings required to maintain the then current ratings of the Rated Notes. If a replacement counterparty with the requisite ratings cannot be found, this is likely to have an adverse impact on the rating of the Rated Notes and, as a consequence, the resale price of the Rated Notes in the market and the *prima facie* eligibility of certain classes of the Rated Notes for use in liquidity schemes established by, *inter alios*, various central banks.

## 1.8 Legal, regulatory and taxation risks

### **Transfer of legal title to Mortgage Receivables – commingling risk *vis-à-vis* the Originators, the Original Sellers and the Seller**

On the Closing Date, Assignment II will take place and accordingly each Original Seller sells and will transfer legal title to the relevant Mortgage Receivables to the Seller. Upon completion of Assignment II and on the Closing Date, Assignment III will take place and accordingly the Seller sells and will transfer legal title to the Mortgage Receivables to the Issuer by way of undisclosed assignment (*stille cessie*). Each of the Assignment II and Assignment III will be effected by means of a deed of assignment in private form (*onderhandse akte*), without notification of each of the Assignment II and Assignment III to the Borrowers being required. Until notification to the Borrowers of Assignment I, the Borrowers under the Mortgage Loans can only validly pay (*bevrijdend betalen*) to the relevant Originator. Until notification to the Borrowers of Assignment II, the Borrowers under the Mortgage Loans can only validly pay to the relevant Original Seller. Until notification to the Borrowers of the Assignment III, the Borrowers under the Mortgage Loans can only validly pay to the Seller. Each of the Assignment II and Assignment III will only be notified to the Borrowers upon the occurrence of an Issuer Assignment Notification Event or certain events as set out in the Original Sellers Mortgage Receivables Purchase Agreements. Consequently, all payments by the Borrowers will be paid to and received by the relevant Originator or, following notification of the Assignment I, the relevant Original Seller or, following notification of the Assignment II, the Seller or, following notification of the Assignment III, the Issuer, unless the Security Trustee agrees otherwise.

Payments made by Borrowers to the Originators, the Original Sellers or the Seller prior to notification of the Assignment I, the Assignment II and/or the Assignment III will be part of the relevant Originator's, Original Seller's or the Seller's bankruptcy estate. In respect of these payments, the Issuer will be a creditor of the relevant estate (*boedelschuldeiser*) and will receive payment prior to (unsecured) creditors with ordinary claims, but after preferred creditors of the estate and after deduction of the general bankruptcy costs (*algemene faillissementskosten*), which may be material.

There is also a risk that any Originator, any Original Seller or the Seller (prior to notification of the relevant assignment) or its bankruptcy trustee (following bankruptcy or suspension of payments but prior to notification) instructs the Borrowers to pay to another bank account. Any such payments by a Borrower would be valid (*bevrijdend*).

The above mentioned risks are mitigated by the use of a collection foundation structure and/or related contractual arrangements as set out in the Receivables Proceeds Distribution Agreement as further described in Section 5.1 (*Available Funds – Cash Collection Arrangements*). It cannot be ruled out that any of these risks would nevertheless materialise, the Issuer may have insufficient funds available to fulfil its obligations under the Transaction Documents and/or the Notes. This may lead to losses under the Notes.

### **Risks related to the effectiveness of the rights of pledge to the Security Trustee in case of insolvency of the Issuer**

Under or pursuant to the Issuer Mortgage Receivables Pledge Agreement and the Issuer Rights Pledge Agreement, various Dutch law pledges are granted by the Issuer to the Security Trustee. A Dutch pledge can serve as security for monetary claims (*geldvorderingen*) only and can only be enforced upon default (*verzuim*) of the obligations secured thereby. Foreclosure on pledged property is to be carried out in accordance with the applicable provisions and limitations of the Dutch Civil Code and the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*).

Bankruptcy or suspension of payments involving the Issuer would affect the position of the Security Trustee as pledgee in some respects, which are, amongst others:

- (i) payments made by the Borrowers to the Issuer after notification of the Assignment III to the Issuer, but prior to notification of the pledge to the Security Trustee, and after bankruptcy or suspension of payments of the Issuer will form part of the bankruptcy estate of the Issuer, although the Security Trustee has the right to receive such amounts by preference after deduction of certain costs;
- (ii) a mandatory ‘cool-off’ period (*afkoelingsperiode*) of up to four (4) months may apply in the case of bankruptcy or suspension of payments, which, if applicable, would delay the exercise (*uitwinnen*) of the right of pledge on the Mortgage Receivables; and
- (iii) the Security Trustee may be obliged to enforce its right of pledge within a reasonable period as determined by the judge-commissioner (*rechter-commissaris*) appointed by the court in the case of bankruptcy of the Issuer.

To the extent that the Mortgage Receivables pledged by the Issuer to the Security Trustee contain a Construction Deposit there is a risk that the related receivable qualifies as a future right (i.e. assets that have not yet been acquired by the Issuer or that have not yet come into existence), in which event the right of pledge on such future receivable cannot be invoked against the estate of the Issuer, if such future receivable comes into existence after the Issuer has been declared bankrupt or has been granted a suspension of payments. The Issuer has been advised that, to the extent the Mortgage Receivables pledged to the Security Trustee under the Issuer Rights Pledge Agreement contain Construction Deposits, such assets may be regarded as future receivables. Also amounts paid to the Issuer Accounts following the Issuer's bankruptcy or suspension of payments qualify as future rights. Such amounts would not be available for distributions by the

Security Trustee to the Secured Creditors (including the Noteholders). This may result in losses under the Notes.

**The law applicable to the non-regulated rental market in the Netherlands is subject to change and this may lead to a decrease in the value of the Mortgaged Assets**

On 1 May 2021, the Dutch Rent Increase Cap for Liberalised Tenancy Agreements Act (*Wet maximering huurprijsverhogingen geliberaliseerde huurovereenkomsten*) entered into force. This new legislation, among other things, introduces a cap on annual rental increases under liberalised lease agreements (including both existing and future lease agreements).

On 6 July 2021, the Dutch Purchase Protection and Extension for Temporary Letting Act (*Wet opkoopbescherming en verruiming tijdelijke verhuur*) was approved by the Dutch Senate. This new legislation entered into force on 1 January 2022. In summary, this legislation allows Dutch municipalities to designate residential areas within their municipal area for purchase protection. This requires an amendment of the local housing ordinance (*huisvestingsverordening*). As a result, lower and middle priced residential properties (to be defined by the municipality) in such designated area(s) may not be rented out during four years after the date of registration in the public registers of the deed of transfer to the new owner relating to such residential properties, unless the municipality has granted the owner a permit to do so. Such permit will only be granted in specific circumstances, such as: (i) leasing out to first or second degree family, (ii) leasing out for a maximum of one year by residents who e.g. want to stay abroad for one year or (iii) leasing out of residential real estate that is inseparably linked to business premises (such as offices or shops). This new legislation does not apply to properties already rented out before 1 January 2022. A number of municipalities have already opted to make use of this new legislation or voiced an intention to do so in the near future.

The purchase protection will apply in addition to any other existing measures taken by (some) municipalities targeting the buy-to-let market, such as a duty to occupy (*zelfbewoningsverplichting*) or an anti-speculation clause (*anti-speculatiebeding*). For example, since July 2020, the municipality of Amsterdam has had a ban on leasing out (*verhuurverbod*) in place, which ban has since then been included in Amsterdam applicable leasehold conditions (*erfpachtvoorwaarden*) for new releases of leasehold land. Whereas purchase protection mainly applies to existing residential properties, an obligation to self-occupy and an anti-speculation clause generally apply to newly developed real estate. Such measures can often only be imposed by municipalities if they are in a position to impose certain obligations on the developer of the new building in question (for example, because municipal land is involved in the project). Such obligations can then be included in an anterior agreement (*anterieure overeenkomst*), a purchase agreement or, in the case of leasehold (*erfpacht*), in the leasehold conditions. Generally, anti-speculation clauses and self-occupancy obligations apply for a certain number of years and are linked to a qualitative obligation (*kwalitatieve verplichting*) and/or a perpetual clause (*kettingbeding*) subject to a penalty, in order to also bind any successive owners of the property to these obligations.

The legislation and measures mentioned above, might lead to a decrease of the value of certain properties in the non-regulated sector, such as the Mortgaged Assets securing the Mortgage Loans. This could ultimately lead to losses under the Notes.

**Risk that the mortgage rights on long lease cease to exist**

The mortgage rights securing the Mortgage Loans may be vested on a long lease (*erfpacht*), provided that the landowner is either a municipality or a building society (semi-governmental body), as further described in Section 6.2 (*Description of Mortgage Loans*).

A long lease will, *inter alia*, end as a result of expiration of the long lease term (in the case of a lease for a fixed period) or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease in the event the leaseholder has not paid the remuneration due for a period exceeding two consecutive years or seriously breaches (*in ernstige mate tekortschieten*) other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the mortgage right will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder on the landowner for such compensation. For the avoidance of doubt, the claim pledged in favour of the mortgagee may be less than the market value of the long lease, since the landowner may set off this claim with the unpaid leasehold instalments which have become due over the last two consecutive years. The amount of the compensation will, *inter alia*, be determined by the conditions of the long lease.

When granting a Mortgage Loan to be secured by a mortgage right on a long lease, each Originator will take into consideration the conditions, including the term, of the long lease. The acceptance conditions used by each Originator provide that the Mortgage Loan may not have a maturity that is longer than the term of the long lease, except if in the long lease agreement an unconditional renewal of the long lease is mentioned or is entered into with municipalities or other semi-public authorities. The general terms and conditions of the Mortgage Loans provide that the Mortgage Loan becomes immediately due and payable in the event that, *inter alia*: (i) the leaseholder has not paid the remuneration for the long lease; (ii) the conditions of the long lease are changed; (iii) the leaseholder breaches any obligation under the long lease; (iv) the long lease is dissolved or terminated; or (v) the Borrower is no longer allowed or in the position to use the land. In such events there is a risk that the Issuer will upon enforcement receive less than the market value of the long lease, which could lead to losses under the Notes.

### **Risks relating to the creation of rights of pledge on the basis of the Parallel Debt**

It is generally assumed that under Dutch law a right of pledge cannot be validly created in favour of a person who is not the creditor of the claim that the right of pledge purports to secure. The Parallel Debt is included in the Parallel Debt Agreement to address this issue. It is noted that there is no statutory law or case law available on the validity or enforceability of a parallel covenant such as the Parallel Debt or the security provided for such debts.

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

### **Risk that interest rate reset rights will not follow Mortgage Receivables**

Most of the Mortgage Loans initially carry a fixed rate of interest, and a limited number of Mortgage Loans initially carry a floating rate of interest. The interest rate of the Mortgage Loans that initially carry a fixed interest rate automatically switches to a floating interest rate after the end of the first fixed interest rate period unless the relevant Originator and the relevant Borrower agree to a new fixed interest rate applicable at that time for the

chosen fixed rate period, in which case the current Mortgage Loan will be settled and a new Mortgage Loan will need to be granted. A good argument can be made that the right to reset interest rates should be considered as an ancillary right and follows the Mortgage Receivables upon their assignment to the Original Sellers, the Seller and the Issuer and the pledge to the Security Trustee, but in the absence of case law, this is not certain, although in a recent Supreme Court judgment the court appears to assume that this is the case.

In the case of the bankruptcy or (preliminary) suspension of payments of the relevant Originator, the co-operation of the bankruptcy trustee or the administrator would be required to reset the interest rates. There can be no assurance that such co-operation would be forthcoming.

If the bankruptcy trustee or administrator does not co-operate with the resetting of the interest rates, or sets the interest rates applicable to the Mortgage Loans at a relatively high or low levels this may result in a higher or lower rate of prepayments, higher or lower defaults by the Borrowers and otherwise influence the performance of the Mortgage Receivables, which could in turn lead to less income available to the Issuer and ultimately to losses on the Notes.

### **Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes**

Certain investors may be subject to prudential regulation imposing capital or liquidity requirements, and their holding in the Notes may be subject to, or be associated with, a capital or liquidity requirement. The Notes might also amount to liquid assets for the purposes of liquidity regulation. As it is highly likely that EU and UK prudential and liquidity regulation will change in the future, any capital or liquidity requirement to which the Notes are subject or are associated with, or the Notes' eligibility as liquid assets, may be affected. This may in turn affect the value and/or liquidity of the Notes.

Banks and nearly all investment firms are currently subject to prudential regulation which originates with standards developed by the Basel Committee on Banking Supervision (the "**Basel Committee**"). The Basel Committee approved significant changes to the Basel II regulatory capital and liquidity framework (such changes being commonly referred to as "**Basel III**"). In particular, Basel III provides for a substantial strengthening of existing prudential rules, including requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards for credit institutions.

The Basel III reforms have been implemented in the European Economic Area ("**EEA**") through the CRR (which entered into force on 28 June 2013) and the Capital Requirements Directive (which was required to be transposed by Member States by 31 December 2013) (together "**CRD IV**"). CRD IV became effective in the UK and the EU member states on 1 January 2014. The regulation establishes a single set of harmonised prudential rules which apply directly to all credit institutions and investment firms in the EEA, with the directive containing less prescriptive provisions which are required to be transposed into national law. Full implementation began from 1 January 2014, with particular elements being phased in over a period of time (the requirements became largely effective by 2019, although some minor transitional provisions provide for phase-in until 2024).

In December 2017, the Basel Committee issued its document “Basel III: Finalising post-crisis reforms”, although the Basel standards continue to evolve.

In 2019, the banking reform package was published in the EU Official Journal. This contained, among a new regulation, Regulation (EU) 2019/876 (“**CRR2**”), which amends the CRR and a new directive, Directive 2019/878 (“**CRD V**”), which amends CRD IV. Among other things, CRR2, will introduce measures introducing the net stable funding requirements, as provided for in Article 510(3) of the CRR. The measures introduced by CRR2 and CRD V will be implemented and some transitional or grandfathering provisions will continue to apply, until 2024. Meanwhile, the EU has adopted a new prudential regime for non-systemic investment firms called the Investment Firm Directive and Investment Firm Regulation (the “**IFD/IFR**”). The IFD/IFR moves away from Basel III and may result in significant changes in prudential regulation for some investment firms. The IFD/IFR regime commenced on 26 June 2021 subject to extensive transitional arrangements. Therefore, it can be expected that laws and regulations relating to capital requirements and related prudential regulatory matters will continue to develop.

As CRD IV (including as amended by CRD V), and the forthcoming investment firm regime, allows certain national discretions, the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation.

The Basel Committee has also published revisions to the securitisation framework, including changes to the approaches to calculating risk weights and a new risk weight floor of 10 per cent. for senior tranches and 15 per cent. for non-senior tranches. Further amendments to the CRR were introduced by the EU Securitisation Regulation and the accompanying Regulation 2017/2401.

In the UK, on 19 December 2019, the Government also announced its intention to bring forward a Financial Services Bill in order to deliver a number of existing government commitments following the UK's exit from the EU. In a written statement to Parliament on 23 June 2020, the UK government confirmed its intention to introduce an Investment Firms Prudential Regime (“**IFPR**”) and updated rules for credit institutions in line with the intended outcomes of the EU's IFD/IFR, and the CRR2 respectively. The relevant regulatory powers required in order to implement the IFPR are contained in the Financial Services Act 2021. The IFPR entered into force on 1 January 2022.

As of 31 December 2020, the UK is no longer be subject to EU law or a part of the EU single market. As a result, UK regulation may become more divergent from EU regulation and this may have an impact on the treatment of the Notes. The UK will continue to implement the Basel frameworks and/or any of the changes put forward by the Basel Committee.

The changes under CRD and CRR, Basel, and investment firm regimes as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Notes.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences for and effect on them of any changes to the Basel framework (including the changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Most insurers and reinsurers in the EU are subject to prudential regulation set out in national implementations of the Solvency II Directive (2009/138/EU) and in the Solvency II Delegated Act (Delegated Regulation (EU) 2015/35). The Solvency II Directive was implemented in the UK before the end of the Implementation Period. At the end of the Implementation Period, the UK laws and regulatory rules implementing the Solvency II Directive were preserved in UK law and the Solvency II Delegated Act (as it had effect immediately before the end of the Implementation Period) became part of UK law, and were amended to remove any deficiencies which would prevent them operating in a UK context. The Solvency II regime is under review in both the EU and UK, and future amendments to the regime might result in different capital or liquidity treatment for the Notes.

**Risks relating to benchmarks and future discontinuance of benchmarks may adversely affect the value of Notes which reference a benchmark and may impact the interest rates on Mortgage Loans bearing a floating interest rate referencing a benchmark**

EURIBOR and other interest rates or other types of rates and indices which are deemed to be “benchmarks” pursuant to the Benchmarks Regulation are the subject of ongoing regulatory reform. Some of these reforms are already effective such as the Benchmarks Regulation, whilst others are still to be implemented. Further to these reforms, a transitioning away from the IBORs to ‘risk-free rates’ is expected.

In March 2017, EMMI published a position paper setting out the legal grounds for certain proposed reforms to EURIBOR. The proposed reforms seek to clarify the EURIBOR specification, to align the current methodology with the Benchmarks Regulation, the IOSCO Principles (i.e. nineteen principles which are to apply to benchmarks used in financial markets as published by the Board of the International Organisation of Securities Commissions in July 2013) and other regulatory recommendations and to adapt the methodology to better reflect current market conditions. EMMI has since launched the hybrid methodology for EURIBOR and has transitioned panel banks from the current EURIBOR methodology to the hybrid methodology. EMMI has been authorised as administrator for EURIBOR for the purposes of the Benchmarks Regulation as of 2 July 2019. As at the date of this Prospectus, EMMI appears in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

These reforms and other pressures (including from regulatory authorities) may cause one or more benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted. Moreover, any significant change to the setting or existence of EURIBOR or any other relevant benchmark could affect the ability of the Issuer to meet its obligations under the Notes and could have a material adverse effect on the value or liquidity of, and amounts payable under, the Notes.

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a “risk free overnight rate” which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate (“€STR”) as the new risk-free rate for the euro area. The €STR

was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the Benchmark Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The use of risk-free rates - including those such as €STR, as reference rates for bonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted. The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to the Notes.

Investors should be aware that, if EURIBOR or any other benchmark were discontinued or otherwise unavailable, the rate of interest on the Notes which reference any such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes. Any such fall-back provisions and the services of the provider of an alternative benchmark, must meet the requirements laid down in the Benchmarks Regulation. If the Agent Bank, the Issuer or a third party appointed by the Issuer is unable to determine EURIBOR in accordance with the fall-back provisions in relation to the relevant Interest Period, EURIBOR applicable to such Interest Period will be EURIBOR last determined in relation thereto, until EURIBOR can be determined again on a subsequent Interest Determination Date. This mechanism is not suitable for determining the interest rate payable on the relevant Notes on a long-term basis. In the event that EURIBOR is disrupted or permanently discontinued or another Benchmark Event has occurred, the Issuer will, as soon as reasonably practicable (and in any event prior to the next relevant Interest Determination Date) appoint a Rate Determination Agent which shall determine (acting in good faith and in a commercially reasonable manner) whether a substitute or successor rate, as well as any necessary changes to the business day convention, the definition of business day, the interest determination date, the day count fraction and any method for calculating the Alternative Reference Rate, including any Adjustment Spread or other adjustment factor is needed to make such Alternative Reference Rate comparable to the relevant Reference Rate. However, there is no guarantee that such an Adjustment Spread or other adjustment factor will be determined or applied or that the application of any such factor will either reduce or eliminate economic prejudice to Noteholders.

The use of the Alternative Reference Rate may result in the Notes that referenced the Reference Rate performing differently (including potentially paying a lower interest rate) than they would do if the Reference Rate were to continue to apply in its current form. Furthermore, the terms and conditions of the Notes may be amended by the Issuer, as necessary to ensure the proper operation of the Alternative Reference Rate, without any requirement for consent or approval of the Noteholders.

The Rate Determination Agent may be considered an 'administrator' under the Benchmarks Regulation. This is the case if it is considered to be in control over the provision of the Alternative Reference Rate and/or the determined rate of interest on the basis of the Alternative Reference Rate and any adjustments made thereto by the Rate Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario. This would mean that the Rate Determination Agent: (i) administers the arrangements for determining such rate; (ii) collects, analyses or processes input data for the purposes of determining such rate; and (iii) determines such rate through the application of a method of calculation or by an assessment of input data for that purpose. Furthermore, for the Rate Determination Agent to be considered an



‘administrator’ under the Benchmarks Regulation, the Alternative Reference Rate and/or the determined rate of interest on the basis of the Alternative Reference Rate and any adjustments made thereto by the Rate Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario should be a benchmark (index) within the meaning of the Benchmarks Regulation. This may be the case if the Alternative Reference Rate and/or the determined rate of interest on the basis of the Alternative Reference Rate and any adjustments made thereto by the Rate Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario, is published or made available to the public and regularly determined by the application of a method of calculation or by an assessment, and on the basis of certain values or surveys.

The Benchmarks Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorised, recognised or endorsed, as applicable, in accordance with the Benchmarks Regulation. There is a risk that administrators (which may include the Rate Determination Agent in the circumstances as described above) of certain benchmarks will fail to obtain such registration, authorisation, recognition or endorsement, preventing them from continuing to provide such benchmarks or may otherwise choose to discontinue or no longer provide such benchmark. In such case, this may affect the possibility for the Issuer to apply the fall-back provision of Condition 13(c)(II)(G) (*Alternative Reference Rate*) meaning that the applicable benchmark will remain unchanged (but subject to the other provisions of Condition 4 (*Interest*)).

The Alternative Reference Rate will (in the absence of manifest error) be final and binding and will apply to the relevant Notes without any requirement that the Issuer or the Security Trustee obtains consent of any Noteholders. If the Rate Determination Agent is unable to or otherwise does not determine an Alternative Reference Rate under Condition 13(c)(II)(G) (*Alternative Reference Rate*), this could result in the effective application of a fixed interest rate to what was previously a Note to which a floating rate of interest was applicable, which fixed interest rate is based on the rate which applied in the previous period when the relevant Reference Rate was available.

In addition, due to the uncertainty concerning the availability of successor rates and substitute reference rates and the involvement of a Rate Determination Agent, the relevant fall-back provisions may not operate as intended at the relevant time. In addition, the Alternative Reference Rate may perform differently from the discontinued benchmark. This could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes.

Additionally, it should be noted that, under the terms of the Swap Agreement, the Interest Rate Swap may be terminated early at the election of the Swap Counterparty if, following a Benchmark Event, (i) the Issuer has proposed a Reference Rate Modification and Swap Rate Modification and the requisite numbers of Noteholders have not objected to such Reference Rate Modification in accordance with the Conditions within the relevant notification period but at such time the Swap Counterparty has not provided its written consent to the proposed Swap Rate Modification within the time period specified by the Issuer (or the Servicer on its behalf); (ii) a Reference Rate Modification occurs and the Swap Counterparty and the Issuer have not agreed to a Swap Rate Modification within five business days (or such longer period as the Swap Counterparty and the Issuer may agree);

or (iii) the floating rate in respect of the Interest Rate Swap is no longer available and the Issuer has not proposed any Swap Rate Modification.

Accordingly, there is a risk that, following a Benchmark Event, the Interest Rate Swap may be terminated early and in such circumstances the Issuer's obligations under the Notes would be unhedged. This could adversely impact the Issuer's ability to perform its obligations under the Notes and / or adversely impact the value of the Notes.

Furthermore, part of the Mortgage Loans may bear a floating rate of interest (i.e. a rate of interest which may be reset each three months) referencing EURIBOR. The benchmark reforms discussed in this risk factor may affect the interest due on these Mortgage Loans. If the interest payable on these Mortgage Loans decreases as a result of changes brought by these reforms and if the Alternative Reference Rate used instead of EURIBOR in respect of the Notes does not decrease, or not decrease to the same extent, this may result in a mismatch between the interest rate received under such Mortgage Loans and the interest payable under the Notes which may affect the ability of the Issuer to perform its obligations under the Notes.

**Change of law may adversely affect the compliance of the transaction with applicable law and regulation**

The structure of the transaction and, *inter alia*, the issue of the Notes and the providing of the VRR Loan and the ratings which may be assigned to the Rated Notes are based on the law and administrative practice in effect as at the date of this Prospectus as it affects the parties to the transaction and the Portfolio, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to such law (including any change in regulation which may occur without a change in primary legislation) and practice or tax treatment after the date of this Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes and the VRR Loan. In addition, other regulatory requirements (including any applicable due diligence and disclosure obligations) may be recast or amended and no assurance can be given that such changes will not adversely affect the compliance of the transaction with applicable law and regulation.

**Securitisation Regulation regimes apply to the Notes and non-compliance with these regimes may have an adverse impact on the regulatory treatment of Notes and/or decrease liquidity of the Notes**

Various parties to the securitisation transaction described in this Prospectus are subject to the requirements of the EU Securitisation Regulation. However, there is at present some uncertainty in relation to some of these requirements as some legislative measures necessary for the full implementation of the EU Securitisation Regulation have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions. In addition, further amendments are expected to be introduced to the EU Securitisation Regulation regime as a result of its wider review on which the European Commission is required to report by 1 January 2022, which review may be accompanied by further legislative proposals.

The EU Securitisation Regulation includes risk retention and transparency requirements (imposed variously on the issuer, originator, sponsor and/or original lender of a securitisation). The Issuer is required to comply with periodic reporting requirements

pursuant to Article 7 of the EU Securitisation Regulation. For the purposes of Article 7(2) of the EU Securitisation Regulation, the Issuer and the Seller agree that the Issuer is designated as the “Reporting Entity” to fulfil the Retention and Transparency Requirements. The Issuer will appoint the Servicers, the Issuer Administrator and the Cash Manager, pursuant to the Servicing Agreements and the Cash Management Agreement, respectively, to provide certain services to assist it with its reporting obligations.

Certain European-regulated institutional investors, including credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities (UCITs) and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under Article 5 of the EU Securitisation Regulation with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position.

Following the Implementation Period, the EU Securitisation Regulation forms part of the domestic law of the United Kingdom pursuant to section 3 of the EUWA, and as amended by the UK Securitisation Exit Regulations, including the Securitisation Rules applicable from time to time in the UK. UK-regulated investors are subject to the requirements of the UK Securitisation Regulation. Therefore, various parties to the securitisation transaction described in this Prospectus have agreed to comply with the requirements of the UK Securitisation Regulation.

The UK Securitisation Regulation also includes risk retention and transparency requirements (imposed variously on the issuer, originator, sponsor and/or original lender of a securitisation) and due diligence requirements imposed on certain UK-regulated institutional investors in a securitisation although there are some divergences in the UK Securitisation Regulation aimed at ensuring that the rules work in the UK. The Issuer will comply with periodic reporting requirements pursuant to Article 7 of the UK Securitisation Regulation in the same manner as it complies with Article 7 of the EU Securitisation Regulation, as described above.

It is worth noting that the UK Securitisation Regulation defines “institutional investor” to include CRR firms as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013 as it forms part of domestic law in the United Kingdom by virtue of the EUWA, certain alternative investment fund managers which market or manage alternative investment funds in the UK, UK regulated insurers or reinsurers, certain management companies as defined in section 237(2) of FSMA, UCITS as defined by section 236A of FSMA which is an authorised open ended investment company as defined in section 237(3) of FSMA and occupational pension schemes as defined in section 1(1) of the Pension Schemes Act 1993, each of which will be required to comply with due diligence requirements of Article 5 of the UK Securitisation Regulation prior to holding a securitisation position and on an ongoing basis.

Among other things, prior to holding a securitisation position, European-regulated and UK-regulated institutional investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements. If the relevant UK-regulated or European-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund

investors. Aspects of the requirements of the EU Securitisation Regulation, in the case of European-regulated investors, and of the UK Securitisation Regulation, in the case of UK-regulated investors, and what is or will be required to demonstrate compliance to national regulators remain unclear. Prospective investors should therefore make themselves aware of requirements applicable to them and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements under the EU Securitisation Regulation, in the case of European-regulated investors, and of the UK Securitisation Regulation, in the case of UK-regulated investors. See further Section 4.4 (*Regulatory and Industry Compliance – EU Securitisation Regulation and UK Securitisation Regulation*).

### **Risk of failure to comply with EU and UK Risk Retention Requirements**

As discussed in detail in Section 4.4 (*Regulatory and Industry Compliance – EU and UK Risk Retention Requirements*), Citibank, N.A., London Branch, as originator, will retain a material net economic interest of not less than five (5) per cent. in the securitisation in accordance with the text of Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and, in the context of the EU Securitisation Regulation, not taking into account any relevant national measures). Failure to comply with one or more of these requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge. It may also negatively impact the price and liquidity of the Notes in the secondary market.

### **Risk of the transaction not being considered a Simple, Transparent and Standardised Securitisation**

Each of the Securitisation Regulations make provisions for a securitisation transaction to be designated as a simple, transparent and standardised transaction (an “**STS Securitisation**”). The securitisation transaction disclosed in this Prospectus does not qualify as an STS Securitisation. Investors should therefore consider the consequence from a regulatory perspective of the Notes not being considered an STS Securitisation, including (but not limited to) that the lack of such designation may negatively affect the regulatory position of, and the capital charges on, the Notes and, in addition, may have a negative effect on the price and liquidity of the Notes in the secondary market.

### **Risk of failure to comply with U.S. Risk Retention Requirements**

As discussed in detail in Section 4.4 (*Regulatory and Industry Compliance – U.S. risk retention Requirements*), this securitisation transaction will be subject to the U.S. Credit Risk Retention Requirements. The U.S. Credit Risk Retention Requirements generally require the “sponsor” of a “securitisation transaction” to retain not less than five (5) per cent. of the credit risk of the assets collateralising the issuance of “asset-backed securities” and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. The Retention Holder, as “sponsor” for purposes of the U.S. Risk Retention Requirements, intends to satisfy the U.S. Credit Risk Retention Requirements by acquiring and retaining (directly or through a majority-owned affiliate) on the Closing Date a “single vertical security” (as defined in U.S. Regulation RR) that is an “eligible vertical interest” (as defined in U.S. Regulation RR) in the Issuer, in the form of the VRR Loan. The VRR Loan will represent at least five (5) per cent. of all “ABS interests” (as defined in U.S. Regulation RR) in the Issuer and will entitle the Retention Holder to a specified percentage of the

amounts paid on each other class of ABS interests issued by the Issuer. If the Retention Holder fails to retain credit risk in accordance with the U.S. Credit Risk Retention Requirements, the value and liquidity of the Notes may be adversely impacted.

### **Risks relating to U.S. Volcker Rule**

The Issuer has been structured so as not to constitute a “covered fund” for purposes of the Volcker Rule and its implementing regulations. If the Issuer is determined to be a “covered fund”, the liquidity of the market for the Notes may be materially and adversely affected, since banking entities could be prohibited from, or face restrictions in, investing in the Notes. See Section 4.4 (*Regulatory and Industry Compliance – Volcker Rule*) for more detail.

### **Impact of recent derivative reforms on the Interest Rate Swap**

The Issuer has entered into the Interest Rate Swap in connection with the Notes. In this regard, it should be noted that the derivatives markets are subject to extensive regulation in a number of jurisdictions, including in Europe pursuant to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (“**EU EMIR**”) and/or EU EMIR as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (“**UK EMIR**”, and, together with EU EMIR, “**EMIR**”) and in the U.S. under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “**Dodd-Frank Act**”), each as amended from time to time.

It is possible that such regulation, particularly if it is modified or extended, will increase the costs of and restrict participation in the derivatives markets, thereby increasing the costs of engaging in hedging or other transactions and reducing liquidity and the use of the derivatives markets. If applicable in the context of the Swap Agreement, such additional requirements, corresponding increased costs and/or related limitations on the ability of the Issuer to hedge certain risks may reduce amounts available to the Issuer to meet its obligations and may result in the Noteholders receiving less interest or principal than expected.

### **Impact of EMIR on the Interest Rate Swap**

EU EMIR (as amended from time to time, including by Regulation (EU) No 2019/834 (“**EMIR Refit 2.1**”)) prescribes a number of regulatory requirements for counterparties to derivatives contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the “**Clearing Obligation**”); (ii) collateral exchange, daily valuation and other risk mitigation requirements for OTC derivatives contracts not subject to clearing (the “**Risk Mitigation Requirements**”); and (iii) certain reporting requirements. The application of such regulatory requirements in respect of the Interest Rate Swap will depend on the classification of the Issuer and the Swap Counterparty for the purposes of EU EMIR.

Pursuant to EU EMIR, counterparties can be classified as: (i) financial counterparties (“**FCs**” (which, following changes made by EU EMIR Refit 2.1, includes a sub-category of small FC (“**SFCs**”), and (ii) non-financial counterparties (“**NFCs**”). The category of NFC is further split into: (i) non-financial counterparties above the “clearing threshold” (“**NFC+s**”), and (ii) non-financial counterparties below the “clearing threshold” (“**NFC-**”). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the

relevant swaps are not subject to clearing, to the collateral exchange obligation and the daily valuation obligation under the Risk Mitigation Requirements, such obligations do not apply in respect of NFC- entities.

The Issuer is currently an NFC-, although a change in its position cannot be ruled out. Should the status of the Issuer change to NFC+ or FC, this may result in the application of the Clearing Obligation or the collateral exchange obligation and daily valuation obligation under the Risk Mitigation Requirements.

Prospective investors should note that the Issuer may not be able to comply with the Clearing Obligations and the collateral exchange obligation were they to be applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to the Swap Agreement (possibly resulting in a restructuring or termination of the Interest Rate Swap) or to enter into Swap Agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge certain risks. As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors receiving less interest or principal than expected.

The Issuer will be required to continually comply with EU EMIR while it is party to any derivatives transactions, including the Interest Rate Swap, including any additional provisions or technical standards which may come into force or become applicable after the Closing Date, and this may necessitate amendments to the Transaction Documents and/or the entry into further agreements. Subject to receipt by the Security Trustee of a certificate from the Issuer certifying to the Security Trustee that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer and/or the Swap Counterparty to comply with any requirements under EU EMIR, the Security Trustee shall be obliged, without any consent or sanction of the Noteholders to concur with the Issuer, in making any modification (other than in respect of a Basic Terms Modification, the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights or the Swap Counterparty Entrenched Rights), to concur with the Issuer in entering into any further agreements and/or making any modification to the Conditions or any other Transaction Document to the Security Trustee is a party in order to enable the Issuer to comply with any requirements which apply to it under EU EMIR, subject to the provisions described more fully in Condition 13(b) (*Quorum*).

It is possible that the Issuer may become subject to regulatory requirements under UK EMIR (or any other similar regulation) in case the Swap Counterparty transfers its rights and obligations under the Swap Agreement (in accordance with its terms) to any permitted transferee that is subject to such regulation. If applicable, such requirements may place additional obligations on the Issuer which may impact its ability to perform its obligations under the Notes.

### **Financial transaction tax (“FTT”)**

On 14 February 2013, the European Commission has published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Austria, Belgium, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the “**participating Member States**”), and Estonia. However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of the Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including: (a) by transacting with a person established in a participating Member State; or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on their dealings in the Notes before investing.

#### **In certain circumstances, the Issuer and the Noteholders may be subject to U.S. withholding tax under FATCA**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and potentially a thirty (30) per cent. withholding tax with respect to certain payments to: (i) any non-U.S. financial institution (a "**foreign financial institution**" or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA; and (ii) any investor (including individuals and entities) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the Issuer (a "**Recalcitrant Holder**"). Based on its activities, the Issuer meets the definition of an FFI.

The new withholding regime is now in effect for payments from sources within the United States and will apply to foreign passthru payments (a term not yet defined) if such payments are made after the date on which the final regulations defining the term "foreign passthru payments" are filed with the federal register.

The United States and the Netherlands have signed an intergovernmental agreement to facilitate the implementation of FATCA (a "**U.S.-Netherlands IGA**"). Pursuant to the U.S.-Netherlands IGA, a Netherlands FFI that is treated as a "Reporting FI" is not subject to withholding under FATCA on any payments it receives and is not required to withhold under FATCA from payments it makes. However, a Reporting FI is required to report to the Netherlands tax authorities certain information in respect of its account holders and investors (including individuals and entities), which enables the Netherlands tax authorities to automatically exchange information regarding accountholders that qualify as U.S. persons with the United States according to the terms of the U.S.-Netherlands IGA.

Under the U.S.-Netherlands IGA, the Issuer expects to be treated as a Reporting FI and has to register as such with the IRS and does not anticipate that it will be obliged to deduct

FATCA Withholding from payments on the Notes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it will in the future not be required to deduct FATCA Withholding from payments it makes, i.e., the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if: (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA; or (ii) an investor is a Recalcitrant Holder.

While the Notes are in global form and held within Euroclear and Clearstream, Luxembourg (the “**ICSDs**”), it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, the Paying Agent or the common depositary, given that each of the entities in the payment chain between the Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Notes will only be printed in limited circumstances.

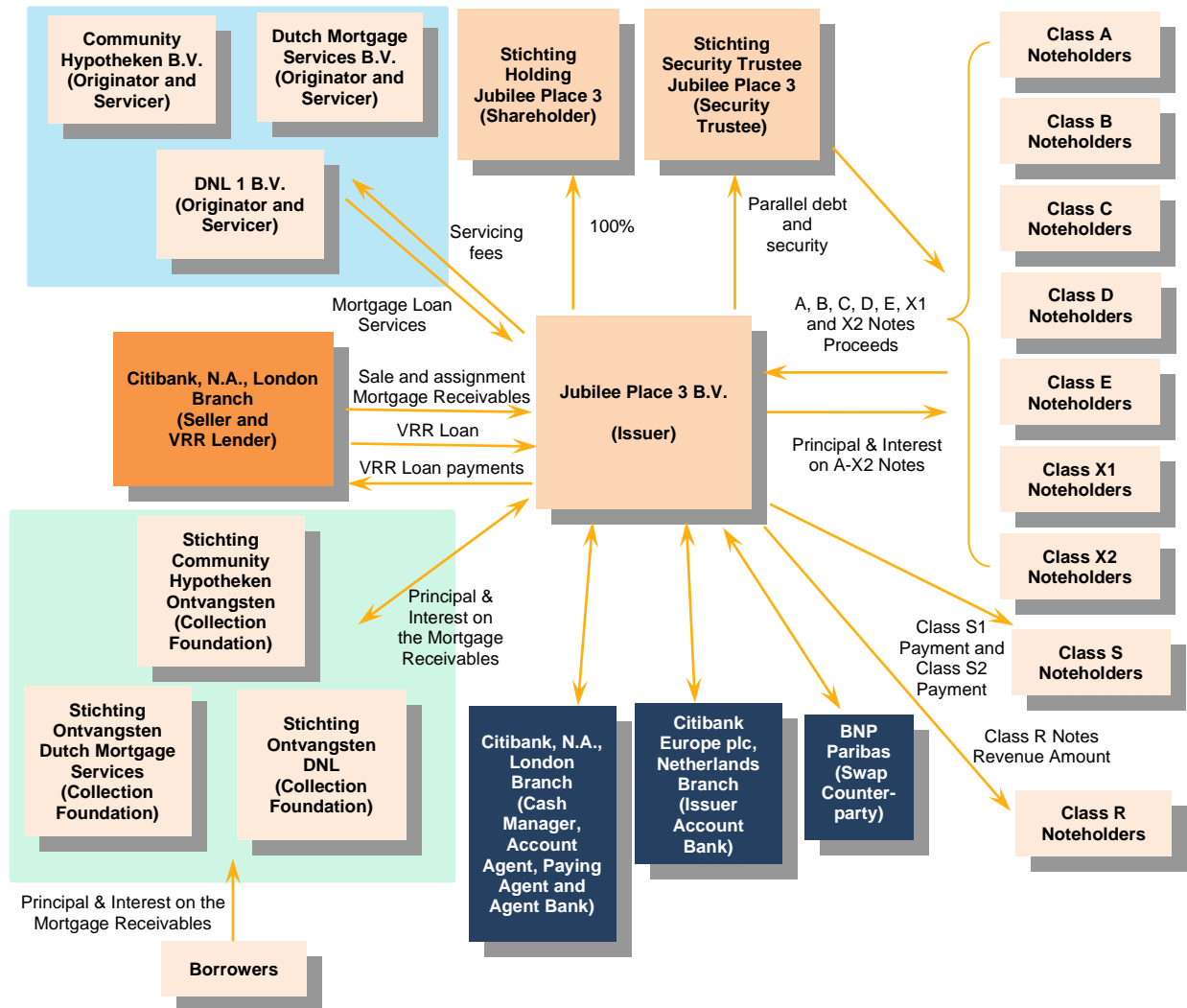
If an amount in respect of FATCA Withholding were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Notes, neither the Issuer nor the Paying Agent nor any other person is, pursuant to the conditions of the Notes, required to pay additional amounts as a result of such deduction or withholding.

**FATCA is particularly complex and its application is not fully certain at this time. The above description is based in part on regulations, official guidance and the U.S.-Netherlands IGA, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.**



## 2. TRANSACTION OVERVIEW

### 2.1 Structure diagram



## 2.2 Risk factors

There are certain risk factors which prospective Noteholders should take into account, which are described in Section 1 (*Risk factors*).

## 2.3 Principal parties

<b>Issuer:</b>	Jubilee Place 3 B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 84221607. The entire issued share capital of the Issuer is held by the Shareholder.
<b>Shareholder:</b>	Stichting Holding Jubilee Place 3, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 84192941.
<b>Security Trustee:</b>	Stichting Security Trustee Jubilee Place 3, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 84194731.
<b>Seller:</b>	Citibank, N.A., London Branch, a national association incorporated in the United States of America acting through its London branch (registered under Branch number BR001018) and having its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.
<b>DMS Servicer:</b>	Dutch Mortgage Services B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 31, 1101 CN Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 65074033.
<b>DNL Servicer:</b>	DNL 1 B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Zonnebaan 11, 3542 EA Utrecht, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 76021599.
<b>Community Servicer:</b>	Community Hypotheken B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> )

	<p>incorporated under the laws of the Netherlands, with its seat (<i>zetel</i>) in Amsterdam, the Netherlands, its registered office at Parijsboulevard 143B, 3541 CS Utrecht, the Netherlands and registered with the Commercial Register (<i>Handelsregister</i>) of the Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>) under number 65050258.</p>
<b>Back-up Servicer Facilitator:</b>	<p>Vistra Capital Markets (Netherlands) N.V., a limited liability company (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands, with its seat (<i>zetel</i>) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register (<i>Handelsregister</i>) of the Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>) under number 33093266.</p>
<b>Swap Counterparty:</b>	<p>BNP Paribas, a <i>société anonyme</i>, incorporated under the laws of France under registration number 662 042 449 RCS Paris, having its registered address at 16, boulevard des Italiens - 75009.</p>
<b>Issuer Account Bank:</b>	<p>Citibank Europe plc, Netherlands Branch, a public limited company registered in the Companies Registration Office in Ireland, acting through its branch with its registered address at Schiphol Boulevard 257, 1118 BH, Schiphol, the Netherlands and registered with the Commercial Register (<i>Handelsregister</i>) of the Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>) under number 64729206.</p>
<b>Directors:</b>	<p>Erevia B.V., a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>) incorporated under the laws of the Netherlands, with its seat (<i>zetel</i>) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register (<i>Handelsregister</i>) of the Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>) under number 33291692 as director of the Security Trustee and Vistra Capital Markets (Netherlands) N.V. as director of the Issuer and the Shareholder.</p>
<b>DMS Collection Foundation:</b>	<p>Stichting Ontvangsten Dutch Mortgage Services, a foundation (<i>stichting</i>) established under the laws of the Netherlands, with its seat (<i>zetel</i>) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register (<i>Handelsregister</i>) of the Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>) under number 75331837.</p>
<b>DNL Collection Foundation:</b>	<p>Stichting Ontvangsten DNL, a foundation (<i>stichting</i>) established under the laws of the Netherlands, with its seat (<i>zetel</i>) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register (<i>Handelsregister</i>) of the Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>) under number 75796708.</p>

<b>Community Collection Foundation:</b>	Stichting Community Hypotheken Ontvangsten, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 75373742.
<b>Collection Foundation Account Provider:</b>	ABN AMRO Bank N.V., a public company with limited liability ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Gustav Mahlerplein 10, 1082 PP Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 34334259.
<b>Paying Agent and Agent Bank:</b>	Citibank, N.A., London Branch, a national association incorporated in the United States of America acting through its London branch (registered under Branch number BR001018) and having its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.
<b>Cash Manager:</b>	Citibank, N.A., London Branch, a national association incorporated in the United States of America acting through its London branch (registered under Branch number BR001018) and having its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.
<b>Arranger and Lead Manager:</b>	Citibank Europe plc, a public limited company registered in the Companies Registration Office in Ireland with its registered address at 1 North Wall Quay, Dublin 1, Ireland.

## 2.4 Notes

Certain features of the Notes are summarised below:

Class <sup>(1)</sup>	Initial Class Principal Amount	Issue Price	Reference Rate <sup>(2)</sup>	Margin (per annum)	Step-Up Margin (per annum)	First Optional Redemption Date <sup>(3)</sup>	Expected Ratings <sup>(4)</sup> (S&P/Moody's)	Final Maturity Date
A	€ 287,689,000	100.458 per cent.	3-month EURIBOR	0.85 per cent.	1.4875 per cent.	The Notes Payment Date falling in January 2027	AAA/Aaa	The Notes Payment Date falling in January 2059
B	€ 18,851,000	100.00 per cent.	3-month EURIBOR	1.10 per cent.	1.925 per cent.	The Notes Payment Date falling in January 2027	AA/Aa3	The Notes Payment Date falling in January 2059
C	€ 10,655,000	100.00 per cent.	3-month EURIBOR	1.60 per cent.	2.60 per cent.	The Notes Payment Date falling in January 2027	A/A2	The Notes Payment Date falling in January 2059
D	€ 7,377,000	99.041 per cent.	3-month EURIBOR	2.00 per cent.	3.00 per cent.	The Notes Payment Date falling in January 2027	BBB/Baa3	The Notes Payment Date falling in January 2059
E	€ 3,279,000	92.177 per cent.	3-month EURIBOR	2.10 per cent.	3.10 per cent.	The Notes Payment Date falling in January 2027	BB+/Ba3	The Notes Payment Date falling in January 2059
X1	€ 13,114,000	99.482 per cent.	3-month EURIBOR	3.00 per cent.	3.00 per cent.	The Notes Payment Date falling in January 2027	B-/B1	The Notes Payment Date falling in January 2059
X2	€ 3,278,000	96.842 per cent.	3-month EURIBOR	5.50 per cent.	5.50 per cent.	The Notes Payment Date falling in January 2027	B-/Ca	The Notes Payment Date falling in January 2059
S1	€ 100,000	100.00 per cent.	N/A	Class S1 Payment <sup>(5)</sup>	N/A	The Notes Payment Date falling in January 2027	NR/NR	The Notes Payment Date falling in January 2059
S2	€ 100,000	100.00 per cent.	N/A	Class S2 Payment <sup>(5)</sup>	N/A	The Notes Payment Date falling in January 2027	NR/NR	The Notes Payment Date falling in January 2059
R	€ 2,000,000	N/A	N/A	Class R Notes Revenue Amount <sup>(5)</sup>	N/A	The Notes Payment Date falling in January 2027	NR/NR	The Notes Payment Date falling in January 2059

### Notes:

- (1) The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes are collectively the **"Notes"**. The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes are collectively the **"Investor Notes"**. The Class S1 Note, the Class S2 Note and the Class R Notes are collectively the **"Residual Notes"**.  
The Notes (other than the Class R Notes) are being sold through the Lead Manager. The Class R Notes are not being offered pursuant to this Prospectus.
- (2) The rate of interest payable on each respective Class of Notes (other than the Residual Notes) and each accrual period will be based on a per annum rate equal to the Reference Rate plus a certain Margin as described above where the Reference Rate will be 3-month EURIBOR. The Class R Notes will entitle the Class R Noteholders to the Class R Notes Revenue Amount. The Class S1 Note will entitle the Class S1 Noteholder to the Class S1 Payment. The Class S2 Note will entitle the Class S2 Noteholder to the Class S2 Payment.
- (3) The First Optional Redemption Date is the Notes Payment Date falling in January 2027. The first Notes Payment Date will occur on 17 April 2022 and each Notes Payment Date thereafter will occur on the 17<sup>th</sup> or next Business Day in July, October, January and April each year.
- (4) A designation of "NR" means that the Credit Rating Agencies will not rate that Class of Notes as of the Closing Date.
- (5) No rate of interest is earned on the Class S1 Note, the Class S2 Note or the Class R Notes. Payments on the Class S1 Note, the Class S2 and the Class R Notes will be payable on each Notes Payment Date.

**Notes:**

On the Closing Date, the Issuer will issue the following classes of Notes under the Trust Agreement:

- (i) Class A mortgage-backed floating rate notes due 2059 (the **"Class A Notes"**);
- (ii) Class B mortgage-backed floating rate notes due 2059 (the **"Class B Notes"**);
- (iii) Class C mortgage-backed floating rate notes due 2059 (the **"Class C Notes"**);
- (iv) Class D mortgage-backed floating rate notes due 2059 (the **"Class D Notes"**);
- (v) Class E mortgage-backed floating rate notes due 2059 (the **"Class E Notes"**);
- (vi) Class X1 notes due 2059 (the **"Class X1 Notes"**);
- (vii) Class X2 notes due 2059 (the **"Class X2 Notes"**);
- (viii) Class S1 Note due 2059 (the **"Class S1 Note"**);
- (ix) Class S2 Note due 2059 (the **"Class S2 Note"**); and
- (x) Class R Notes due 2059 (the **"Class R Notes"**),

and the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes are together the **"Investor Notes"**. The Class S1 Note, the Class S2 Note and the Class R Notes are together the **"Residual Notes"**. The Investor Notes together with the Residual Notes are the **"Notes"** and the holders thereof, the **"Noteholders"**.

**Issue Price:**

The issue price of the Notes shall be as follows:

- (i) the Class A Notes: 100.458 per cent.;
- (ii) the Class B Notes: 100.00 per cent.;
- (iii) the Class C Notes: 100.00 per cent.;
- (iv) the Class D Notes: 99.041 per cent.;
- (v) the Class E Notes: 92.177 per cent.;
- (vi) the Class X1 Notes: 99.482 per cent.;
- (vii) the Class X2 Notes: 96.842 per cent.;
- (viii) the Class S1 Note: 100.00 per cent.; and

(ix) the Class S2 Note: 100.00 per cent.

(in respect of the Class R Notes an Issue Price is not applicable).

**Form:** The Notes will be in bearer form. The Notes will be initially represented by Global Notes and with (at the date of issue) Coupons and, if necessary, talons attached. Interests in the Global Notes will only in limited circumstances be exchangeable for Notes in definitive form, serially numbered with coupons attached.

**Denomination:** The Notes will be issued in minimum denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. At the Closing Date one (1) Class S1 Note and one (1) Class S2 Note will be issued, each with a nominal amount of EUR 100,000.

**Status and ranking:** The Class A Notes, the Class S1 Note and the Class S2 Note rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal (in the case of the Class A Notes) and in relation to payment of the Class S1 Payment (in the case of the Class S1 Note) or the Class S2 Payment (in the case of the Class S2 Note) at all times, as provided in the Conditions and the Trust Agreement. The Class A Notes in relation to payment of interest and principal, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment will rank senior to all other classes of Notes in respect of payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class A Notes, the Class S1 Note and the Class S2 Note, and the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) will be redeemed prior to the redemption of the Class S1 Note and the Class S2 Note.

The Class B Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class B Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment as provided in the Conditions and the Trust Agreement) in respect of, *inter alia*, payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class B Notes.

The Class C Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class C Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class B Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment as provided in the Conditions and the Trust Agreement) in respect of, *inter alia*,



payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class C Notes.

The Class D Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class D Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment as provided in the Conditions and the Trust Agreement) in respect of, *inter alia*, payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class D Notes.

The Class E Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class E Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment as provided in the Conditions and the Trust Agreement) in respect of, *inter alia*, payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class E Notes.

Prior to the service of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, and subordinate to all payments due in respect of items ranking senior thereto in the Pre-Enforcement Revenue Priority of Payments.

Following the service of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves as to payment of principal and interest at all times.

The Class S1 Note and the Class S2 Note rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times. In respect of payments of principal, upon redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes in full, the Class S1 Note and the Class S2 Note will rank senior to the Class R Notes.

The Class R Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal and the Class R Notes Revenue Amount at all times, but rank subordinate to the Class S1 Note, the Class S2 Note, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes as provided in the Conditions and the Trust Agreement.

In addition, payments will be made to the VRR Lender on a *pari passu* and *pro rata* basis with payments on the Notes in accordance with the VRR Loan Agreement and the Transaction Documents.

Payments of principal in relation to all Classes of Notes, other than the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes, will be subordinate to payments of Principal Addition Amounts.

Certain amounts due by the Issuer to its other Secured Creditors (and, prior to the service of an Enforcement Notice only, certain unsecured creditors) will rank in priority to all Classes of the Notes.

**Interest on the  
Investor Notes:**

Interest on the Investor Notes will accrue from (and including) the Closing Date by reference to successive Interest Periods and will be payable quarterly in arrear in euro in respect of their Principal Amount Outstanding as at the Notes Payment Date on which the relevant Interest Period commences.

The interest on the Investor Notes (will be calculated on the basis of the actual days elapsed in the Interest Period divided by 360 days.

*Interest on the Investor Notes up to but excluding the First Optional Redemption Date*

Up to but excluding the First Optional Redemption Date, interest on the Investor Notes for each Interest Period will accrue at an annual rate equal to the sum of 3-month EURIBOR (or, in respect of the first Interest Period, the rate which represents the linear interpolation of 1-month EURIBOR and 3-month EURIBOR, rounded, if necessary, to the 5th decimal place with 0.000005, being rounded upwards, plus an Initial Margin of:

- (i) for the Class A Notes, 0.85 per cent. per annum;
- (ii) for the Class B Notes, 1.10 per cent. per annum;
- (iii) for the Class C Notes, 1.60 per cent. per annum;
- (iv) for the Class D Notes, 2.00 per cent. per annum;
- (v) for the Class E Notes, 2.10 per cent. per annum;
- (vi) for the Class X1 Notes, 3.00 per cent. per annum; and

- (vii) for the Class X2 Notes, 5.50 per cent. per annum.

The rate of interest on the Investor Notes shall at all times be at least zero (0) per cent. per annum.

*Interest on the Investor Notes from (and including) the First Optional Redemption Date*

If, on the First Optional Redemption Date, the Investor Notes have not been redeemed in full, the rate of interest applicable to the Investor Notes will, from (and including) the First Optional Redemption Date, accrue at an annual rate equal to the sum of 3-month EURIBOR, rounded, if necessary, to the 5th decimal place with 0.000005 being rounded upwards, plus a Step-Up Margin of:

- (i) for the Class A Notes, 1.4875 per cent. per annum;
- (ii) for the Class B Notes, 1.925 per cent. per annum;
- (iii) for the Class C Notes, 2.60 per cent. per annum;
- (iv) for the Class D Notes, 3.00 per cent. per annum;
- (v) for the Class E Notes, 3.10 per cent. per annum;
- (vi) for the Class X1 Notes, 3.00 per cent. per annum; and
- (vii) for the Class X2 Notes, 5.50 per cent. per annum.

The rate of interest on the Investor Notes shall at all times be at least zero (0) per cent. per annum. In the event that EURIBOR is permanently discontinued the Issuer may in certain circumstances modify or amend the EURIBOR rate in respect of the Investor Notes to an Alternative Reference Rate as provided in Condition 13 (*Meetings of Noteholders, Modification, Waiver, Substitution and Alternative Reference Rate*).

**Class S1 Payment:**

No interest is payable on the Class S1 Note. On any Notes Payment Date, the Class S1 Noteholder is entitled to receive the Class S1 Payment. The Class S1 Payment shall be equal to:

- (a) on any Notes Payment Date up to the First Optional Redemption Date:

- (i) 0.09 per cent. of 95 per cent. of the Outstanding Principal Amount of the Mortgage Loans in the Portfolio as at the beginning of the relevant Collection Period relating to the relevant Notes Calculation Date (which, for the avoidance of doubt, on the first Notes Payment Date will include the Actual Post-Closing Mortgage Receivables Balance); multiplied by
- (ii) the number of days in the relevant Interest Period divided by 360,

with the total figure rounded downwards to the nearest €0.01; and

- (b) from the First Optional Redemption Date, zero.

In certain circumstances, the Class S1 Noteholder may also be entitled to a Class S1 Payment Early Repayment Amount.

**Class S2 Payment:**

No interest is payable on the Class S2 Note. On any Notes Payment, the Class S2 Noteholder is entitled to receive the Class S2 Payment. The Class S2 Payment shall be equal to:

- (a) on any Notes Payment Date up to the First Optional Redemption Date, zero; and
- (b) on any Notes Payment Date on and from the First Optional Redemption Date:
  - (i) 0.09 per cent. of 95 per cent. of the Outstanding Principal Amount of the Mortgage Loans in the Portfolio as at the beginning of the relevant Collection Periods relating to the relevant Notes Calculation Date (which, for the avoidance of doubt, on the first Notes Payment Date will include the Actual Post-Closing Mortgage Receivables Balance); multiplied by
  - (ii) the number of days in the relevant Interest Period divided by 360,

with the total figure rounded downwards to the nearest €0.01.

**Class R Notes  
Revenue Amount:**

No interest is payable on the Class R Notes. On any Notes Payment Date prior to the delivery of an Enforcement Notice and after redemption of the Class X2 Notes in full, the Class R Noteholders are entitled to receive the Class R Notes Revenue Amount. The Class R Notes Revenue Amount shall be equal to: (a) on any Notes Payment Date prior to the delivery of an Enforcement Notice, an amount equal to the Available Revenue Funds remaining after all items ranking above item (f)(xviii) of the Pre-Enforcement Revenue

Priority of Payments have been paid in full, less in case all Higher Ranking Classes of Notes have been redeemed in full, an amount equal to the aggregate Principal Amount Outstanding of the Class R Notes; and (b) after the delivery of an Enforcement Notice, the amount remaining after all items ranking above item (f)(xvii) of the Post-Enforcement Priority of Payments have been paid in full, less in case all Higher Ranking Classes of Notes have been redeemed in full, an amount equal to the aggregate Principal Amount Outstanding of the Class R Notes.

**Payments on the Class X1 Notes and the Class X2 Notes:**

Payments in respect of the Class X1 Notes and the Class X2 Notes will be payable only to the extent there are: (i) Available Revenue Funds under and in accordance with the Pre-Enforcement Revenue Priority of Payments; and (ii) available funds under and in accordance with the Post-Enforcement Priority of Payments, if applicable. It is noted that the Class X1 Notes and the Class X2 Notes are anticipated to be repaid in full on an accelerated basis out of the Available Revenue Funds under and in accordance with the Pre-Enforcement Revenue Priority of Payments prior to the repayment in full of the other Classes of Notes.

**Redemption of the Notes:**

The Notes are subject to the following redemption and cancellation events:

- (i) mandatory redemption in respect of the Investor Notes in whole on the Notes Payment Date falling in January 2059 (the “**Final Maturity Date**”), as fully set out in Condition 6(a) (*Final Redemption*);
- (ii) mandatory redemption in part on any Notes Payment Date commencing on the first Notes Payment Date but prior to the service of an Enforcement Notice, subject to availability of Available Principal Funds (to the extent not applied to cover any PAA Deficit) and shall be applied (i) first, on a *pro rata* and *pari passu* basis to repay the Class A Notes until they are repaid in full, (ii) second, on a *pro rata* and *pari passu* basis to repay the Class B Notes until they are repaid in full, (iii) third, on a *pro rata* and *pari passu* basis to repay the Class C Notes until they are repaid in full, (iv) fourth, on a *pro rata* and *pari passu* basis to repay the Class D Notes until they are repaid in full, and (v) fifth, on a *pro rata* and *pari passu* basis to repay the Class E Notes until they are repaid in full;
- (iii) optional redemption exercisable by the Issuer in whole for tax or other reasons (including if it becomes unlawful for the Issuer to allow to remain outstanding any of the Notes) on any Notes Payment Date following the date on which there is a change in tax law or other law, as fully set out in Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*);
- (iv) mandatory redemption in full following the exercise by the Portfolio Option Holder of the Portfolio Purchase Option, as

fully set out in Condition 6(d) (*Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option*); and

- (v) mandatory redemption in full following the exercise by the VRR Lender of the Regulatory Change Option as fully set out in Conditions 6(e) (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option*) and 6(f)(i).

Any Investor Note redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to its Principal Amount Outstanding together with accrued (and unpaid) interest on its Principal Amount Outstanding up to (but excluding) the date of redemption.

The VRR Loan will be redeemed on a simultaneous and *pari passu* basis with the Notes as further set out in the Conditions.

On the first Notes Payment Date, any Net Post-Closing Principal Reserve Amounts will be applied in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) and the VRR Loan in accordance with the Post-Closing Principal Pro Rata Payments.

**EU and UK Risk Retention under the Securitisation Regulations:**

On the Closing Date, Citibank, N.A., London Branch (the “**Retention Holder**”) will, as an originator, retain a material net economic interest of not less than five (5) per cent. in the securitisation (representing downside risk and economic outlay) in accordance with Article 6 of the EU Securitisation Regulation (which does not take into account any corresponding national measures) and Article 6 of the UK Securitisation Regulation.

As at the Closing Date, the Risk Retention will comprise the Retention Holder providing the VRR Loan representing not less than five (5) per cent. of the nominal value of each tranche sold or transferred to investors on the Closing Date, in accordance with Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation. Any change in the manner in which the interest is held may only be made in accordance with the applicable laws and regulations and will be notified to the Noteholders. See Section 4.4 (*Regulatory and Industry Compliance - EU and UK Risk Retention Requirements*) for further information.

**Disclosure requirements under the Securitisation Regulations:**

The Issuer is required to comply with periodic reporting requirements pursuant to Article 7 of the EU Securitisation Regulation. Furthermore, the Issuer undertakes to comply with periodic reporting requirements pursuant to Article 7 of the UK Securitisation Regulation. For the purposes of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation, the Issuer and the Seller agree that the Issuer is designated as the “Reporting Entity” to fulfil the Retention and Transparency Requirements. The Issuer will appoint the Servicers, the Issuer

Administrator and the Cash Manager, pursuant to the Servicing Agreements and the Cash Management Agreement, respectively, to provide certain services to assist it with its reporting obligations. Further, the Retention Holder will be obliged to prepare and provide (or procure that it is prepared and provided) all applicable information required to be provided to investors for the purposes of Article 7 of the EU Securitisation Regulation and as described in Article 7 of the UK Securitisation Regulation.

For these purposes, “**Retention and Transparency Requirements**” means Article 5, Article 6, Article 7 and Article 9 of each of the EU Securitisation Regulation and the UK Securitisation Regulation, as the case may be, together with, respectively, any other guidelines and technical standards published in relation thereto by the EBA, ESMA or contained in any European Commission delegated regulation or (in the case of the UK Securitisation Regulation) the United Kingdom Financial Conduct Authority, the United Kingdom Prudential Regulation Authority, the Bank of England or other relevant UK regulator (or their successor) as may be effective from time to time, in each case together with any amendments to those provisions or any successor or replacement provisions included in any European Union directive or regulation or UK applicable laws, regulations, rules, guidance or other implementing measures.

The Issuer has undertaken to comply with the requirements of Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation and in particular information shall be made available in accordance with the Article 7 EU Technical Standards and the Article 7 UK Technical Standards. There can be no assurance that the information in this Prospectus or to be made available to investors in accordance with Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under each of the Securitisation Regulations.

**U.S. Credit Risk  
Retention  
Requirements:**

This securitisation transaction will be subject to the credit risk retention requirements of Section 15G of the Exchange Act as added by Section 941 of the Dodd-Frank Act (the “**U.S. Credit Risk Retention Requirements**”). The Retention Holder, as “sponsor” for purposes of the U.S. Credit Risk Retention Requirements as implemented pursuant to Regulation RR (17 CFR § 246.1 *et seq.*) (“**U.S. Regulation RR**”), is required to acquire and retain (either directly or through a majority owned affiliate) at least five (5) per cent. of the credit risk of the securitized assets. The Retention Holder intends to satisfy the U.S. Credit Risk Retention Requirements on the Closing Date by acquiring and retaining (directly or through a majority-owned affiliate) a “single vertical security” (as defined in U.S. Regulation RR) that is an “eligible vertical interest” (as defined in U.S. Regulation RR) in the Issuer, in the form of the VRR Loan. The VRR Loan will represent at least five (5) per cent. of all “ABS interests” (as defined in U.S. Regulation RR) in the Issuer and will

entitle the Retention Holder to a specified percentage of the amounts paid on each other class of ABS interests issued by the Issuer.

See Section 4.4 (*Regulatory and Industry Compliance - U.S. risk retention requirements*) for further information.

**Use of proceeds:**

The Issuer will use the net proceeds of the Notes and the VRR Loan on the Closing Date to (i) pay the Closing Date Purchase Price payable by the Issuer for the Completion Mortgage Receivables to be acquired from the Seller on the Closing Date, (ii) fund the Liquidity Reserve Fund, (iii) fund the Post-Closing Reserves, which may be applied (A) to pay part of the Post-Closing Mortgage Receivables Purchase Price for any Post-Closing Mortgage Receivables acquired from the Seller on the Post-Closing Mortgage Receivables Purchase Date and/or (B) in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes), as Available Revenue Funds and to pay the Class R Noteholder, (iv) fund the Class S1/S2 Ledger and (v) pay certain fees and expenses of the Issuer incurred in connection with the issue of the Notes on the Closing Date. For the avoidance of doubt, the Aggregate Closing Reserve Amount will be zero, as all Mortgage Loans have received their first payment and the resulting Mortgage Receivables will be sold and assigned by the Seller to the Issuer on the Closing Date. As a result, there will be no Post-Closing Mortgage Receivables and the Issuer will therefore credit the Post-Closing Reserve Ledgers with an amount equal to zero on the Closing Date.

The Seller will apply (part of) the proceeds received from the Issuer towards purchase of the Completion Mortgage Receivables from the Original Sellers on the Closing Date. To the extent that any Post-Closing Mortgage Receivables are purchased by the Issuer on or prior to the Final Post-Closing Mortgage Receivables Purchase Date, the Seller will apply (part of) the Post-Closing Mortgage Receivables Purchase Price towards the purchase of the Post-Closing Mortgage Receivables from the Original Sellers on such date.

**Withholding tax:**

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

**The Volcker rule:**

The Issuer is not, and after giving effect to any offering and sale of Notes and the application of the proceeds thereof will not be, a “covered fund” for purposes of regulations adopted under Section 13



of the Bank Holding Company Act of 1956, as amended (commonly known as the “**Volcker Rule**”). In reaching this conclusion, although other statutory or regulatory exemptions under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”) and under the Volcker Rule and its related regulations may be available, the Issuer has relied on the determinations that it may rely on an exemption from registration under the Investment Company Act under Section 3(c)(5) of the Investment Company Act and, accordingly, may rely on the exemption from the definition of a “covered fund” under the Volcker Rule made available to entities that do not rely solely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for their exemption from registration under the Investment Company Act. Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

**FATCA withholding:** Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of a FATCA Withholding.

**Method of payment:** For so long as the Notes are represented by a Global Note, payments of principal and interest and any other amount due to the Noteholders will be made in euro by or to the order of the Paying Agent on behalf of the Issuer to the order of the Common Depositary with respect to the Notes that are represented by a Global Note, for the credit of the respective accounts of the Noteholders (see Section 4.2 (*Form of Notes*)).

**Security for the Notes:** The Noteholders and the VRR Lender will, together with the other Secured Creditors, benefit from the following security rights created in favour of the Security Trustee:

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

- (iii) a Dutch law first ranking (co-owned) disclosed right of pledge over the balances standing to the credit of the Collection Foundation Accounts.

After delivery of an Enforcement Notice, the amounts payable to the Noteholders, the VRR Lender and the other Secured Creditors will be limited to the amounts available for such purpose to the Security Trustee which, among other things, will consist of amounts recovered by the Security Trustee in respect of such rights of pledge created by the Pledge Agreements and amounts received by the Security Trustee as creditor under the Parallel Debt Agreement. Payments to the Secured Creditors will be made in accordance with the applicable Post-Enforcement Priority of Payments. See further Sections 4.7 (*Security*) and 5 (*Credit structure*).

**Security over  
Collection  
Foundation  
Account:**

Each of the DMS Collection Foundation, the DNL Collection Foundation and the Community Collection Foundation has granted a first ranking right of pledge on the balance standing to the credit of the relevant Collection Foundation Account either (i) in favour of the Issuer, existing funders and any future funders of (the mortgage business of) the relevant Originator where the share within the meaning of section 3:166 of the Dutch Civil Code (*aandeel*) of the beneficiaries of the right of pledge in respect of the balance of the Collection Foundation Account is equal to their respective entitlements, i.e. the sum of the amounts standing to the credit of the Collection Foundation Account which relate to the collections arising from the Mortgage Receivables owned by it or pledged to it, as the case may be, from time to time or (ii) to a separate security trustee holding such security for the benefit of the Issuer and the other beneficiaries of the amounts standing to the relevant Collection Foundation Account, each for an amount to their respective aforementioned entitlements. Such right of pledge has been or will be notified to the relevant Collection Foundation Account Provider.

**Parallel Debt  
Agreement:**

On the Signing Date the Issuer, the Security Trustee and the Secured Creditors (other than the Noteholders) will enter into the Parallel Debt Agreement for the benefit of the Secured Creditors under which the Issuer shall, by way of parallel debt, undertake to pay to the Security Trustee an amount equal to the aggregate amount, from time to time due by it to the Secured Creditors, in order to create a claim of the Security Trustee thereunder which can be validly secured by the rights of pledge created by the Pledge Agreements.

**Paying Agency  
Agreement:**

On the Signing Date, the Issuer will enter into the Paying Agency Agreement with, among others, the Security Trustee and the Paying Agent pursuant to which the Paying Agent undertakes, among other things, to perform certain payment services on behalf of the Issuer for the benefit of the Noteholders.

- Credit ratings:** Under the Subscription Agreement, it is a condition precedent to issuance that:
- (i) the Class A Notes, on issue, be assigned an Aaa credit rating by Moody's and an AAA credit rating by S&P;
  - (ii) the Class B Notes, on issue, be assigned an Aa3 credit rating by Moody's and an AA credit rating by S&P;
  - (iii) the Class C Notes, on issue, be assigned an A2 credit rating by Moody's and an A credit rating by S&P;
  - (iv) the Class D Notes, on issue, be assigned a Baa3 credit rating by Moody's and an BBB credit rating by S&P;
  - (v) the Class E Notes, on issue, be assigned a Ba3 credit rating by Moody's and a BB+ credit rating by S&P;
  - (vi) the Class X1 Notes, on issue, be assigned a B1 credit rating by Moody's and a B- credit rating by S&P; and
  - (vii) the Class X2 Notes, on issue, be assigned a Ca credit rating by Moody's and a B- credit rating by S&P.

The Credit Rating Agencies have informed the Issuer that the “sf” designation in the ratings represents an identifier of structured finance product ratings and has been implemented by the Credit Rating Agencies for ratings of structured finance products as of August 2010.

The Class S1 Note, the Class S2 Note and the Class R Notes will not be assigned a credit rating by any of the Credit Rating Agencies.

Each of Moody's and S&P is established in the European Union and is registered under the CRA Regulation and as such is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation at <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>.

In the UK, pursuant to the CRAR, such credit ratings (if issued) are expected to be endorsed by S&P Global Ratings UK Limited or Moody's Investors Service Ltd, as applicable, each being a credit rating agency established in the UK and registered by FCA pursuant to the CRAR. See further Section 4.4 (*Regulatory and Industry Compliance – CRA Regulation*).

**Settlement:** Euroclear and Clearstream, Luxembourg.

**Governing law:** The Notes and the Transaction Documents (other than the Swap Agreement, the VRR Loan Agreement, the Risk Retention Letter and the Subscription Agreement) will be governed by and construed in

accordance with Dutch law. The Swap Agreement, the VRR Loan Agreement, the Risk Retention Letter and the Subscription Agreement will be governed by and construed in accordance with English law.

**Selling restrictions:** The Arranger and the Lead Manager have agreed with the Issuer and the Seller that the Lead Manager will procure the subscription of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes on the Closing Date, subject to certain conditions precedent being satisfied.

There are selling restrictions in relation to the United States, the United Kingdom, Ireland and the European Economic Area and such other restrictions as may be required in connection with the offering and sale of the Notes. See Section 4.3 (*Subscription and Sale*).

## 2.5 Credit structure

**Available Funds:** The Issuer will use receipts of principal and interest in respect of the Mortgage Receivables together with amounts it receives from the Swap Counterparty under the Swap Agreement (other than any Swap Collateral) (if any) and the Issuer Account Agreement (if any), to make payments of, among other things, principal and interest, if any, due in respect of the Notes.

**Priorities of Payments:** The obligations of the Issuer in respect of the Notes will rank subordinate to the obligations of the Issuer in respect of certain items set forth in the applicable priority of payments (see Section 5 (*Credit structure*) below) and payment of principal and interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes and the Class R Notes Revenue Amount will be subordinated to payment of principal and interest on the Class A Notes and the Class S1 Payment and the Class S2 Payment in respect of the Class S1 Note and the Class S2 Note and any other relevant Higher Ranking Class or Classes of Notes and limited as more fully described in Sections 4.1 (*Terms and Conditions*) and 5 (*Credit structure*).

**Loss allocation:** The Issuer (or the Cash Manager on its behalf) will establish a Principal Deficiency Ledger to record as a debit any Realised Losses, any Principal Addition Amounts and any Capped Liquidity Reserve Principal Amounts. The “**Principal Deficiency Ledger**” will comprise six sub-ledgers: the Principal Deficiency Ledger relating to the Class A Notes (the “**Class A Principal Deficiency Sub-Ledger**”); the Principal Deficiency Ledger relating to the Class B Notes (the “**Class B Principal Deficiency Sub-Ledger**”); the Principal Deficiency Ledger relating to the Class C Notes (the “**Class C Principal Deficiency Sub-Ledger**”); the Principal Deficiency Ledger relating to the Class D Notes (the “**Class D Principal Deficiency Sub-Ledger**”); the Principal Deficiency Ledger relating to the Class E Notes (the “**Class E Principal Deficiency Sub-Ledger**”); and the Principal Deficiency Ledger relating to the VRR Loan (the “**VRR Loan Principal Deficiency Sub-Ledger**”) (each a “**Principal Deficiency Sub-Ledger**”).

Any Realised Losses, any Principal Addition Amounts and any Capped Liquidity Reserve Principal Amounts will be recorded (on the date that the Cash Manager is informed of such Realised Losses by the Servicers or, in the case of Principal Addition Amounts and Capped Liquidity Reserve Principal Amounts, on the date such amounts are determined by the Cash Manager (as applicable)) as follows:

- (a) *first*, up to the PDL Maximum Amount in respect of the Class E Notes, as debits on the Class E Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (a)

shall equal the VRR Proportion of amounts debited from the Class E Principal Deficiency Sub-Ledger under this item (a);

- (b) *second*, up to the PDL Maximum Amount in respect of the Class D Notes, as debits on the Class D Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (b) shall equal the VRR Proportion of amounts debited from the Class D Principal Deficiency Sub-Ledger under this item (b);
- (c) *third*, up to the PDL Maximum Amount in respect of the Class C Notes, as debits on the Class C Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (c) shall equal the VRR Proportion of amounts debited from the Class C Principal Deficiency Sub-Ledger under this item (c);
- (d) *fourth*, up to the PDL Maximum Amount in respect of the Class B Notes, as debits on the Class B Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (d) shall equal the VRR Proportion of amounts debited from the Class B Principal Deficiency Sub-Ledger under this item (d); and
- (e) *fifth*, up to the PDL Maximum Amount in respect of the Class A Notes, as debits on the Class A Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (e) shall equal the VRR Proportion of amounts debited from the Class A Principal Deficiency Sub-Ledger under this item (e).

Investors should note that Realised Losses in any period will be calculated after applying any recoveries following enforcement of a Mortgage Loan to outstanding fees and interest amounts due and payable on the relevant Mortgage Loan. The Cash Manager will record as a credit to the Principal Deficiency Ledger Available Revenue Funds applied as Available Principal Funds pursuant to the Pre-Enforcement Revenue Priority of Payments (if any).

**Collection  
Foundation  
Accounts:**

All payments made by Borrowers in respect of the Mortgage Loans originated by the DMS Originator will be paid or have been directed to be paid into the DMS Collection Foundation Account maintained by the DMS Collection Foundation with the Collection Foundation Account Provider.

All payments made by Borrowers in respect of the Mortgage Loans originated by the DNL Originator will be paid or have been directed to be paid into the DNL Collection Foundation Account maintained by the DNL Collection Foundation with the Collection Foundation Account Provider.

All payments made by Borrowers in respect of the Mortgage Loans originated by the Community Originator will be paid or have been directed to be paid into the Community Collection Foundation Account maintained by the Community Collection Foundation with the Collection Foundation Account Provider.

Vistra Capital Markets (Netherlands) N.V. is the director of each Collection Foundation. Vistra B.V. is the Collection Foundation Administrator (in respect of each Collection Foundation Account) operating the Collection Foundation Accounts.

Each Collection Foundation Account is also used for the collection of moneys paid in respect of mortgage loans other than the Mortgage Loans and in respect of other moneys to which each Originator and certain funders of (the mortgage business of) each Originator (that are a party to the relevant Receivables Proceeds Distribution Agreement, each a Beneficiary) are entitled *vis-à-vis* the relevant Collection Foundation and may in the future also be used in connection with new transactions involving future funders of (the mortgage business of) the relevant Originator.

**Collection  
Foundation Account  
Pledge Agreements:**

On the Signing Date, the Issuer will either enter into a Collection Foundation Account Pledge Agreement with, amongst others, the Security Trustee, the relevant Collection Foundation and in each case the relevant Originator or will, indirectly (via a security trustee holding the benefit of the security right over such accounts for the parties to the relevant receivables proceeds distribution agreement), receive the benefit of such agreement. The parties to each of the Collection Foundation Account Pledge Agreements agree to cooperate to facilitate a first ranking right of pledge for future funders of (the mortgage business of) the relevant Originator.

**Receivables  
Proceeds Distribution  
Agreements:**

On or prior to the Closing Date, the Issuer will accede to the receivables proceeds distribution agreements between, amongst others, the relevant Collection Foundation and in each case the relevant Originator. The Security Trustee will accede to some, but not all, receivables proceeds distribution agreements.

**Issuer Accounts:**

From the Closing Date, the Issuer shall maintain the following Issuer Accounts:

- (i) **Issuer Transaction Account:** an account held with the Issuer Account Bank into which: (a) all amounts received by the Issuer in respect of the Mortgage Receivables on each Mortgage Collection Payment Date from the Issuer Collection Accounts and from any other parties will be credited; and (b)

amounts are credited into certain ledgers. One such ledger is the Liquidity Reserve Fund Ledger, to which part of the proceeds of the Notes will be credited on the Closing Date in an amount equal to the Initial Liquidity Reserve Target. On the Closing Date, the Post-Closing Reserve Ledgers will be credited with an amount equal to the Aggregate Closing Reserve Amount, which will be zero (as all Mortgage Loans have received their first payment and the resulting Mortgage Receivables will be sold and assigned by the Seller to the Issuer on the Closing Date. As a result, there will be no Post-Closing Mortgage Receivables). The Issuer Transaction Account will be debited to make payments to (x) the Paying Agent in order to pay interest and principal to Noteholders and (y) other parties, in each case in accordance with the applicable Priority of Payments.

- (ii) **Community Issuer Collection Account:** an account held with the Issuer Account Bank used to receive payments from the Community Collection Foundation Account.
- (iii) **DNL Issuer Collection Account:** an account held with the Issuer Account Bank used to receive payments from the DNL Collection Foundation Account.
- (iv) **DMS Issuer Collection Account:** an account held with the Issuer Account Bank used to receive payments from the DMS Collection Foundation Account. The Community Issuer Collection Account, the DNL Issuer Collection Account and the DMS Issuer Collection Account are collectively referred to as the **"Issuer Collection Accounts"**.
- (v) **Swap Collateral Cash Account:** any account held with the Issuer Account Bank into which any collateral in the form of cash provided by the Swap Counterparty pursuant to the Swap Agreement will be credited, unless otherwise agreed with the Issuer and the Security Trustee.

The Cash Manager shall procure that amounts standing to the credit of the Issuer Collection Accounts are applied towards Third Party Amounts pursuant to the Cash Management Agreement, and prior to, or ultimately on, each Notes Payment Date, all remaining amounts standing to the credit of the Issuer Collection Accounts attributable to the corresponding Collection Period are transferred to the Issuer Transaction Account and applied in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable).

The amounts standing to the credit of the Issuer Accounts (including amounts standing to the credit of the Liquidity Reserve Fund Ledger, but excluding the Issuer Profit Amount and the amounts standing to the credit of the Swap Collateral Ledger) may be invested by the Issuer from time to time in Authorised Investments. Amounts (other



than Liquidity Reserve Excess Amounts) standing to the credit of the Liquidity Reserve Fund Ledger will be available to provide liquidity support for the Class A Notes, the Class S1 Note and the Class S2 Note (and for corresponding payments to the VRR Lender (if any)). Liquidity Reserve Excess Amounts (to the extent there are any) will be (partially) available to provide credit enhancement for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

On the earlier to occur of the Post-Closing Mortgage Receivables Purchase Date and the Final Post-Closing Mortgage Receivables Purchase Date, the Cash Manager shall (subject to having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller on or prior to such date):

- (a) calculate and record as a debit on the Post-Closing Principal Reserve Ledger the amount paid as part of the Post-Closing Mortgage Receivables Purchase Price and equal to the Closing Principal Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion;
- (b) calculate the Expected Post-Closing Class A Note Amount;
- (c) calculate the Post-Closing Liquidity Reserve Target; and
- (d) calculate the Liquidity Release Amount which shall be recorded as a debit on the Liquidity Reserve Fund and paid to the Seller as the Additional Purchase Price Amount due for the purchase of the Completion Mortgage Receivables.

In the event that no Post-Closing Mortgage Receivables are purchased prior to the Final Post-Closing Mortgage Receivables Purchase Date, the Cash Manager shall only perform the calculations mentioned in (b), (c) and (d) above.

To the extent there is a Revenue Shortfall, amounts standing to the credit of the Liquidity Reserve Fund Ledger will be applied as Available Revenue Funds to meet such Revenue Shortfall.

On each Notes Calculation Date, the Cash Manager will calculate whether the Available Revenue Funds (excluding any Principal Addition Amounts to cure any PAA Deficit on such Notes Payment Date) (the “**Actual Available Revenue Funds**”) will be sufficient to pay (a) items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments plus (b) items (f)(i) and (f)(ii) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95) (the “**Senior Interest Amounts**”). To the extent that such Available Revenue Funds are insufficient for this purpose, the Cash Manager shall calculate the shortfall (the “**Revenue Shortfall**”), being the amount equal to the Senior Interest Amounts *minus* the Actual Available

Revenue Funds, and the Issuer shall apply amounts representing the Liquidity Reserve Fund Balance to meet such Revenue Shortfall in accordance with item (d) of the definition of “Available Revenue Funds” (such amounts being “**Liquidity Reserve Principal Amounts**”).

If, on any Notes Payment Date, the funds credited to the Liquidity Reserve Fund Ledger (having taken into account any funds applied on such Notes Payment Date to remedy a Revenue Shortfall) exceed the Liquidity Reserve Target, the excess (being the “**Liquidity Reserve Excess Amounts**”) shall form part of the Available Principal Funds to be distributed on such Notes Payment Date, provided that, on any Notes Payment Date on which the exercise of a Portfolio Purchase Option completes, the funds credited to the Liquidity Reserve Fund Ledger on such Notes Payment Date will constitute Liquidity Reserve Excess Amounts on such Notes Payment Date and be applied in accordance with the Post-Enforcement Priority of Payments.

The Issuer (or the Cash Manager on behalf of the Issuer) shall record as a credit to a ledger (the “**Liquidity Reserve Principal Ledger**”), any Available Principal Funds applied in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments to replenish the Liquidity Reserve Fund (the aggregate of such amounts since the Closing Date, being the “**Liquidity Reserve Principal Replenishment Amounts**”), and, as a debit, any Liquidity Reserve Principal Amounts. The aggregate of any Liquidity Reserve Principal Amounts on a Notes Payment Date, and all earlier Notes Payment Dates since the Closing Date, up to the Liquidity Reserve Principal Replenishment Amounts (the “**Capped Liquidity Reserve Principal Amounts**”) shall be recorded on the Principal Deficiency Ledger.

**Issuer Account Agreement:**

On the Signing Date, the Issuer will enter into the Issuer Account Agreement with the Security Trustee, the Issuer Account Bank, and the Account Agent pursuant to which (i) the Issuer shall maintain with the Issuer Account Bank the Issuer Accounts (other than any Swap Collateral Custody Account) and (ii) the Issuer Account Bank agrees to pay an agreed rate of interest determined by reference to €STR *minus* a margin on the balance standing to the credit of the Issuer Accounts (other than any Swap Collateral Custody Account) from time to time. See Section 5 (*Credit structure*).

**Swap Agreement:**

On the Signing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty to hedge the interest rate risk between: (a) the fixed rates of interest payable on the Fixed Rate Mortgage Loans in the Portfolio; and (b) a rate of interest calculated by reference to 3-month EURIBOR payable on the Investor Notes and the VRR Loan. See further Section 5 (*Credit structure*).

**Cash Management  
Agreement:**

On the Signing Date, the Issuer will enter into the Cash Management Agreement with the Security Trustee and the Cash Manager pursuant to which the Cash Manager will agree to provide certain calculation and cash management services for the Issuer, including, without limitation, all calculations and payments to be made in respect of the Notes and the VRR Loan pursuant to the Conditions.

## 2.6 Portfolio information

The numerical information set out in Sections 6.1 (*Stratification tables*) and 6.2 (*Description of Mortgage Loans*) has been provided by the Seller as at the Portfolio Reference Date in respect of a pool of mortgage loans (the “**Provisional Mortgage Portfolio**”) as at the Portfolio Reference Date. Therefore, not all of the information set out below in relation to the Portfolio may necessarily correspond to the details of the Mortgage Receivables as at the Closing Date. Furthermore, after the Closing Date, the Portfolio will change from time to time as a result of the repayment, prepayment, amendment and repurchase of Mortgage Receivables. The Mortgage Loans have been selected in accordance with the criteria set forth in the Mortgage Receivables Purchase Agreement and the Mortgage Receivables resulting from such Mortgage Loans will be sold and assigned to the Issuer without undue delay.

### Key characteristics of the Portfolio:

**Mortgage Loans:** The Mortgage Loans have been originated by DMS, DNL or Community and granted by the relevant Originator in connection with the purchase and refinancing by Borrowers of non-owner occupied residential and mixed-use properties in the Netherlands and as part of each Originator’s underwriting process, Borrowers were screened to ensure that they did not qualify as consumers under the Wft or the Dutch Civil Code.

All Mortgage Loans are secured by a first ranking mortgage right which is vested for a principal sum which is at least equal to the principal sum of the Mortgage Loan when originated, plus interest, penalties, costs and fees accrued from time to time.

A Mortgage Loan may consist of one or more Loan Parts. If a Mortgage Receivable to be assigned to the Issuer on the Closing Date results from a Mortgage Loan consisting of one or more Loan Parts, the Seller shall sell and assign and the Issuer shall purchase and accept the assignment of all Mortgage Receivables arising under all Loan Parts or such Mortgage Loan at the Closing Date. See further Section 6.2 (*Description of Mortgage Loans*).

The Mortgage Loans consist of either (a) Interest-only Mortgage Loans (*aflossingsvrije hypotheken*); (b) Annuity Mortgage Loans (*annuïteitenhypotheken*); or (c) combinations of Interest-only Mortgage Loan Parts (*aflossingsvrije leningsdelen*) and Annuity Mortgage Loan Parts (*annuïtaire leningsdelen*) as further described below.

The Mortgage Loans are required to satisfy the criteria set forth in the Mortgage Receivables Purchase Agreement and the statements and criteria set out in Sections 7.2 (*Representations and warranties*) and 7.3 (*Mortgage Loan criteria*). The Mortgage Loans have characteristics that demonstrate the capacity to produce funds to service any payments due and payable under the Notes and the VRR Loan.

Number of Mortgage Loans in the Provisional Mortgage Portfolio:  
1,076

	<b>Average</b>	<b>Maximum</b>
Current Balance	€291,864.23	€1,953,000.00
	<b>Weighted average</b>	<b>Maximum</b>
Current LTV	72.46%	80.00%
Seasoning (months)	3.99	9.40
Remaining term (years)	34.19	35.00

**Interest-only Mortgage Loans:**

A portion of the Mortgage Loans (or Loan Parts) will be in the form of Interest-only Mortgage Loans, as can be derived from the stratification tables in Section 6.1 (*Stratification Tables*). Interest-only Mortgage Loans from which Mortgage Receivables result may have been granted up to an amount equal to 75 per cent. of the appraised market value of the Mortgaged Asset at origination. If the mortgage amount at origination date is higher than 75 per cent. LTV, an Interest-only Mortgage Loan is also allowed. In that case, the maximum Interest-only Mortgage Loan is 30 per cent. of the principal, the remainder must be repaid on an annuity basis over a maximum term of 35 years. Under an Interest-only Mortgage Loan, the Borrower is not obliged to pay principal towards redemption of the relevant Mortgage Loan until the maturity of such Mortgage Loan. Interest is payable monthly and is calculated based on the outstanding balance of the Mortgage Loan (or Loan Part).

**Annuity Mortgage Loans (or Loan Parts):**

A portion of the Mortgage Loans (or Loan Parts) will be in the form of Annuity Mortgage Loans, as can be derived from the stratification tables in Section 6.1 (*Stratification Tables*). Under an Annuity Mortgage Loan, the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that such Mortgage Loan will be fully redeemed after a loan duration of 35 years or at the end of its term, as the case may be. Pursuant to the terms and conditions of the Mortgage Loans, a Borrower may request to switch from an Annuity Mortgage Loan to an Interest-only Mortgage Loan if the LTV ratio of the Mortgaged Asset becomes equal to 75 per cent. or less. Such a switch does not occur automatically and in order to determine the LTV an up-to-date full mortgage valuation is required, which is paid for by the Borrower.

**Rate of interest and interest rate resets:**

Most of the Mortgage Loans initially carry a fixed rate of interest, a limited number of Mortgage Loans initially carry a floating rate of interest. The terms and conditions of the Mortgage Loans provide that after the end of the first fixed interest rate period, the fixed

interest rate automatically switches to a floating interest rate unless the relevant Originator and the relevant Borrower agree to a new fixed interest rate applicable at that time for the chosen fixed rate period, in which case the current Mortgage Loan will be settled and a new Mortgage Loan will need to be granted. See Section 7.5 (*Interest rate reset in respect of Mortgage Receivables*).

**Construction deposits:**

Pursuant to the Mortgage Conditions of the Mortgage Loans originated by DNL, DMS and Community, a Borrower has the right to request that a part of the Mortgage Loan will be withheld and will be applied towards refurbishment or improvements of the Mortgaged Asset. The Construction Deposits are withheld by the relevant Originator and placed on an account with the relevant Originator's Collection Foundation and will be paid if certain conditions are met. The purchase price for the relevant Mortgage Receivable is based on its outstanding principal amount plus the relevant amount of the Construction Deposit standing to the credit of the relevant Collection Foundation and not yet drawn by the relevant Borrower. The aggregate amount of the Construction Deposits on the Portfolio Reference Date is EUR 1,081,738.00.

Pursuant to the Mortgage Conditions in respect of the Mortgage Loans, Construction Deposits have to be paid out within six (6) months (unless otherwise agreed). After such period, the remaining Construction Deposit will be paid by, or on behalf of, the Seller, to the Issuer and will form part of the Available Principal Funds on the immediately succeeding Notes Payment Date.

**Early Repayment Charge:**

The Mortgage Conditions allow a Borrower to prepay the Mortgage Loans without the obligation to pay any Early Repayment Charge under, *inter alia*, the following circumstances: (i) repayment of a maximum of ten (10) per. cent of the principal amount of the Mortgage Loan per calendar year, (ii) in case of a sale of the Mortgaged Asset by the Borrower after the first twelve (12) months of the term of the Mortgage Loan, (iii) upon expiry of the fixed rate interest period, (iv) in case the Borrower is a natural person, after the death of the Borrower or (v) in case the Mortgaged Asset has been destroyed. In all other situations, an Early Repayment Charge may be imposed by the relevant Originator in accordance with the Mortgage Conditions.

## 2.7 Portfolio documentation

### **Mortgage Receivables Purchase Agreement:**

Pursuant to the Original Sellers Mortgage Receivables Purchase Agreements, (i) the Seller will purchase and accept the assignment of the Completion Mortgage Receivables, and (ii) the Seller may (provided that the Post-Closing Mortgage Receivables Purchase Conditions have been satisfied) purchase and accept the assignment of the Post-Closing Mortgage Receivables. Following the sale and assignment of the Mortgage Receivables to the Seller, under the Mortgage Receivables Purchase Agreement, the Issuer will (i) on the Closing Date, purchase and accept the assignment of the Completion Mortgage Receivables from the Seller by means of a registered deed of assignment as a result of which legal title to the Mortgage Receivables is transferred to the Issuer, and (ii) on the Post-Closing Mortgage Receivables Purchase Date, purchase and accept the assignment of the relevant Post-Closing Mortgage Receivables from the Seller by means of a registered deed of assignment as a result of which legal title to the Mortgage Receivables is transferred to the Issuer.

### **Purchase of Portfolio by Portfolio Option Holder:**

The Portfolio Option Holder may, by giving of prior notice to the Issuer, require the Issuer to sell and transfer to the Portfolio Option Holder (or its nominee, subject to the VRR Lender exercising the VRR Lender Right to Match) all (but not part) of the Mortgage Receivables on any Business Day (the “**Portfolio Sale Completion Date**”) on and following the First Optional Redemption Date with the Notes being redeemed on the next Notes Payment Date occurring on or following the Portfolio Sale Completion Date, subject to the terms of the Trust Agreement.

In connection with the exercise of the Portfolio Purchase Option, the Portfolio Option Holder (and the VRR Lender exercising the VRR Lender Right to Match) will be required to deposit or give irrevocable payment instructions to deposit the full amount (or portion thereof in the case of a person exercising the VRR Lender Right to Match), in each case subject to any set-off or netting arrangement, of the Portfolio Purchase Option Purchase Price into the Issuer Transaction Account on or before the Portfolio Sale Completion Date, or such later date as may be agreed with the Security Trustee or take such other action agreed with the Security Trustee.

The exercise of the Portfolio Purchase Option will also be subject to the transferee demonstrating to the VRR Lender, the Servicers and the Seller that it has (only in case required) all required licences and authorisations.

In addition, upon exercise of the Portfolio Purchase Option, the VRR Lender shall have the right (but not the obligation) to purchase five per cent. (5%) of the Portfolio (randomly selected by an audit firm or other suitably qualified independent third party) (the “**VRR Lender Right to Match**”) for a price equal to five per cent. (5%) of the Portfolio Purchase Option Purchase Price.

See Section 7.1 (*Purchase and Sale - Exercise of the Portfolio Purchase Option or Regulatory Change Option, Optional Redemption for Taxation or Other Reasons*) for further details.

<b>Purchase price for purchase by Portfolio Option Holder:</b>	<p>The purchase price payable by the Portfolio Option Holder in respect of the Portfolio Purchase Option is the Portfolio Purchase Option Purchase Price.</p> <p>See Section 7.1 (<i>Purchase and Sale - Exercise of the Portfolio Purchase Option or Regulatory Change Option, Optional Redemption for Taxation or Other Reasons</i>) for further details.</p>
<b>Portfolio Option Holder:</b>	<p>The “<b>Portfolio Option Holder</b>” is the holder or holders of more than fifty per cent. (50%) of the Class R Notes (or any entity or entities representing the holder(s) of more than fifty per cent. (50%) of the Class R Notes).</p>
<b>Optional Redemption of the Notes for Tax and other Reasons:</b>	<p>The Issuer may redeem all the Notes at their respective Principal Amount Outstanding together with any interest accrued (and unpaid) thereon up to (but excluding) the date of redemption pursuant to Condition 6(c) (<i>Optional Redemption for Taxation or Other Reasons</i>) (subject to the Portfolio Option Holder’s right to exercise the Portfolio Purchase Option, and the VRR Lender Right to Match).</p>
<b>Regulatory Change:</b>	<p>The VRR Lender (or its delegate) shall have the right (but not any obligation) to acquire or re-acquire the ownership of the Mortgage Receivables from the Issuer upon the occurrence of a Regulatory Change Event in accordance with the terms of Condition 6(e) (<i>Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option</i>) (subject to the Portfolio Option Holder’s right to exercise the Portfolio Purchase Option, and the VRR Lender Right to Match). The price payable by or on behalf of the VRR Lender to the Issuer to acquire the entire Portfolio from the Issuer shall be a price equal to the Regulatory Change Option Purchase Price.</p> <p>An exercise of a purchase right in respect of the entire Portfolio following a Regulatory Change Event is referred to as the Regulatory Change Option.</p> <p>Following exercise of the Regulatory Change Option, the Issuer will give not more than forty (40) nor less than five (5) Business Days’ notice to the Noteholders in accordance with Condition 15 (<i>Notice to Noteholders</i>) and the Security Trustee stating that the Notes (other than the Class R Notes) will be redeemed on the Notes Payment Date immediately following the exercise of such option by the Seller.</p> <p>The VRR Lender or its nominee will be required to deposit or give irrevocable payment instructions to deposit the full amount of the Regulatory Change Option Purchase Price in the Issuer Transaction Account on the date of sale being no later than the day falling two (2) Business Days immediately preceding the Notes Payment Date on which the exercise of such option is completed or take such other action agreed with the Security Trustee.</p> <p>See Section 7.1 (<i>Purchase and Sale - Exercise of the Portfolio Purchase Option or Regulatory Change Option, Optional Redemption for Taxation or Other Reasons</i>) for further details.</p>



**Servicing  
Agreements:**

Under the Servicing Agreements, (i) each Servicer will agree to provide collecting services and the other services as agreed in the relevant Servicing Agreement in relation to the relevant Mortgage Receivables on a day-to-day basis, including, without limitation, the collection of payments of principal, interest and all other amounts in respect of the Mortgage Receivables and (ii) each Servicer will agree to provide the implementation of arrears procedures including, if applicable, the enforcement of mortgages (see further Section 7.4 (*Servicing Agreements*)).

In accordance with the Servicing Agreements, each Servicer has appointed BCMGlobal Netherlands B.V. as sub-servicer.

## 2.8 General

### **Management Agreements:**

Each of the Issuer, the Security Trustee and the Shareholder have entered or will on or before the Signing Date enter into Management Agreement with the relevant Director, under which the relevant Director will undertake to act as director of the Issuer, the Security Trustee and the Shareholder and to perform certain services in connection therewith.

### 3. **PRINCIPAL PARTIES**

#### 3.1 **Issuer**

Jubilee Place 3 B.V., was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands on 14 October 2021. The seat (*zetel*) of the Issuer is in Amsterdam, the Netherlands and its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and its telephone number is +31 88 560 9950. The Issuer is registered with the Commercial Register (*Handelsregister*) of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 84221607. The legal entity identifier ("LEI") of the Issuer is 724500WRPGAKTC79PI54.

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

The Issuer has an issued share capital of EUR 1 which is fully paid-up. The share capital of the Issuer is held by Stichting Holding Jubilee Place 3 (see Section 3.2 (*Shareholder*)).

#### **Statement by managing director of the Issuer**

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

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

The sole managing director of the Issuer is Vistra Capital Markets (Netherlands) N.V. The managing directors of Vistra Capital Markets (Netherlands) N.V. are Mr. R. Posthumus, Ms. C. Helsloot – van Riemsdijk, Mr. H.J.D. Wolterman, Ms. K.P. van Dorst and Ms. N. van Bunge. The managing directors of Vistra Capital Markets (Netherlands) N.V. have chosen domicile at the office address in Amsterdam, the Netherlands, being Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands.

The objects (*doel*) of Vistra Capital Markets (Netherlands) N.V. are (a) to participate in, finance, cooperate with, conduct the management of and provide advice and other services to legal entities and enterprises, (b) to manage and invest funds for its own account and for the account of third parties, (c) to acquire, operate and dispose of real and personal property rights, (d) to perform any act in relation to trade, industry and advice, (e) to provide guarantees and security for debts of legal entities or other entities which belong to the same group and for third parties, (f) the performance of all activities which directly and indirectly relate to those objects, all this in the broadest sense.

Vistra Capital Markets (Netherlands) N.V. is also the Shareholder Director.

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

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

There are no potential conflicts of interest between any duties to the Issuer of the Issuer Director and private interests or other duties of the Issuer Director or its managing directors.

Vistra Capital Markets (Netherlands) N.V. is the Issuer Director and the Shareholder Director as well as the Back-up Servicer Facilitator and the Issuer Administrator. Vistra Capital Markets (Netherlands) N.V. belongs to the same group of companies as Erevia B.V., and Erevia B.V. acts as Security Trustee Director. Therefore, a conflict of interests may arise. Also, the (indirect) directors of each of Erevia B.V. and Vistra Capital Markets (Netherlands) N.V. are the same natural persons, as a result of which a conflict of interest may arise. In this respect it is of note that in the relevant Management Agreement entered into by the Issuer Director and the Shareholder Director with the entity of which it has been appointed managing director (*bestuurder*), each of the Directors agrees and undertakes to, among other things, (i) do all that an adequate managing director (*bestuurder*) should do and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition each of the Directors agrees in the relevant Management Agreement that it shall not agree to any modification of any agreement including, but not limited to, the Transaction Documents to which the Issuer or the

Shareholder, as applicable, is a party, or enter into any agreement, other than in accordance with the Trust Agreement and the other Transaction Documents to which it is a party.

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

### 3.2 Shareholder

Stichting Holding Jubilee Place 3 was established as a foundation (*stichting*), under the laws of the Netherlands on 12 October 2021. The seat (*zetel*) of the Shareholder is in the municipality of Amsterdam, the Netherlands and its registered office at Jupiter Building, Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and its telephone number is +31 88 560 9950. The Shareholder is registered with the Commercial Register (*Handelsregister*) of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 84192941. The objects (*doel*) of the Shareholder are: (i) to incorporate, to participate in any way whatsoever in, to acquire, to hold legal title to, to dispose of, to administer and to manage shares in the capital, of the Issuer, to exercise the rights attached to such shares, including the voting rights and collecting the dividends and other distributions due on these shares and (ii) to hold the shares in the capital of the Issuer, and to do all that is connected and conducive to the above in the broadest sense of the word (including but not limited to enter into agreements with third parties).

Vistra Capital Markets (Netherlands) N.V. is the Issuer Director and the Shareholder Director as well as the Back-up Servicer Facilitator and the Issuer Administrator. Vistra Capital Markets (Netherlands) N.V. belongs to the same group of companies as Erevia B.V., and Erevia B.V. acts as Security Trustee Director. Therefore, a conflict of interests may arise. Also, the (indirect) directors of each of Erevia B.V. and Vistra Capital Markets (Netherlands) N.V. are the same natural persons, as a result of which a conflict of interest may arise. In this respect it is of note that in the relevant Management Agreement entered into by the Issuer Director and the Shareholder Director with the entity of which it has been appointed managing director (*bestuurder*), each of the Directors agrees and undertakes to, among other things, (i) do all that an adequate managing director (*bestuurder*) should do and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition each of the Directors agrees in the relevant Management Agreement that it shall not agree to any modification of any agreement including, but not limited to, the Transaction Documents to which the Issuer or the Shareholder, as applicable, is a party, or enter into any agreement, other than in accordance with the Trust Agreement and the other Transaction Documents to which it is a party.

The Shareholder Director has entered into the Shareholder Management Agreement with the Shareholder, the Issuer and the Security Trustee pursuant to which the Shareholder Director agrees and undertakes to, among other things, (i) manage the affairs of the Shareholder in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and Dutch accounting practices, and (ii) refrain from any action detrimental to the Issuer's ability to meet its obligations under any of the Transaction Documents.

### 3.3 Security Trustee

Stichting Security Trustee Jubilee Place 3 was established as a foundation (*stichting*), under the laws of the Netherlands on 12 October 2021. The seat (*zetel*) of the Security Trustee is in the municipality of Amsterdam, the Netherlands and its registered office at Jupiter Building, Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and its telephone number is +31 88 560 9950. The Security Trustee is registered with the Commercial Register (*Handelsregister*) of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 84194731.

The objectives of the Security Trustee are (i) to act as trustee agent for the benefit of the Secured Creditors and other creditors of the Issuer, including any holders of issued notes by the Issuer and any loan providers raised by the Issuer, (ii) to acquire, hold, administer and waive security rights in its own name, and, if necessary, to enforce such security rights, as trustee, agent and/or for the benefit of the Secured Creditors and the other creditors of the Issuer, including the holders of the notes to be issued by the Issuer, and to perform acts and legal acts, including the entering into and acceptance of a parallel debt obligation from the Issuer, which is conducive to the acquiring and holding of the above mentioned security rights and (iii) to do anything which, in the widest sense of the words, is connected with and/or may be conducive to the attainment of the above (including but not limited to enter into agreements with third parties).

The sole managing director of the Security Trustee is Erevia B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its seat (*zetel*) in Amsterdam, the Netherlands, its registered office at Jupiter Building, Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register (*Handelsregister*) of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 33291692. The managing directors of Erevia B.V. are Mr. R. Posthumus, Ms. C. Helsloot – van Riemsdijk, Mr. H.J.D. Wolterman, Ms. K.P. van Dorst and Ms. N. van Bunge.

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

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

The Trust Agreement provides that the Security Trustee shall not retire or be removed from its duties under the Trust Agreement until all amounts payable to the Secured Creditors under the Transaction Documents have been paid in full. However, the Noteholders of the Most Senior Class shall have the power, exercisable only by an Extraordinary Resolution, to remove the Security Trustee Director as director of the Security Trustee. The Security Trustee Management Agreement with the Security Trustee Director may be terminated by the Security Trustee (or the Issuer on its behalf) upon the occurrence of certain termination events, including, but not limited to, a default by the Security Trustee Director (unless remedied within the applicable grace period), dissolution and liquidation of the Security Trustee Director or the Security Trustee Director being declared bankrupt or granted a suspension of payments, provided that the Credit Rating Agencies are notified of such default and after consultation with the Secured Creditors, other than the Noteholders. Furthermore, the Security Trustee Management Agreement can be terminated by the (a) Security Trustee Director or (b) the Security Trustee, provided that a Credit Rating Agency Confirmation in respect of each Credit Rating Agency is available in connection with such termination, upon ninety (90) days prior written notice given by (i) the Security Trustee Director to the Security Trustee or (ii) by the Security Trustee to the Security Trustee Director and the other parties to the Security Trustee Management Agreement. In the event of termination, the Security Trustee Director shall fully co-operate with the other parties to the Security Trustee Management Agreement and do all such acts as are necessary to appoint a new director. The Security Trustee Director shall resign upon termination of the Security Trustee Management Agreement, provided that such resignation shall only be effective as from the moment (x) a new director reasonably acceptable to the Issuer, after having consulted with the Secured Creditors (other than the Noteholders) has been appointed and (y) that a Credit Rating Agency Confirmation in respect of each Credit Rating Agency is available in respect of such appointment.



### 3.4 Seller & Originators

#### Seller

Citibank, N.A. is a national association formed through its Articles of Association; it obtained its charter, 1461, 17 July 1865, and is governed by the laws of the United States, having its principal office situated at 388 Greenwich Street, New York, NY10013, USA, and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch of Citibank, N.A. is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

On the Closing Date, the Seller will acquire the Completion Mortgage Receivables and their Related Security from the Original Sellers and will immediately on-sell and transfer such Mortgage Receivables to the Issuer. On the Post-Closing Mortgage Receivables Purchase Date, the Seller may acquire any Post-Closing Mortgage Receivables and their Related Security from the Original Sellers, and will immediately on-sell such Post-Closing Mortgage Receivables and their Related Security to the Issuer.

#### Originators

##### *The DNL Originator*

DNL 1 B.V. ("**DNL**" or "**DNL Originator**") is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its seat (*zetel*) in Amsterdam, the Netherlands, its registered office at Zonnebaan 11, 3542 EA Utrecht, the Netherlands and registered with the Commercial Register (*Handelsregister*) of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 76021599. DNL is the originator of certain Mortgage Loans in the Portfolio and for the purpose of such Mortgage Loans originated by DNL, it will be the Servicer and the Originator.

DNL is a specialist mortgage lender focused on originating and servicing mortgage loans in the Dutch buy-to-let sector. As at 1 November 2021, it has lent approximately €240,000,000 to this sector since December 2019.

##### *The DMS Originator*

Dutch Mortgage Services B.V. ("**DMS**" or "**DMS Originator**") is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its seat (*zetel*) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 31, 1101 CN Amsterdam, the Netherlands and registered with the Commercial Register (*Handelsregister*) of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 65074033. DMS is the originator of certain Mortgage Loans in the Portfolio and for the purposes of such Mortgage Loans originated by DMS, it will be the Servicer and the Originator.

DMS is a specialist mortgage lender focused on originating and servicing mortgage loans in the Dutch buy-to-let sector. As at 1 November 2021, it has lent approximately €472,000,000 to this sector since October 2019.

#### *The Community Originator*

Community Hypotheken B.V. (“**Community**” or “**Community Originator**”, and together with DMS, the DMS Originator, DNL, and the DNL Originator, the “**Originators**”) is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its seat (*zetel*) in Amsterdam, the Netherlands, its registered office at Parijsboulevard 143B, 3541 CS Utrecht, the Netherlands and registered with the Commercial Register (*Handelsregister*) of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 65050258. Community is the originator of certain Mortgage Loans in the Portfolio and for the purposes of such Mortgage Loans originated by Community, it will be the Servicer and the Originator.

Community is a specialist mortgage lender focused on originating and servicing mortgage loans in the Dutch buy-to-let sector. As at 1 November 2021, it has lent approximately €142,000,000 to this sector since January 2020.

### 3.5 **Servicers**

The Issuer has appointed each of the DNL Originator, the DMS Originator and the Community Originator to act as its Servicer in accordance with the terms of the relevant Servicing Agreement to provide the Services.

In accordance with the Servicing Agreements, each Servicer has appointed BCMGlobal Netherlands B.V. to act as its sub-servicer in respect of the relevant Mortgage Receivables.

For further information on the Servicers, see Section 3.4 (*Seller & Originators*) and Section 6.3 (*Origination and Servicing*).

### 3.6 **Issuer Administrator**

The Issuer has appointed Vistra Capital Markets (Netherlands) N.V. to act as its Issuer Administrator in accordance with the terms of the Cash Management Agreement.

Vistra Capital Markets (Netherlands) N.V. is incorporated under Dutch law as a public limited liability company (*naamloze vennootschap*), having its seat (*zetel*) in Amsterdam, the Netherlands and its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and its telephone number is +31 88 560 9950. The Issuer Administrator is registered with the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 33093266. The managing directors of Vistra Capital Markets (Netherlands) N.V. are Mr. R. Posthumus, Ms. C. Helsloot – van Riemsdijk, Mr. H.J.D. Wolterman, Ms. K.P. van Dorst and Ms. N. van Bunge. The managing directors of Vistra Capital Markets (Netherlands) N.V. have chosen domicile at the office address in Amsterdam, the Netherlands, being Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands.

Vistra Capital Markets Netherlands N.V. is the Issuer Director and the Shareholder Director as well as the Issuer Administrator and the Back-up Servicer Facilitator. Therefore, a conflict of interests may arise. In this respect it is of note that in the relevant Management Agreement entered into by the Issuer Director and the Shareholder Director with the entity of which it has been appointed managing director (*bestuurder*), each of the Directors agrees and undertakes to, among other things, (i) do all that an adequate managing director (*bestuurder*) should do and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition each of the Directors agrees in the relevant Management Agreement that it shall not agree to any modification of any agreement including, but not limited to, the Transaction Documents to which the Issuer or the Shareholder, as applicable, is a party, or enter into any agreement, other than in accordance with the Trust Agreement and the other Transaction Documents to which it is a party.

### 3.7 **Reporting Entity**

The Issuer will be designated as the Reporting Entity.

For a description of the Issuer, see Section 3.1 (*Issuer*).

### 3.8 Swap Counterparty

BNP Paribas is a French multinational bank and financial services company with its registered office located at 16 boulevard des Italiens 75009 Paris, France, and its corporate website in English is <http://www.bnpparibas.com/en>.

BNP Paribas, together with its consolidated subsidiaries (the “**BNP Paribas Group**”) is a global financial services provider, conducting retail, corporate and investment banking, private banking, asset management, insurance and specialized and other financial activities throughout the world.

The BNP Paribas Group, one of Europe’s leading providers of banking and financial services, has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg.

It operates in 66 countries and has nearly 190,000 employees, including nearly 150,000 in Europe. BNP Paribas holds key positions in its two main businesses:

- Retail Banking and Services, which includes:
  - Domestic Markets, comprising:
    - French Retail Banking (FRB),
    - BNL banca commerciale (BNL bc), Italian retail banking,
    - Belgian Retail Banking (BRB),
    - Other Domestic Markets activities including Arval, BNP Paribas Leasing Solutions, Personal Investors, Nickel and Luxembourg Retail Banking (LRB);
  - International Financial Services, comprising:
    - Europe-Mediterranean,
    - BancWest,
    - Personal Finance,
    - Insurance,
    - Wealth and Asset Management;
- Corporate and Institutional Banking (CIB):
  - Corporate Banking,
  - Global Markets,
  - Securities Services.

BNP Paribas SA is the parent company of the BNP Paribas Group.

At 30 September 2021, the BNP Paribas Group had consolidated assets of €2,726 billion (compared to €2,488 billion at 31 December 2020), consolidated loans and receivables due from customers of €836 billion (compared to €810 billion at 31 December 2020), consolidated items due to customers of €1,022 billion (compared to €941 billion at 31 December 2020) and shareholders’ equity (Group share) of €116 billion (compared to €112.8 billion at 31 December 2020).

At 30 September 2021, pre-tax income was €10.5 billion (compared to €7.6 billion as at 30 September 2020). Net income, attributable to equity holders, for the first nine months 2021 was €7.2 billion (compared to €5.5 billion for the first nine months 2020).

At the date of this Prospectus, the BNP Paribas Group currently has Long Term Senior Preferred debt ratings of “A+” with stable outlook from S&P, “Aa3” with stable outlook from

Moody's Investors Service, Inc. and "AA-" with stable outlook from Fitch Ratings, Ltd and "AA (low)" with stable outlook from DBRS.

The information contained in this section relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained herein is furnished solely to provide limited introductory information regarding BNP Paribas and the BNP Paribas Group and does not purport to be comprehensive.

The delivery of the information contained in this section shall not create any implication that there has been no change in the affairs of BNP Paribas or the BNP Paribas Group since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

For up-to-date financial information, including quarterly results since the last fiscal year end, please refer to <http://invest.bnpparibas.com/en>.

### 3.9 **Cash Manager**

Citibank, N.A. is a national association formed through its Articles of Association; it obtained its charter, 1461, 17 July 1865, and is governed by the laws of the United States, having its principal office situated at 388 Greenwich Street, New York, NY10013, USA, and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

### 3.10 Other parties

<b>Account Agent:</b>	Citibank Europe plc, a public limited company incorporated and registered in Ireland with company number 132781 and having its registered office at 1 North Wall Quay, Dublin 1 Ireland, acting through its Agency and Trust business.
<b>Back-up Servicer Facilitator:</b>	Vistra Capital Markets (Netherlands) N.V., a limited liability company ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 33093266.
<b>Common Depositary:</b>	Citibank Europe plc, a public limited company registered in the Companies Registration Office in Ireland with its registered address at 1 North Wall Quay, Dublin 1, Ireland.
<b>Community Collection Foundation:</b>	Stichting Community Hypotheken Ontvangsten, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 75373742.
<b>Collection Foundation Account Provider:</b>	ABN AMRO Bank N.V., a public company with limited liability ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Gustav Mahlerplein 10, 1082 PP Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 34334259.
<b>DMS Collection Foundation:</b>	Stichting Ontvangsten Dutch Mortgage Services, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 75331837.
<b>DNL Collection Foundation:</b>	Stichting Ontvangsten DNL, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 75796708.



<b>Issuer Administrator:</b>	Vistra Capital Markets (Netherlands) N.V., a limited liability company ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 33093266.
<b>Listing Agent:</b>	Arthur Cox Listing Services Limited, a limited liability company incorporated under the laws of Ireland with its registered address at Ten Earlsfort Terrace, Dublin, D02 T380, Ireland.
<b>Original Sellers:</b>	(i) DMS Vastgoed Finance B.V. in respect of Mortgage Loans originated by the DMS Originator, (ii) Ivy Real Estate Finance B.V. in respect of Mortgage Loans originated by the DNL Originator and (iii) Community Mortgages 1 B.V. in respect of Mortgage Loans originated by the Community Originator.
<b>Paying Agent and Agent Bank:</b>	Citibank, N.A., London Branch, a national association incorporated in the United States of America acting through its London branch (registered under Branch number BR001018) and having its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.
<b>Arranger and Lead Manager:</b>	Citibank Europe plc, a public limited company registered in the Companies Registration Office in Ireland with its registered address at 1 North Wall Quay, Dublin 1, Ireland.

## 4. **NOTES**

### 4.1 **Terms and Conditions**

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

The issue of the EUR 287,689,000 Class A mortgage-backed floating rate notes due 2059 (the “**Class A Notes**”), the EUR 18,851,000 Class B mortgage-backed floating rate notes due 2059 (the “**Class B Notes**”), the EUR 10,655,000 Class C mortgage-backed floating rate notes due 2059 (the “**Class C Notes**”), the EUR 7,377,000 Class D mortgage-backed floating rate notes due 2059 (the “**Class D Notes**”), the EUR 3,279,000 Class E mortgage-backed floating rate notes due 2059 (the “**Class E Notes**”), the EUR 13,114,000 Class X1 notes due 2059 (the “**Class X1 Notes**”), the EUR 3,278,000 Class X2 notes due 2059 (the “**Class X2 Notes**” and together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X1 Notes, the “**Investor Notes**”), the EUR 100,000 Class S1 Note due 2059 (the “**Class S1 Note**”), the EUR 100,000 Class S2 Note due 2059 (the “**Class S2 Note**”) and the EUR 2,000,000 Class R Notes due 2059 (the “**Class R Notes**” and, together with the Class S1 Note, the Class S2 Note and the Investor Notes, the “**Notes**”) was authorised by a resolution of the managing director of the Issuer passed on 17 January 2022. The Notes are issued under the Trust Agreement on the Closing Date. Unless otherwise defined herein, words and expressions used below are defined in a master definitions agreement dated the Signing Date between the Issuer, the Security Trustee, the Seller and certain other parties as amended from time to time (the “**Master Definitions Agreement**”). Such words and expressions shall, except where the context requires otherwise, have the same meanings in these Conditions. If the terms or definitions in the Master Definitions Agreement would conflict with the terms and definitions used herein, the terms and definitions of these Conditions shall prevail.

Pursuant to a paying agency agreement (the “**Paying Agency Agreement**”) dated the Signing Date and made between the Issuer, the Paying Agent and the Security Trustee, provision is made for, *inter alia*, the payment of principal and interest in respect of the Notes.

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

Copies of the Trust Agreement, the Paying Agency Agreement, the Servicing Agreements, the Parallel Debt Agreement, the Pledge Agreements and the Master Definitions Agreement and certain other Transaction Documents (see Section 8 (*General*)) are available for inspection, free of charge, by Noteholders and prospective Noteholders at the specified office of the Paying Agent and the present office of the Security Trustee, being at the date hereof Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and in electronic form upon email request at [capitalmarkets.ams@vistra.com](mailto:capitalmarkets.ams@vistra.com) and on the website <https://www.euroabs.com/IH.aspx?d=17154>. For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

## 1 Form, Denomination and Title

- (a) The Notes will be in bearer form serially numbered and with Coupons attached on issue in denominations of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. Under Dutch law, the valid transfer of Notes or Coupons requires, among other things, delivery (*levering*) thereof. The Issuer, the Security Trustee and the Paying Agent may, to the fullest extent permitted by law, treat the holder of any Note and of the Coupons appertaining thereto as its absolute owner for all purposes (whether or not payment under such Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof), including payment and no person shall be liable for so treating such holder. The signatures on the Notes will be in facsimile.
- (b) For as long as the Notes are represented by a Global Note and Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit, such Notes will be tradeable only in the minimum authorised denomination of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. Notes in definitive form, if issued, will only be printed and issued in denominations of EUR 100,000 in each case increased with any amount in excess thereof in integral multiples of EUR 1,000 up to and including EUR 199,000. No Notes in definitive form will be issued with a denomination above EUR 199,000. All Notes will be serially numbered and will be issued in bearer form and with (at the date of issue) Coupons and, if necessary, talons attached.

## 2 Status, Priority and Security

- (a) The Notes of each Class are direct and unconditional obligations of the Issuer and rank *pari passu* and without any preference or priority among Notes of the same Class.
- (b) The Class A Notes, the Class S1 Note and the Class S2 Note rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal (in the case of the Class A Notes) and in relation to payment of the Class S1 Payment (in the case of the Class S1 Note) or the Class S2 Payment (in the case of the Class S2 Note) at all times, as provided in these Conditions and the Trust Agreement. The interests of the Class A Noteholders in respect of payments of interest and principal, the interests of the Class S1 Noteholder in respect of the Class S1 Payment and the interests of the Class S2 Noteholder in respect of the Class S2 Payment will rank senior to all other classes of Notes **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class A Notes, the Class S1 Note and the Class S2 Note and the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) will be redeemed prior to the redemption of the Class S1 Note and the Class S2 Note.
- (c) The Class B Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class B Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment as provided in these Conditions and the Trust Agreement) in respect of, *inter alia*, payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class B Notes. The interests of the Class

B Noteholders will be subordinated to the interests of each of the Class S1 Noteholder in respect of the Class S1 Payment, the Class S2 Noteholder in respect of the Class S2 Payment and the Class A Noteholders (so long as any Class A Notes, the Class S1 Note or the Class S2 Note are outstanding).

- (d) The Class C Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class C Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class B Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment as provided in these Conditions and the Trust Agreement) in respect of, *inter alia*, payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class C Notes. The interests of the Class C Noteholders will be subordinated to the interests of each of the Class S1 Noteholder in respect of the Class S1 Payment, the Class S2 Noteholder in respect of the Class S2 Payment, the Class A Noteholders and the Class B Noteholders (so long as any Class S1 Note, Class S2 Note, Class A Notes or Class B Notes remain outstanding).
- (e) The Class D Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class D Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S2 Payment as provided in these Conditions and the Trust Agreement) in respect of, *inter alia*, payments of interest and principal provided that prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class D Notes. The interests of the Class D Noteholders will be subordinated to the interests of each of the Class S1 Noteholder, the Class S2 Noteholder, the Class A Noteholders, the Class B Noteholders and the Class C Noteholders (so long as any Class S1 Note in respect of the Class S1 Payment, Class S2 Note in respect of the Class S2 Payment, Class A Notes, Class B Notes or Class C Notes remain outstanding).
- (f) The Class E Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times. The Class E Notes will rank senior to all other classes of Notes (other than the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class S1 Note in relation to the Class S1 Payment and the Class S2 Note in relation to the Class S1 Payment as provided in these Conditions and the Trust Agreement) in respect of, *inter alia*, payments of interest and principal **provided that** prior to the delivery of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes may be redeemed prior to the redemption of the Class E Notes. The interests of the Class E Noteholders will be subordinated to the interests of each of the Class S1 Noteholder, the Class S2 Noteholder, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders (so long as any Class S1 Note in respect of the Class S1 Payment, Class S2 Note in respect of the Class S2 Payment, Class A Notes, Class B Notes, Class C Notes or Class D Notes remain outstanding).
- (g) Prior to the service of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to the payment of interest and principal at all times, but subordinate to all payments due in respect of items ranking senior thereto in the Pre-Enforcement

Revenue Priority of Payments. Following the service of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes rank *pro rata* and *pari passu* without preference or priority among themselves as to payment of principal and interest at all times and payments on the Class X1 Notes and the Class X2 Notes will be made in accordance with the Post-Enforcement Priority of Payments.

- (h) Payment of interest and principal in respect of the Class X1 Notes and the Class X2 Notes will be payable only to the extent there are: (i) Available Revenue Funds under and in accordance with the Pre-Enforcement Revenue Priority of Payments; or (ii) Available Principal Funds under and in accordance with the Post-Enforcement Priority of Payments (if applicable).
- (i) The Class S1 Note and the Class S2 Note rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of principal at all times. In respect of payments of principal, upon redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes in full, the Class S1 Note and the Class S2 Note will rank senior to the Class R Notes.
- (j) The Class R Notes rank *pro rata* and *pari passu* without preference or priority among themselves and rank subordinate to all payments due in respect of the Class S1 Note, the Class S2 Note, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes as provided in these Conditions and the Trust Agreement.
- (k) In addition, payments will be made to the VRR Lender on a *pari passu* and *pro rata* basis with payments on the Notes, in accordance with the VRR Loan Agreement and the Transaction Documents.
- (l) The Trust Agreement contains provisions requiring the Security Trustee to have regard to the interests of holders of each Class of the Notes (and at all times have regard to and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) as regards all rights, powers, security rights, authorities, duties and discretions of the Security Trustee (except where expressly provided otherwise) but requiring the Security Trustee where there is a conflict of interests between one or more Classes of Notes in any such case to have regard (except as expressly provided otherwise and at all times have regard to and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) to the interests of the holders of the Class of Notes ranking in priority to the other relevant Classes of Notes in the Pre-Enforcement Priority of Payments and, if all other Notes have been redeemed, the Class R Notes. In addition, the Security Trustee shall have regard to the interests of the other Secured Creditors. In case of a conflict of interest between the Secured Creditors, the ranking set out in the Post-Enforcement Priority of Payments determines which interest of which Secured Creditor prevails.
- (m) The Trust Agreement and the Parallel Debt Agreement also contain provisions limiting the powers of any Class of Noteholders to pass an effective Extraordinary Resolution according to the effect thereof on the interests of the holders of the Class or Classes of Notes ranking in priority thereto. Except in certain circumstances described in Condition 13 (*Meetings of Noteholders, Modification, Waiver, Substitution and Alternative Reference Rate*), the Trust Agreement and the Parallel

Debt Agreement contain no such limitation on the powers of the holders of the Most Senior Class, the exercise of which will be binding (save in respect of a Basic Terms Modification, the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights or the Swap Counterparty Entrenched Rights) on the holders of all other Classes of Notes in each case irrespective of the effect thereof on their respective interests.

- (n) The VRR Lender will not be entitled to convene, count in the quorum or pass resolutions (including Extraordinary Resolutions and Ordinary Resolutions). Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the VRR Lender (other than any resolutions in respect of a VRR Entrenched Right unless the VRR Lender has consented) if passed in accordance with the Conditions.
- (o) Notwithstanding the Class S Entrenched Rights, the Class S1 Noteholder and the Class S2 Noteholder will not be entitled to convene, count in the quorum or pass resolutions. Any Ordinary Resolution or Extraordinary Resolution in respect of a Class S Entrenched Right will not be binding unless the Class S1 Noteholder and the Class S2 Noteholder have consented in writing.
- (p) Notwithstanding the Class R Entrenched Rights, the Class R Noteholders will not be entitled to convene, count in the quorum or pass resolutions. Any Ordinary Resolution or Extraordinary Resolution in respect of a Class R Entrenched Right will not be binding unless not less than fifty (50) per cent. of the Class R Noteholders have consented in writing.
- (q) The Security for the obligations of the Issuer towards, amongst others, the Noteholders, the VRR Lender will be created pursuant to and on the terms set out in the Trust Agreement, the Parallel Debt Agreement and the Pledge Agreements, which will create, among other things, the following security rights:
  - (i) a first ranking right of pledge by the Issuer to the Security Trustee over the Mortgage Receivables and all rights ancillary thereto;
  - (ii) a first ranking right of pledge by the Issuer to the Security Trustee over the Issuer Rights; and
  - (iii) a first ranking right of pledge by each of the Collection Foundations to the Security Trustee and certain other parties jointly in respect of its rights under the relevant Collection Foundation Account and a second ranking right of pledge to the Issuer and certain other parties jointly.

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

As long as any of the Notes remain outstanding, the Issuer shall carry out its business in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and accounting practice and shall not, except (i) to the extent permitted by the Transaction Documents or (ii) with the prior written consent of the Security Trustee:

- (a) carry out any business other than as described in the Prospectus and as contemplated in the Transaction Documents;

- (b) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness except as contemplated in the Transaction Documents;
- (c) create or promise to create any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or use, invest, sell, transfer or otherwise dispose of or grant any options or rights to any part of its assets except as contemplated by the Transaction Documents;
- (d) consolidate or merge with any other person or convey or transfer its properties or assets substantially or as an entirety to any person;
- (e) permit the validity or effectiveness of the Transaction Documents, or the priority of the security created thereby or pursuant thereto to be amended, terminated, waived, postponed or discharged, or permit any person whose obligations form part of such security rights to be released from such obligations or consent to any waiver except as contemplated in the Transaction Documents;
- (f) have any employees or premises or have any subsidiary or subsidiary undertaking;
- (g) have an interest in any bank account other than the Issuer Accounts unless all rights in relation to such account will have been pledged to the Security Trustee as provided in Condition 4.7 (*Security*);
- (h) take any action which will cause its “centre of main interest” within the meaning of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on Insolvency Proceedings to be located outside the Netherlands;
- (i) amend, supplement or otherwise modify or waive any terms of its articles of association (*statuten*), other constitutive documents or the Transaction Documents;
- (j) pay any dividend or make any other distribution to its shareholder(s), other than in accordance with the applicable Priority of Payments or issue any further shares;
- (k) engage in any activity whatsoever which is not incidental to or necessary in connection with, any of the activities which the relevant Transaction Documents provide or envisage that the Issuer will engage in;
- (l) enter into derivative contracts, except for hedging purposes as provided for in the Transaction Documents;
- (m) purchase or otherwise acquire any Notes;
- (n) engage in any activities in the United States (directly or through agents), or derive any income from United States sources as determined under United States income tax principles, or hold any property if doing so would cause it to be engaged in a trade or business within the United States as determined under United States income tax principles;
- (o) transfer the Portfolio or any part thereof in a manner that is not in compliance with the provisions of the Mortgage Receivables Purchase Agreement; or
- (p) commence a voluntary case or other proceeding seeking liquidation, reorganisation

or other relief with respect of its debts under any law or seeking the appointment of a (bankruptcy) receiver, trustee, custodian, conservator or other similar person for it or for all or any substantial part of its assets and shall not consent to any such relief or to the appointment of or taking possession by any (bankruptcy) receiver, trustee custodian, conservator or other similar person in an involuntary case or other proceeding commenced against the Issuer.

#### **4 Interest**

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

Each Floating Rate Note bears interest on its Principal Amount Outstanding from (and including) the Closing Date.

Each Floating Rate Note (or, in the case of the redemption of part only of a Floating Rate Note, that part only of such Floating Rate Note) will cease to bear interest from and including the due date for redemption unless, upon due surrender in accordance with Condition 5 (*Payment*), payment of the principal in respect of the Floating Rate Note is improperly withheld or refused or default is otherwise made in respect of the payment, in which event interest shall continue to accrue as provided in the Trust Agreement.

##### **(b) Interest Periods and Notes Payment Dates**

Accrued interest (excluding Deferred Interest) on the Investor Notes ("**Normal Interest**") will be payable in arrear on each Notes Payment Date, for all Classes of Notes. The first Notes Payment Date will be the Notes Payment Date falling on 17 April 2022.

Interest shall accrue from (and including) a Notes Payment Date (except in the case of the first Interest Period, which shall commence on (and include) the Closing Date) to (but excluding) the next following Notes Payment Date (except that, for the purposes of the first Interest Period, the first Interest Period shall end on (but exclude) the first Notes Payment Date falling in April 2022) (each such period above, an "**Interest Period**").

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

Up to but excluding the First Optional Redemption Date, interest on the Investor Notes for each Interest Period will accrue at an annual rate equal to the sum of the Euro Interbank Offered Rate ("**EURIBOR**") for three months in EUR (determined in accordance with Condition 4(f) (*Determination of the Interest Rates and Calculation of Floating Interest Amounts in respect of the Investor Notes*)) (or, in respect of the first Interest Period, at an annual rate which represents the linear interpolation of 1-month EURIBOR and 3-month EURIBOR in EUR, rounded, if necessary, to the 5th decimal place with 0.000005, being rounded upwards), plus an Initial Margin of:

- (i) for the Class A Notes, 0.85 per cent. per annum;
- (ii) for the Class B Notes, 1.10 per cent. per annum;
- (iii) for the Class C Notes, 1.60 per cent. per annum;



- (iv) for the Class D Notes, 2.00 per cent. per annum;
- (v) for the Class E Notes, 2.10 per cent. per annum;
- (vi) for the Class X1 Notes, 3.00 per cent. per annum; and
- (vii) for the Class X2 Notes, 5.50 per cent. per annum.

The Interest Rates on the Investor Notes shall at all times be at least zero per cent.

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

If on the First Optional Redemption Date the Investor Notes have not been redeemed in full, the rate of interest applicable to the Investor Notes will, from (and including) the First Optional Redemption Date, accrue at an annual rate equal to the sum of 3-month EURIBOR, plus a Step-Up Margin of:

- (i) for the Class A Notes, 1.4875 per cent. per annum;
- (ii) for the Class B Notes, 1.925 per cent. per annum;
- (iii) for the Class C Notes, 2.60 per cent. per annum;
- (iv) for the Class D Notes, 3.00 per cent. per annum;
- (v) for the Class E Notes, 3.10 per cent. per annum;
- (vi) for the Class X1 Notes, 3.00 per cent. per annum; and
- (vii) for the Class X2 Notes, 5.50 per cent. per annum.

The Interest Rates on the Investor Notes shall at all times be at least zero per cent.

(e) **EURIBOR**

For the purpose of Conditions 4(c) (*Interest on the Investor Notes up to but excluding the First Optional Redemption Date*) and 4(d) (*Interest on the Investor Notes from (and including) the First Optional Redemption Date*) EURIBOR will be determined as follows:

- (i) The Agent Bank will, subject to Condition 4(c), obtain for each Interest Period the rate equal to 3-month EURIBOR. The Agent Bank shall use the EURIBOR rate as determined and published by EMMI and which appears for information purposes on the Reuters Screen EURIBOR01, (or, if not available, any other display page on any screen service maintained by any registered information vendor for the display of the EURIBOR rate selected by the Issuer) as at or about 11.00 am (Central European Time) on the day that is two Business Days preceding the first day of each Interest Period (each an “**Interest Determination Date**”);
- (ii) If, on the relevant Interest Determination Date, such EURIBOR rate is not determined and published by EMMI, or if it is not otherwise reasonably practicable to calculate the rate under (i) above, the Issuer or a third party

appointed by the Issuer will use its best efforts to, and provided that such arrangements are in compliance with the Benchmarks Regulation Requirements:

- (A) request the principal Euro-zone office of each of four major banks in the Euro-zone interbank market (the “**EURIBOR Reference Banks**”) to provide a quotation for the rate at which three months in EUR are offered by it in the Euro-zone interbank market at approximately 11.00 am (Central European Time) on the relevant Interest Determination Date to prime banks in the Euro-zone interbank market in an amount that is representative for a single transaction at that time; and
- (B) if at least two quotations are provided, determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of such quotations as provided; and
- (C) if fewer than two such quotations are provided as requested, the Issuer or a third party appointed by the Issuer will determine the arithmetic mean (rounded, if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two in number, in the Euro-zone, selected by the Issuer or a third party appointed by the Issuer, at approximately 11.00 am (Central European Time) on the relevant Interest Determination Date for three months in EUR to leading Euro-zone banks in an amount that is representative for a single transaction in that market at that time,

and EURIBOR for such Interest Period shall be the rate per annum equal to 3-month EURIBOR as determined in accordance with this paragraph (e), provided that if the Agent Bank, the Issuer or a third party appointed by the Issuer is unable to determine EURIBOR in accordance with the above provisions in relation to any Interest Period, EURIBOR applicable to the Investor Notes during such Interest Period will be EURIBOR last determined in relation thereto, until EURIBOR can be determined again on a subsequent Interest Determination Date.

- (iii) In the event of material disruption or cessation of a benchmark or if a material disruption or cessation of a benchmark is reasonably expected to occur, an Alternative Reference Rate including the application of any Adjustment Spread shall be adopted in accordance with Condition 13(c).

(f) **Determination of the Interest Rates and Calculation of Floating Interest Amounts in respect of the Investor Notes**

The Agent Bank will, as soon as practicable on each Interest Determination Date, determine the rates of interest referred to in Conditions 4(c) (*Interest on the Investor Notes up to but excluding the First Optional Redemption Date*) and 4(d) (*Interest on the Investor Notes from (and including) the First Optional Redemption Date*) for the Investor Notes and calculate the amounts of interest payable on each such Floating Rate Note for the following Interest Period (the “**Floating Interest Amount**”) by applying the relevant Interest Rates to the Principal Amount Outstanding of the Investor Notes on the first day of the relevant Interest Period. The determination of

the relevant Interest Rates and each Floating Interest Amount by the Agent Bank shall (in the absence of manifest error) be final and binding on all parties.

The Floating Interest Amounts shall, in respect of a Class of Investor Notes, be determined by applying the relevant Interest Rate to the Principal Amount Outstanding of such Class of Notes and multiplying the sum by the actual number of days in the Interest Period concerned divided by 360 and rounding the figure downwards to the nearest euro cent.

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

The Agent Bank shall cause the relevant Interest Rate, the relevant Floating Interest Amount and the Notes Payment Date for each Class of Notes in respect of each Interest Period and each Notes Payment Date to be notified to the Issuer, the Security Trustee, the Issuer Administrator, the Cash Manager and to any stock exchange or other relevant authority on which the Notes are at the relevant time listed and to be published in accordance with Condition 15 (*Notice to Noteholders*) as soon as possible after their determination and in no event later than two Business Days prior to the immediately succeeding Notes Payment Date. The Interest Rates, Floating Interest Amounts and Notes Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

**(h) Calculation of Floating Rate Amounts by Security Trustee in respect of the Investor Notes**

The Security Trustee (or an agent appointed by it) may, without liability therefor, if the Agent Bank defaults at any time in its obligation to determine the Interest Rates and the Floating Interest Amounts (as applicable) in accordance with the above provisions and the Security Trustee has been notified of this default, determine or cause to be determined the Interest Rates and the Floating Interest Amounts at such rates as, in its absolute discretion (having such regard as it shall think fit to the procedure described above), it shall deem fair and reasonable in all the circumstances and the Floating Interest Amounts in the manner provided in Condition 4(f) (*Determination of the Interest Rates and Calculation of Floating Interest Amounts in respect of the Investor Notes*). In each case, the Security Trustee may, at the expense of the Issuer, engage an expert to make the determination and any such determination shall be deemed to be determinations made by the Agent Bank.

**(i) Notifications to be Final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, whether by the Agent Bank or the Security Trustee, will (in the absence of wilful default, gross negligence or fraud) be binding on the Issuer, the Security Trustee, the Agent Bank and all Noteholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Issuer or the Noteholders shall attach to the Cash Manager, the Agent Bank or, if applicable, the Security Trustee in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 4.

(j) **Paying Agent and Agent Bank**

The Issuer shall procure that, so long as any of the Notes remain outstanding, there is at all times a paying agent and an agent bank for the purposes of the Notes. The Issuer may, subject to the prior written approval of the Security Trustee, terminate the appointment of the Paying Agent and the Agent Bank. Notice of any such termination will be given to the holders of the Notes in accordance with Condition 13 (*Notices*). In the event of the appointed office of any bank being unable or unwilling to continue to act as the paying agent or as the agent bank or failing duly to determine the Interest Rates or the Floating Interest Amounts in respect of any Class of Notes for any Interest Period, the Issuer may, subject to the prior written approval of the Security Trustee, appoint another major bank engaged in the relevant interbank market to act in its place. Each of the Paying Agent and the Agent Bank may not resign its duties or be removed without a successor having been appointed on terms commercially acceptable in the market.

(k) **Class R Notes Revenue Amount**

On any Notes Payment Date prior to the delivery of an Enforcement Notice and after redemption of the Class X2 Notes in full, the Class R Noteholders are entitled to receive the Class R Notes Revenue Amount. The Class R Notes Revenue Amount shall be equal to:

- (i) on any Notes Payment Date prior to the delivery of an Enforcement Notice, an amount equal to the Available Revenue Funds remaining after all items ranking above item (f)(xviii) of the Pre-Enforcement Revenue Priority of Payments have been paid in full, less in case all Higher Ranking Classes of Notes have been redeemed in full, an amount equal to the aggregate Principal Amount Outstanding of the Class R Notes; and
- (ii) after the delivery of an Enforcement Notice, the amount remaining after all items ranking above item (f)(xvii) of the Post-Enforcement Priority of Payments have been paid in full, less in case all Higher Ranking Classes of Notes have been redeemed in full, an amount equal to the aggregate Principal Amount Outstanding of the Class R Notes.

(l) **Determinations and Reconciliation**

In the event that the Cash Manager does not receive all relevant and required Mortgage Reports to be delivered by each Servicer in respect of a Collection Period (each such period, a “**Determination Period**”), then the Cash Manager may use the Mortgage Reports in respect of the three most recent Collection Periods provided by each Servicer (or, where there are no Mortgage Reports for at least three previous Collection Periods, any previous Mortgage Reports as provided by each Servicer) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in this Condition 4(l). When the Cash Manager receives the Mortgage Report relating to the Notes Calculation Period, it will make the reconciliation calculations and reconciliation payments as set out in this Condition 4(l). Any (i) calculations properly made on the basis of such estimates in accordance with this Condition 4(l); (ii) payments made under any of the Notes and Transaction Documents in accordance with such calculations; and (iii) reconciliation calculations and reconciliation payments made as a result of such reconciliation calculations, each in accordance with this Condition 4(l), shall be deemed to be made in

accordance with the provisions of the Transaction Documents and will in themselves not lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.

In respect of any Notes Calculation Period the Cash Manager shall on the Notes Calculation Date immediately preceding the Notes Payment Date:

- (i) determine the Interest Determination Ratio (as defined below) by reference to the three most recent Mortgage Calculation Periods in respect of which the Mortgage Reports from each Servicer are available (or, where there are not at least three previous Mortgage Reports provided by each Servicer, any previous Mortgage Reports of such Servicer);
- (ii) calculate the Revenue Funds for such Determination Period as the product of (A) the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period (the **"Calculated Revenue Funds"**); and
- (iii) calculate the Principal Funds for such Determination Period as the product of (A) one *minus* the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period (the **"Calculated Principal Funds"**).

Following the end of any Mortgage Calculation Period, upon receipt by the Cash Manager of the Mortgage Report in respect of such Mortgage Calculation Period, the Cash Manager shall reconcile the calculations made in accordance with this Condition 4(l) to the actual collections set out in the Mortgage Reports by allocating the Reconciliation Amount (as defined below) as follows:

- (i) if the Reconciliation Amount is a positive number, the Cash Manager shall on the immediately following Notes Payment Date apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) the amount standing to the credit of the Revenue Ledger, as Available Principal Funds (with a corresponding debit of the Revenue Ledger); and
- (ii) if the Reconciliation Amount is a negative number, the Cash Manager shall on the immediately following Notes Payment Date apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) the amount standing to the credit of the Redemption Ledger, as Available Revenue Funds (with a corresponding debit of the Redemption Ledger),

provided that the Cash Manager shall apply such Reconciliation Amount in determining Available Revenue Funds and Available Principal Funds for such Collection Period in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Security Trustee of such Reconciliation Amount.

For the purpose of this Condition 4(l):

- (i) **"Interest Determination Ratio"** means: (i) the aggregate Revenue Funds calculated in the three preceding Mortgage Reports (or, where there are not at least three previous Mortgage Reports, any previous Mortgage Reports)

divided by (ii) the aggregate of all Revenue Funds and all Principal Funds calculated in such Mortgage Reports; and

- (ii) **“Reconciliation Amount”** means in respect of any Mortgage Calculation Period (a) the actual Principal Funds as determined in accordance with the available Mortgage Reports, less (b) the Calculated Principal Funds in respect of such Collection Period, plus (c) any Reconciliation Amount not applied in previous Collection Periods.

## 5 Payment

### (a) Payment of Principal and Interest

Payment of principal and interest, the Class S1 Payment, the Class S2 Payment in respect of the Notes will be made upon presentation of the relevant Note and against surrender of the relevant Coupon appertaining thereto at any specified office of the Paying Agent by transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee. All such payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer is subject and the Issuer will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.

At the Final Maturity Date, or at such earlier date on which the Notes become due and payable, the Notes should be presented for payment together with all unmatured Coupons appertaining thereto, failing which the full amount of any such missing unmatured Coupons (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupons which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of five years following the due date for payment of such principal (whether or not such Coupons would have become unenforceable pursuant to Condition 8 (*Prescription*)).

### (b) Laws and Regulations

Payments of any amount in respect of a Note including principal and interest in respect of the Notes are subject, in all cases, to (a) any fiscal or other laws and regulations applicable thereto and (b) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **“Code”**) or otherwise imposed pursuant to sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto. Noteholders will not be charged commissions or expenses on payments.

### (c) Payment of Interest following a Failure to pay Principal

If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note in accordance with Condition 4(a) (*Period of Accrual*) will be paid in accordance with this Condition 5.

(d) **Change of Paying Agent**

The Issuer reserves the right, subject to the prior written approval of the Security Trustee, at any time to vary or terminate the appointment of the Paying Agent and to appoint additional or other agents provided that there will at all times be a person appointed to perform the obligations of the Paying Agent, provided that no paying agents located in the United States of America will be appointed.

Except where otherwise provided in the Trust Agreement or the Agency Agreement, the Issuer will cause notice of no more than thirty (30) calendar days and no less than fifteen (15) calendar days of any change in or addition to the Paying Agent or its specified office to be given to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*) and will notify the Credit Rating Agencies (as applicable) of such change or addition.

(e) **No Payment on non-Business Day**

If the date for payment of any amount in respect of a Note is not a Presentation Date, Noteholders shall not be entitled to payment until the next following Presentation Date and shall not be entitled to further interest or other payment in respect of such delay. In this Condition 5(e), the expression “**Presentation Date**” means a day which is (a) a Business Day and (b) a day on which banks are generally open for business in the relevant place of presentation of the relevant Note and Coupon.

(f) **Payment of Interest**

Subject to Condition 17 (*Subordination by Deferral*) if interest is not paid in respect of a Note of any Class on the date when due and payable (other than because the due date is not a Presentation Date (as defined in Condition 5(e) (*No Payment on non-Business Day*) or by reason of non-compliance by the Noteholder with Condition 5(a) (*Payment of Principal and Interest*)), then such unpaid interest shall itself bear interest at the Rate of Interest applicable from time to time to such Note until such interest and interest thereon are available for payment and notice thereof has been duly given by the Issuer in accordance with Condition 15 (*Notice to Noteholders*).

(g) **Class S1 Payment Early Repayment Amount**

On any Early Redemption of the Notes (other than as a result of the exercise of the Regulatory Change Option) or any redemption of the Notes prior to the First Optional Redemption Date (including pursuant to an Event of Default and enforcement), the Class S1 Noteholder shall be entitled to a payment of 0.09 per cent. of the Outstanding Principal Amount of the Mortgage Loans in the Portfolio as at the beginning of the relevant Collection Period relating to the relevant Notes Calculation Date, multiplied by the number of days from the Notes Payment Date on which the redemption occurs to the First Optional Redemption Date (such First Optional Redemption Date being the Notes Payment Date falling in January 2027, as contemplated as at the Closing Date) divided by 360, with the total figure rounded downwards to the nearest €0.01 (the “**Class S1 Payment Early Repayment Amount**”).

## 6 Redemption

(a) **Final Redemption**

Unless previously redeemed in full and cancelled as provided below, the Issuer will redeem the Notes at their respective Principal Amount Outstanding (together with accrued but unpaid interest (including any interest deferred in accordance with Condition 17 (*Subordination by Deferral*)) up to but excluding the date of redemption) on the Notes Payment Date falling in January 2059 (the “**Final Maturity Date**”).

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

Prior to the service of an Enforcement Notice, each Class of Notes (other than the Class X1 Notes, the Class X2 Notes, the Class S1 Note and the Class S2 Note and the Class R Notes) shall be (partially) redeemed on each Notes Payment Date in an amount equal to the Available Principal Funds available for such purpose in accordance with the Pre-Enforcement Principal Priority of Payments which shall be applied, following the payment of any Principal Addition Amount, in the following order of priority:

- (i) *first*, to repay the Class A Notes until they are each repaid in full;
- (ii) *second*, to repay the Class B Notes until they are each repaid in full;
- (iii) *third*, to repay the Class C Notes until they are each repaid in full;
- (iv) *fourth*, to repay the Class D Notes until they are each repaid in full;
- (v) *fifth*, to repay the Class E Notes until they are each repaid in full; and
- (vi) *sixth*, to form part of the Available Revenue Funds,

in each case, together with accrued but unpaid interest (including any interest deferred in accordance with Condition 17 (*Subordination by Deferral*)) up to but excluding the date of redemption. The VRR Lender will receive payments on a simultaneous and *pari passu* basis with amounts paid to the Noteholders under the Pre-Enforcement Principal Priority of Payments.

Prior to the service of an Enforcement Notice, the Class X1 Notes and the Class X2 Notes shall be redeemed on each Notes Payment Date in an amount equal to the Available Revenue Funds available for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments which shall be applied to repay the Class X1 Notes and the Class X2 Notes until they are each repaid in full, together with accrued but unpaid interest (including any interest deferred in accordance with Condition 17 (*Subordination by Deferral*)) up to but excluding the date of redemption. The VRR Lender will receive payments on a simultaneous and *pari passu* basis with amounts paid to the Noteholders under the Pre-Enforcement Revenue Priority of Payments.

On the first Notes Payment Date, any Net Post-Closing Principal Reserve Amounts will be applied in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) and the VRR Loan in accordance with the Post-Closing Principal Pro Rata Payments.

The Principal Amount Outstanding of each Class of Investor Notes shall be redeemed on each Notes Payment Date prior to the Final Maturity Date or the First Optional Redemption Date in accordance with the relevant Priority of Payments. The



principal amount to be redeemed in respect of a Class of Investor Notes (the “**Note Principal Payment**”) on any Notes Payment Date prior to the service of an Enforcement Notice shall be (in the case of any Class of Investor Notes other than the Class X1 Notes and the Class X2 Notes) the Available Principal Funds and (in the case of the Class X1 Notes and the Class X2 Notes) the Available Revenue Funds on such Notes Payment Date in accordance with the relevant Priority of Payments, as calculated on the Notes Calculation Date immediately preceding such Notes Payment Date. With respect to each such Note on (or as soon as practicable after) each Notes Calculation Date, the Issuer shall determine (or cause the Cash Manager to determine) (i) the amount of any Note Principal Payment due on the Notes Payment Date next following such Notes Calculation Date, (ii) the Principal Amount Outstanding of each such Note and (iii) the fraction expressed as a decimal to the sixth decimal point (the “**Pool Factor**”), of which the numerator is the Principal Amount Outstanding of that Note (as referred to in (ii) above) and the denominator, in the case of the Notes, is the aggregate Principal Amount Outstanding on the Notes of the same Class. Each determination by or on behalf of the Issuer of any principal repayment, the Principal Amount Outstanding of a Note and the Pool Factor shall in each case (in the absence of wilful default or manifest error) be final and binding on all persons.

The Issuer will cause each determination of a principal repayment, Principal Amount Outstanding and Pool Factor to be notified by not less than two (2) Business Days prior to the relevant Notes Payment Date to the Security Trustee, the Paying Agent, and the Swap Counterparty and (for so long as any of the Notes (other than the Class R Notes) are listed on the Official List of Euronext Dublin and admitted to trading on its regulated market) Euronext Dublin, and will immediately cause notice of each such determination to be given in accordance with Condition 15 (*Notice to Noteholders*) not later than two (2) Business Days prior to the relevant Notes Payment Date. If no principal repayment is due to be made on the Investor Notes on any Notes Payment Date a notice to this effect will be given to the holders of the Investor Notes.

On the first Notes Payment Date, the Class S1 Noteholder and the Class S2 Noteholder, respectively, shall receive ninety (90) per cent. of the Principal Amount Outstanding of the Class S1 Note and the Class S2 Note, respectively. On the Notes Payment Date on which the Investor Notes have been redeemed in full, the Issuer shall redeem the Class S1 and the Class S2 Note from the remaining amount on the Class S1 / S2 Ledger.

Prior to the service of an Enforcement Notice, but only once the Investor Notes and the Class S1 Note and the Class S2 Note are redeemed in full, the Class R Notes shall be redeemed on each Notes Payment Date in an amount equal to the Available Revenue Funds available for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments which shall be applied to repay the Class R Notes until it is repaid in full.

(c) **Optional Redemption for Taxation or Other Reasons**

If:

- (i) by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on or before the next Notes Payment Date the Issuer or the Paying Agent would be

required to deduct or withhold from any payment of principal or interest on any Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Netherlands or any political sub-division thereof or any authority thereof or therein having power to tax; or

- (ii) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has become or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes,

(each a “**Tax Event**”) then the Issuer shall, if the same would avoid the effect of such Tax Event, appoint a Paying Agent in another jurisdiction or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction approved in writing by the Security Trustee as principal debtor under the Notes and the Trust Agreement, provided that:

- (i) the Security Trustee is satisfied that such substitution will not be materially prejudicial to the interests of the holders of the Notes (and in making such determination, the Security Trustee may rely, without further investigation or inquiry, on (A) if ratings are assigned to the Most Senior Class of Notes, any confirmation made in writing from each of the Credit Rating Agencies that the then current ratings of the Rated Notes would not be adversely affected by such substitution or (B) if no such confirmation from the Credit Rating Agencies is forthcoming, the Issuer, or the Issuer Administrator on its behalf, has certified in writing) (an “**Issuer Certificate**”) to the Cash Manager and the Security Trustee that such proposed action (I) (if ratings are assigned to the Most Senior Class of Notes and while any Rated Notes remain outstanding) has been notified to the Credit Rating Agencies, (II) would not have an adverse impact on the Issuer’s ability to make payment when due in respect of the Notes, (III) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security and (IV) (if ratings are assigned to the Most Senior Class of Notes and while any of the Rated Notes remain outstanding) would not have an adverse effect on the rating of the Rated Notes (upon which confirmation or certificate the Security Trustee shall be entitled to rely absolutely without further enquiry and without liability to any person for so doing); and
- (ii) such substitution would not require registration of any new security under U.S. securities laws or materially increase the disclosure requirements under U.S. law.

If the Issuer satisfies the Security Trustee immediately before giving the notice referred to below that one or more Tax Events is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution, then the Issuer may, on any Notes Payment Date and having given not more than sixty (60) nor less than thirty (30) calendar days’ notice (or such shorter period expiring on or before the latest date permitted by relevant law) to the Security Trustee, the Swap Counterparty and holders of the Notes in accordance with Condition 15 (*Notice to Noteholders*) (subject to the Portfolio Option Holder’s right to exercise the Portfolio Purchase Option, and

the VRR Lender Right to Match), redeem all (but not some only) of the Investor Notes at their respective Principal Amount Outstanding together with any accrued but unpaid interest (including any interest deferred in accordance with Condition 17 (*Subordination by Deferral*) thereon up to (but excluding) the date of redemption provided that, prior to giving any such notice, the Issuer shall have provided to the Security Trustee:

- (i) a certificate signed by the managing director (*bestuurder*) of the Issuer stating that (i) one or more Tax Events prevail(s), (ii) setting out details of such circumstances and (iii) confirming that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution; and
- (ii) an opinion in form and substance satisfactory to the Security Trustee of independent legal advisers of recognised standing to the effect that the Issuer, the Paying Agent or the Swap Counterparty has or will become obliged to deduct or withhold amounts as a result of such change.

The Security Trustee shall be entitled to accept such certificate and opinion without any further enquiry or liability as sufficient evidence of the satisfaction that a Tax Event has occurred, in which event they shall be conclusive and binding on each Class of the holders of the Notes.

The Issuer may only redeem the Investor Notes as described above if the Issuer has certified to the Security Trustee that it will have the necessary funds, not subject to the interest of any other person, required to redeem the Investor Notes as aforesaid and any amounts required under the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments to be paid in priority to or *pari passu* with the Investor Notes outstanding in accordance with the Conditions (including any amounts in respect of the Swap Agreement and any amounts in respect of the VRR Loan), such certification to be provided by way of a certificate signed by the managing director (*bestuurder*) of the Issuer on which the Security Trustee shall be entitled to rely without any further enquiry or liability.

**(d) Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option**

On the exercise of the Portfolio Purchase Option, the purchase price received by the Issuer will be applied in accordance with the Post-Enforcement Priority of Payments on the immediately succeeding Notes Payment Date with the result that the Investor Notes will be redeemed in full in accordance with this Condition 6(d).

Any Investor Note redeemed pursuant to this Condition 6(d) will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Investor Note to be redeemed together with accrued but unpaid interest (including any interest deferred in accordance with Condition 17 (*Subordination by Deferral*) on the Principal Amount Outstanding of the relevant Investor Note up to but excluding the Notes Payment Date on which the redemption occurred.

Notwithstanding this Condition 6(d), where the Portfolio Option Holder, and/or the VRR Lender (where it is exercising the VRR Lender Right to Match) has exercised its option to set off in accordance with the terms of the Trust Agreement such person

must either:

- (i) transfer to the Issuer the relevant Notes held by it for immediate surrender and cancellation; or
- (ii) make an election in accordance with the rules of the applicable clearing systems for the Notes held by it to be redeemed free of payment and provide evidence satisfactory to the Issuer and the Security Trustee of such election in accordance with the Trust Agreement by no later than the Portfolio Purchase Option Completion Date.

(e) **Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option**

On any Business Day, if a Regulatory Change Event occurs and the VRR Lender exercises the Regulatory Change Option (subject to the Portfolio Option Holder's right to exercise the Portfolio Purchase Option, and the VRR Lender Right to Match), the Issuer will give not more than forty (40) nor less than five (5) Business Days' notice to (i) the Noteholders in accordance with Condition 15 (*Notice to Noteholders*), (ii) the Security Trustee and (iii) the Swap Counterparty, and the Investor Notes will be redeemed at their Principal Amount Outstanding on the Notes Payment Date immediately following the exercise of such option by the VRR Lender, provided that the Issuer has, immediately prior to giving such notice, certified to the Security Trustee that it will have the necessary funds to pay all principal and interest due in respect of the Investor Notes on the relevant Notes Payment Date and to discharge all other amounts required to be paid in priority to or *pari passu* with the Investor Notes on such Notes Payment Date (such certification to be provided by way of certificate signed by the managing director (*bestuurder*) of the Issuer on which the Security Trustee shall be entitled to rely without any further enquiry or liability) (and for the avoidance of doubt, the order of priority shall be as set out in the Post-Enforcement Priority of Payments).

Any Investor Note redeemed pursuant to this Condition 6(e) will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Investor Note to be redeemed together with accrued but unpaid interest (including any interest deferred in accordance with Condition 17 (*Subordination by Deferral*) on the Principal Amount Outstanding of the relevant Investor Note up to, but excluding, the relevant Notes Payment Date.

(f) **Definitions**

For the purpose of these Conditions:

- (i) **"Principal Amount Outstanding"** means, on any day:
  - (A) in relation to a Note of each Class, the principal amount of a Note of such Class on the Closing Date less the aggregate amount of any principal payments in respect of a Note of such Class which have become due and payable (and have been paid) on or prior to that day; and
  - (B) in relation to the Notes of each Class outstanding at any time, the aggregate of the amount in paragraph (A) above in respect of all Notes

of such Class outstanding;

- (ii) **“Regulatory Change Event”** means the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation which as a matter of law has a binding effect on the VRR Lender after the Closing Date which would (i) impose a positive obligation on it to take on any credit risk in the Notes over and above that required to be maintained by it under the Risk Retention Letter or (ii) impose any additional material costs on it in respect of its holding of the VRR Loan; and
- (iii) **“Regulatory Change Option”** means the option of the VRR Lender in the Trust Agreement to acquire all but not some of the Portfolio following a Regulatory Change Event.

(g) **Notice of Redemption**

Any such notice as is referred to in Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*) or Condition 6(e) (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option*) above shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the relevant Investor Notes at the applicable amounts specified above. Any certificate or legal opinion given by or on behalf of the Issuer pursuant to Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*) may be relied on by the Security Trustee without further investigation or liability and, if so relied on, shall be conclusive and binding on the Noteholders.

(h) **No Purchase by the Issuer**

The Issuer will not be permitted to purchase any of the Notes.

(i) **Cancellation on redemption in full**

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

## **7 Taxation**

(a) **General**

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, all present and future taxes, levies, imposts, duties, fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed (**“Taxes”**), unless the withholding or deduction of the Taxes is required by applicable law. In that event, subject to Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*), the Issuer or, as the case may be, the Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor the Paying Agent nor any other person shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

(b) **FATCA Withholding**

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

## **8 Prescription**

Claims in respect of principal and interest on the Notes will be prescribed and become void after five (5) years from the date on which such payment first becomes due.

## **9 Subordination and limited course**

### **(a) Subordination**

Any payments to be made in accordance with Conditions 6(a) (*Final Redemption*) and 6(b) (*Mandatory Redemption of the Notes*) are subject to this Condition 9(a).

The Class A Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class A Notes after the earlier of (i) the Final Maturity Date and (ii) the date on which the Issuer no longer holds any Mortgage Receivables and there are no balances standing to the credit of the Issuer Accounts and the Issuer has no further rights or receivables (whether present, future, actual or contingent) under or in connection with any of the Transaction Documents or in connection with the sale or other disposal of any Mortgage Receivables.

Until the date on which the Principal Amount Outstanding of all Class A Notes is reduced to zero, the Class B Noteholders will not be entitled to any repayment of principal in respect of the Class B Notes. If, on any Notes Calculation Date, there is a balance on the Class B Principal Deficiency Sub-Ledger, then, notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class B Note on the immediately succeeding Notes Payment Date shall not exceed its Principal Amount Outstanding less the Class B Principal Shortfall on such Notes Payment Date. The Class B Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class B Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

Until the date on which the Principal Amount Outstanding of all Class A Notes and all Class B Notes is reduced to zero, the Class C Noteholders will not be entitled to any repayment of principal in respect of the Class C Notes. If, on any Notes Calculation Date, there is a balance on the Class C Principal Deficiency Sub-Ledger, then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class C Note on the immediately succeeding Notes Payment Date shall not exceed its Principal Amount Outstanding less the Class C Principal Shortfall on such Notes Payment Date. The Class C Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class

C Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

Until the date on which the Principal Amount Outstanding of all Class A Notes, all Class B Notes and all Class C Notes, is reduced to zero, the Class D Noteholders will not be entitled to any repayment of principal in respect of the Class D Notes. If, on any Notes Calculation Date, there is a balance on the Class D Principal Deficiency Sub-Ledger, then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class D Note on the immediately succeeding Notes Payment Date shall not exceed its Principal Amount Outstanding less the Class D Principal Shortfall on such Notes Payment Date. The Class D Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class D Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

Until the date on which the Principal Amount Outstanding of all Class A Notes, all Class B Notes, all Class C Notes and all Class D Notes, is reduced to zero, the Class E Noteholders will not be entitled to any repayment of principal in respect of the Class E Notes. If, on any Notes Calculation Date, there is a balance on the Class E Principal Deficiency Sub-Ledger, then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class E Note on the immediately succeeding Notes Payment Date shall not exceed its Principal Amount Outstanding less the Class E Principal Shortfall on such Notes Payment Date. The Class E Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class E Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

Principal on the Class X1 Notes is payable in accordance with item (f)(xiv) of the Pre-Enforcement Revenue Priority of Payments. The Class X1 Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class X1 Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

Principal on the Class X2 Notes is payable in accordance with item (f)(xvi) of the Pre-Enforcement Revenue Priority of Payments. The Class X2 Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class X2 Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

**(b) Limited Recourse**

In the event that the Security in respect of the Notes and the Coupons appertaining thereto has been fully enforced and the proceeds of such enforcement and any other amounts received by the Security Trustee, after payment of all other claims ranking

under the Trust Agreement in priority to a Class of Notes, as applicable, are insufficient to pay in full all principal and interest, if any, and other amounts whatsoever due in respect of such Class of Notes, as applicable, the Noteholders of the relevant Class of Notes, as applicable, shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts.

## 10 Events of Default

The Security Trustee at its absolute discretion may, and if so directed in writing by the holders of at least twenty-five (25) per cent. in aggregate of the Principal Amount Outstanding of the Notes of the Most Senior Class or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class shall, (subject in each case to being indemnified and/or pre-funded and/or secured to its satisfaction as more particularly described in the Trust Agreement) give a notice (an “**Enforcement Notice**”) to the Issuer that all Classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding (including the Class S1 Payment Early Repayment Amount), together with accrued (but unpaid) interest as provided in the Trust Agreement (with a copy of such Enforcement Notice being sent simultaneously to the Security Trustee, the Servicers, the Swap Counterparty, the Issuer Account Bank and the Cash Manager), if any of the following events (each, an “**Event of Default**”) occur:

- (a) if default is made in the payment of (A) any principal or Normal Interest due in respect of the Class A Notes (or, should another Class of Notes be the Most Senior Class of Notes, such other Classes of Notes); (B) any Deferred Interest on any Class of Notes (other than the Class A Notes) but only to the extent the Issuer had, on the due date for payment of the amount of interest in question, sufficient cash to pay, in accordance with the provisions of the Transaction Documents, such interest (after payment of all sums which it is permitted under the Trust Agreement to pay in priority thereto or *pari passu* therewith); or (C) or any amount due in respect of the Class S1 Note or the Class S2 Note and the default continues for: (i) a period of seven (7) Business Days in the case of principal, the Class S1 Payment or the Class S2 Payment, or (ii) fourteen (14) Business Days in the case of Normal Interest (including any Step-Up Margins in respect of the Most Senior Class of Notes);
- (b) if the Issuer fails to perform or observe any of its other obligations under these Conditions or any Transaction Document to which it is a party which in the opinion of the Security Trustee is materially prejudicial to the interests of the holders of the Most Senior Class and the failure continues for a period of thirty (30) calendar days (or such longer period as the Security Trustee may permit) (except that in any case where the Security Trustee considers the failure to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Security Trustee on the Issuer of notice requiring the same to be remedied;
- (c) if any representation or warranty made by the Issuer under any Transaction Document is incorrect when made which in the opinion of the Security Trustee is materially prejudicial to the interests of the holders of the Most Senior Class and the matters giving rise to such misrepresentation are not remedied within a period of thirty (30) calendar days (or such longer period as the Security Trustee may permit) (except that in any case where the Security Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Security Trustee on the Issuer of notice requiring the same to be remedied;



- (d) if any order is made by any competent court or any resolution is passed for the winding-up or dissolution of the Issuer, save for the purposes of reorganisation on terms approved in writing by the Security Trustee or by Extraordinary Resolution of each Class of the Noteholders; or
- (e) if:
  - (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Security Trustee or by Extraordinary Resolution of each Class of the Noteholders;
  - (ii) the Issuer has taken any winding-up resolution or a resolution is passed for the dissolution (*ontbinding*) of the Issuer, has been declared bankrupt (*failliet*), or has applied for general settlement or composition with creditors (*akkoord*), controlled management or (preliminary) suspension of payments (*voorlopige surseance van betaling*) or reprieve from payment;
- (f) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with the court) for the appointment of an administrative or other liquidator (*curator*), receiver, manager, administrator (*bewindvoerder*) or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the Issuer, is not discharged within thirty (30) calendar days; or
- (g) if a conservatory attachment (*conservatoir beslag*) or an executory attachment (*executoriaal beslag*) on any major part of the Issuer's assets is made and not discharged or released within a period of thirty (30) calendar days of it first being made.

Upon the service of an Enforcement Notice by the Security Trustee in accordance with this Condition 10, all the Notes then outstanding shall thereby immediately become due and repayable at their respective Principal Amount Outstanding (including the Class S1 Payment Early Repayment Amount), together with accrued interest as provided in the Trust Agreement.

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

- (a) The Security Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of the Transaction Documents (including, without limitation, to take any action under or in connection with any of the Transaction Documents, or, at any time after the service of an Enforcement Notice, to take steps to enforce the Security constituted by the Pledge Agreements) but shall not be bound to take any such proceedings, action or steps unless:

- (i) it shall have been so directed by (A) an Extraordinary Resolution of the holders of the Most Senior Class then outstanding or directed in writing by the holders of at least twenty-five (25) per cent. in aggregate Principal Amount Outstanding of the Notes of the Most Senior Class, or (B) if there are no Notes outstanding, all of the other Secured Creditors, in each case subject always to the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights and the Swap Counterparty Entrenched Rights; and
  - (ii) in all cases, the Security Trustee shall have been indemnified and/or pre-funded and/or secured to its satisfaction.
- (b) No Noteholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the Conditions or any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Security Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing.
- (c) The Noteholders and the Security Trustee may not institute against, or join any person in instituting against, the Issuer, any bankruptcy, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of no less than one year from the date on which the latest maturing Note is paid in full. The Noteholders accept and agree that the only remedy against the Issuer after any of the Notes have become due and payable pursuant to Condition 10 (*Events of Default*) above is to enforce the Security.
- (d) If the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes, the Security Trustee will not be entitled to dispose of any of the Pledged Assets or any part thereof unless either (a) a sufficient amount would be realised to allow discharge in full on a *pro rata* and *pari passu* basis of all amounts owing to the holders of the Notes (and all persons ranking in priority to the holders of the Notes) and the VRR Lender, or (b) the Security Trustee is of the opinion, which shall be binding on the Secured Creditors, reached after considering at any time and from time to time the advice of any financial adviser (or such other professional advisers selected by the Security Trustee at the expense of the Issuer for the purpose of giving such advice), that the cashflow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing: (i) to the Noteholders (and all persons ranking in priority to the Noteholders as set out in the order of priority set out in the Post-Enforcement Priority of Payments) and the VRR Lender; and (ii) once all the Noteholders (and all such higher ranking persons) and the VRR Lender have been repaid, to the remaining Secured Creditors in the order of priority set out in the Post-Enforcement Priority of Payments. The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Security Trustee shall be paid by the Issuer. The Security Trustee shall be entitled to rely upon any financial or other professional advice referred to in this Condition 11(d) without further enquiry and shall incur no liability to any person for so doing.
- (e) The Noteholders acknowledge that the only assets available to the Seller to satisfy any payment obligation of the Seller and any other costs (including, increased costs), fees and expenses and indemnities of the Seller, from time to time, shall be the amounts available for such purposes. If at any time the assets available to the Seller

are insufficient to pay in full all amounts outstanding in respect of the respective payment to the Noteholder, then the relevant Noteholder shall have no further claim against the Seller in respect of such unpaid amount.

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

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

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

## **13 Meetings of Noteholders, Modification, Waiver, Substitution and Alternative Reference Rate**

The Trust Agreement contains provisions for convening meetings of the Noteholders of each Class and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Conditions or the provisions of any of the Transaction Documents.

The Trust Agreement also provides that, notwithstanding any other provision of the Conditions, the Trust Agreement or any other Transaction Documents, no Extraordinary Resolution or Ordinary Resolution may authorise or sanction any modification or waiver that relates to (i) a VRR Entrenched Right, unless the VRR Lender has consented in writing to such modification or waiver or (ii) a Class S Entrenched Right, unless the Class S1 Noteholder and the Class S2 Noteholder have consented in writing to such modification or waiver or (iii) a Class R Entrenched Right, unless not less than fifty (50) per cent. of the Class R Noteholders have consented in writing to such modification or waiver or (iv) a Swap Counterparty Entrenched Right, unless the Swap Counterparty has consented in writing to such modification or waiver.

For the purposes of these Conditions, “**Most Senior Class**” means the Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes or, if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes or, if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes or, if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes or, if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes then outstanding, the Class X1 Notes or, if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class X1 Notes then outstanding, the Class X2 Notes or, if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class X1 Notes or Class X2 Notes then outstanding, the Class R Notes, or, if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class X1 Notes, Class X2 Notes or Class R Notes then outstanding, the Class S1 Note, or, if there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class X1 Notes, Class X2 Notes, Class R Notes or Class S1 Note then outstanding, the Class S2 Note.

### **(a) Meeting of Noteholders**

A meeting of Noteholders may be convened by the Security Trustee as often as it reasonably considers desirable and shall be convened by the Security Trustee at the written request (i) of the Issuer or (ii) by Noteholders of a Class or Classes holding not less than ten (10) per cent. of the Principal Amount Outstanding of the Notes of such Class or Classes of Notes and, in case of the Class R Notes, by the person holding not less than ten (10) per cent. of the total number of outstanding Class R Notes.

**(b) Quorum, Ordinary Resolution, Extraordinary Resolution**

- (i) Subject as provided below, the quorum at any meeting of Noteholders of any Class or Classes of Notes for passing an Ordinary Resolution will be one or more persons holding or representing not less than twenty-five (25) per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes then outstanding.
- (ii) Subject as provided below, the quorum at any meeting of Noteholders of any Class of Notes for passing an Extraordinary Resolution will be one or more persons holding or representing not less than fifty (50) per cent. of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding.
- (iii) Subject to the more detailed provisions set out in the Trust Agreement, the quorum at any meeting of any holders of any Class of Notes for passing an Extraordinary Resolution to:
  - (A) sanction a modification of the date of maturity of any Class of the Notes;
  - (B) sanction a modification of the date of payment of principal or interest or amounts due in respect of any Class of Notes;
  - (C) sanction a modification of the amount of principal or the rate of interest payable in respect of any Class of the Notes or, where applicable, of the method of calculating the amount of any principal or interest payable in respect of any Class of the Notes (other than a Reference Rate Modification);
  - (D) alter the currency in which payments under any Class of the Notes are to be made;
  - (E) alter the quorum or majority required in relation to a resolution or a meeting of holders of any Class of the Notes;
  - (F) sanction any scheme or proposal for the sale, conversion or cancellation of any Class of the Notes;
  - (G) alter the priority of payment of interest or principal in respect of any Class of the Notes; and
  - (H) change the definition of a “Basic Terms Modification”,

(each a “**Basic Terms Modification**”) shall be one or more persons holding or representing in the aggregate not less than three-quarters of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding.

(iv) The quorum at any adjourned meeting will be:

- (A) for an Ordinary Resolution, one or more persons present and holding or representing not less than ten (10) per cent. of the Principal Amount Outstanding of the Notes of such Class then outstanding; and
- (B) subject as provided below, for an Extraordinary Resolution, one or more persons present and holding or representing in the aggregate not less than twenty-five (25) per cent. of the aggregate Principal Amount Outstanding of the Notes of such Class then outstanding; and
- (C) for a Basic Terms Modification, one or more persons present and holding or representing in the aggregate not less than fifty (50) per cent. of the aggregate Principal Amount Outstanding of the Notes of such Class then outstanding.

(c) **Most Senior Class, Limitations on other Noteholders**

- (i) Other than in relation to a Basic Terms Modification, which requires an Extraordinary Resolution of the holders of each affected Class of Notes, as applicable (unless the Security Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class or Classes of Notes):
  - (A) an Extraordinary Resolution passed at any meeting of the holders of the Most Senior Class shall be binding on such Noteholders and all other Classes of Noteholders irrespective of the effect upon them;
  - (B) an Extraordinary Resolution passed at any meeting of a Class of Noteholders shall be binding on such Noteholders and all other Classes of Noteholders ranking junior to such Class of Noteholders in the Pre-Enforcement Revenue Priority of Payments, irrespective of the effect it has upon them; and
  - (C) no Extraordinary Resolution of any Class of Noteholders shall take effect for any purpose unless it shall have been sanctioned by an Extraordinary Resolution of the holders of all other Classes of Noteholders ranking senior to such Class of Noteholders in the Pre-Enforcement Revenue Priority of Payments or the Security Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of such senior ranking Classes of Noteholders.
- (ii) No Extraordinary Resolution of the holders of a Class of Notes which would have the effect of sanctioning a Basic Terms Modification in respect of any Class of Notes shall take effect unless it has been sanctioned by an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding which are affected by such Basic Terms Modification, or the Security Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class or Classes of

Notes then outstanding.

- (iii) No Ordinary Resolution that is passed by the holders of the Notes shall take effect for any purpose while any of the Notes remain outstanding unless it shall have been sanctioned by an Ordinary Resolution of the holders of the Most Senior Class, or the Security Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of the Most Senior Class.
- (iv) Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the VRR Lender (other than any resolution in respect of a VRR Entrenched Right which shall only be binding on the VRR Lender if the VRR Lender has consented in writing to such resolution).
- (v) Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the Class S1 Noteholder, the Class S2 Noteholder and the Class R Noteholders in accordance with the Conditions (other than any resolution in respect of a Class S Entrenched Right, which will only be binding on the Class S1 Noteholder and the Class S2 Noteholder if each of the Class S1 Noteholder and the Class S2 Noteholder have consented in writing to such resolution). No Extraordinary Resolution or Ordinary Resolution of the holders of a Class of Notes which relates to a Class S Entrenched Right shall take effect unless the Class S1 Noteholder and the Class S2 Noteholder consented in writing to such resolution.
- (vi) Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the Class R Noteholders in accordance with the Conditions (other than any resolution in respect of a Class R Entrenched Right, which will only be binding on the Class R Noteholders if not less than fifty (50) per cent. of the Class R Noteholders have consented in writing to such resolution). No Extraordinary Resolution or Ordinary Resolution of the holders of a Class of Notes which relates to a Class R Entrenched Right shall take effect unless not less than fifty (50) per cent. of the Class R Noteholders consented in writing to such resolution.
- (vii) Prior to the occurrence of an Event of Default, Noteholders holding not less than ten (10) per cent. of the Principal Amount Outstanding of the Notes then outstanding are entitled to convene a Noteholders' meeting. However, so long as no Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Security Trustee, without the consent of the Issuer and, if applicable, certain other transaction parties, unless the Issuer has an obligation to take such actions under the relevant Transaction Documents.
- (viii) The Security Trustee may or, in the case of Condition 13(c)(viii)(A) below, shall at any time and from time to time, only with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any agreement or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders or any other Secured Creditors agree and/or direct the Security Trustee to agree with the Issuer and any other parties in making or sanctioning any modification (other than in respect of a Basic Terms Modification, the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights or the Swap

Counterparty Entrenched Rights):

- (A) to the Conditions, the Trust Agreement or any other Transaction Document, which in the opinion of the Security Trustee will not be materially prejudicial to the interests of the Noteholders or the interests of the Security Trustee;
- (B) to the Conditions, the Trust Agreement or any other Transaction Document if in the opinion of the Security Trustee, such modification is of a formal, minor or technical nature or to correct a manifest error;
- (C) that is required to allow the Issuer to enter into any new and/or amended Issuer Account Agreement (including where the unsecured, unsubordinated and unguaranteed debt obligations of the Issuer Account Bank are downgraded below any relevant rating level as set out in the relevant Transaction Document, and the Issuer is required to take certain remedial action (as set out in the relevant Transaction Documents) in order to maintain the ratings of the Notes at their then current ratings), provided that, if ratings are assigned to the Most Senior Class of Notes, the Issuer certifies to the Security Trustee (upon which the Security Trustee shall rely without further enquiry or liability) that any such new agreement and/or amendment would not have an adverse effect on the then current rating of the Most Senior Class; or
- (D) that is required to effect the appointment of a replacement servicer selected by the Back-Up Servicer Facilitator (or in each case any affiliate or related entity to the replacement servicer) to act as a Servicer of the Mortgage Loans serviced by the Servicer whose appointment has been terminated (the “**Successor Servicer**”) provided that:
  - (I) the Back-Up Servicer Facilitator shall appoint one of the other Servicers (subject to such other Servicer being amongst those appointed by the Issuer on the Closing Date) on substantially the same terms as the Servicing Agreement of the Servicer whose appointment is to be terminated, and at fees which are consistent with those payable generally at the relevant time for the provision of mortgage loan administration and management services; and
  - (II) in the case where there are no remaining Servicers from amongst those appointed by the Issuer on the Closing Date, or none of the remaining Servicers are willing to act on the terms described in sub-paragraph (I) above, the Back-Up Servicer Facilitator shall use reasonable endeavours to identify and select a successor servicer that satisfies the conditions set out in the Servicing Agreements,

provided that:

- (i) if ratings are assigned to the Most Senior Class of Notes, the Issuer certifies to the Security Trustee (upon which the Security Trustee shall rely without further enquiry or liability) that any such new agreement and/or amendment would not have an adverse effect on the then current rating of the Most Senior Class and provided that the Security Trustee shall not be obliged to agree to any such new agreement and/or

amendment which, in the sole opinion of the Security Trustee, would have the effect of (i) exposing the Security Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the protections, of the Security Trustee under the Transaction Documents or the Conditions; and

(ii) the prior written consent (or deemed consent) of the Swap Counterparty is required to modify or supplement any provision of the Transaction Documents or the Conditions if, in the reasonable opinion of the Swap Counterparty, such modification or supplement would adversely affect any of the following:

- a. the amount, timing or priority of any payments or deliveries due to be made by or to the Swap Counterparty under the Conditions or any Transaction Document;
- b. the Issuer's ability to make such payments or deliveries to the Swap Counterparty;
- c. the Swap Counterparty's rights in relation to any security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such security) granted by the Issuer in favour of the Security Trustee on behalf of the Secured Creditors;
- d. Condition 6 (*Redemption*) or any additional redemption rights in respect of the Notes; or
- e. Clause 28 (*Modification, Consents and Waiver*) of the Trust Agreement,

(each, a "**Swap Counterparty Entrenched Right**").

(ix) The Issuer shall notify in writing the Swap Counterparty and the Security Trustee of any proposed modification or supplement to any provisions of the Transaction Documents or the Conditions in relation to any Swap Counterparty Entrenched Right at least twenty-one (21) calendar days (exclusive of the day on which the notice is given and of the day that the modification or supplement is intended to be effected) prior to such modification or supplement being effected, notwithstanding any other provision of the Transaction Documents or the Conditions. The Swap Counterparty may notify the Issuer in writing if, in the Swap Counterparty's reasonable opinion, such modification or supplement would materially adversely affect any of the items listed in the previous paragraph. If the Issuer receives notification (the "**Notification**") from the Swap Counterparty that the Swap Counterparty has determined that the modification and/or supplement would not affect any of the items listed in the previous paragraph or that the Swap Counterparty otherwise consents to such modification and/or supplement, such modification and/or supplement may take effect at any time from and including the date of receipt of the Notification. If the Issuer does not receive any such determination or a Notification by the



expiry of such notice period, the Swap Counterparty shall be deemed to have consented to such modification or supplement. If the Swap Counterparty has not received notice in accordance with this paragraph, the proposed modification or supplement shall not be effective.

- (x) The Security Trustee may, without the consent or sanction of the Noteholders or the other Secured Creditors (but at all times having regard to and subject always to the Class S Entrenched Rights, the Class R Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) and without prejudice to its rights in respect of any further or other breach or Event of Default, from time to time and at any time, but only if and in so far as in the sole opinion of the Security Trustee, the interests of the Noteholders will not be materially prejudiced thereby, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Conditions or any of the Transaction Documents by any party thereto or determine that any Event of Default shall not be treated as such, provided that the Security Trustee shall not exercise any powers conferred on it by this Condition 13 (*Meetings of Noteholders, Modification, Waiver, Substitution and Alternative Reference Rate*) in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class or by a direction under Condition 10 (*Events of Default*) but so that no such direction shall affect any waiver, authorisation or determination previously given or made.
- (xi) The Security Trustee with the written consent of the Secured Creditors which are a party to the relevant Transaction Documents (such consent to be conclusively demonstrated by such Secured Creditor entering into any agreement or document purporting to modify such Transaction Document) shall, without the consent or sanction of the Noteholders or any of the other Secured Creditors, concur with the Issuer in making any modifications (other than in respect of a Basic Terms Modification, the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights or the Swap Counterparty Entrenched Rights) to the Transaction Documents and/or the Conditions of the Notes that are requested in writing by the Issuer (acting in its own discretion or at the direction of any Transaction Party) in order to:
  - (A) enable the Issuer and/or the Swap Counterparty to comply with any obligations which apply to it in relation to the Swap Agreement under (i) Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (as amended) (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators, the European Market Infrastructure Regulation or “**EU EMIR**”) and/or (ii) EU EMIR as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (“**UK EMIR**” and, together with EU EMIR, “**EMIR**”) (as applicable);
  - (B) enable the Issuer to comply with, or implement or reflect, any change in the criteria of one or more of the Credit Rating Agencies which may be applicable from time to time;
  - (C) enable the Issuer to comply with any changes in the requirements under

- (i) the EU Securitisation Regulation or (ii) the UK Securitisation Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards or binding technical standards in relation to the EU Securitisation Regulation or the UK Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto;
- (D) enable the Notes (other than the Class R Notes) to be (or to remain) listed on Euronext Dublin;
- (E) enable the Issuer or any of the other transaction parties to comply with FATCA; and
- (F) enable the Issuer to comply with any disclosure or reporting requirements under each of (i) the EU Securitisation Regulation and (ii) the UK Securitisation Regulation,

provided that the Issuer certifies in writing to the Security Trustee (upon which certificate the Security Trustee shall be entitled to rely without enquiry or liability to any person) that such modification is necessary to comply with or, as the case may be, is solely to implement and reflect such requirement, (each a “**Modification**” and such certificate to be provided by the Issuer or the relevant Transaction Party, as the case may be, being a “**Modification Certificate**”); or

- (G) if the Issuer or the Rate Determination Agent acting on behalf of the Issuer determines that a Benchmark Event (as defined below) has occurred, change the screen rate or base rate that then applies in respect of the Notes to an alternative reference rate (including where such base rate may remain linked to EURIBOR but may be calculated in a different manner) (any such rate, an “**Alternative Reference Rate**”) and make such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change including in relation to any Adjustment Spread (if any) (a “**Reference Rate Modification**”), provided that:
  - (1) the Issuer will, as soon as reasonably practicable (and in any event prior to the next relevant Interest Determination Date) appoint a Rate Determination Agent which shall determine (acting in good faith and in a commercially reasonable manner) an Alternative Reference Rate and the Adjustment Spread (if required) and any additional modifications (and if the Issuer cannot appoint a Rate Determination Agent within a reasonable time at acceptable terms, it may appoint itself as Rate Determination Agent);
  - (2) the Issuer or the Rate Determination Agent acting on behalf of the Issuer certifies to the Security Trustee in writing (such certificate, a “**Reference Rate Modification Certificate**”):
    - (I) that such Reference Rate Modification is being undertaken due to any one or more of the following:
      - (i) the applicability of any law or any other legal provision, or of any administrative or judicial order, decree or other binding

measure, pursuant to which EURIBOR may no longer be used as a reference rate to determine the payment obligations under the Notes and/or under any Swap Agreement, or pursuant to which any such use is subject to material restrictions or adverse consequences;

- (ii) a material disruption to EURIBOR, or EURIBOR ceasing to exist or to be published, or the administrator of EURIBOR having used fallback methodology for calculating EURIBOR for a period of at least 30 calendar days;
- (iii) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);
- (iv) a public statement by the EURIBOR administrator that, upon a specified future date (the “**specified date**”), it will cease publishing EURIBOR or EURIBOR will not be included in the register under Article 36 of the Benchmarks Regulation permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR or where there is no mandatory administration), provided that if the specified date is more than 6 months in the future, the Benchmark Event will occur upon the date falling 6 months prior to the specified date;
- (v) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be, upon a specified future date (the “**specified date**”), permanently or indefinitely discontinued, or which means that EURIBOR may no longer be used or that it is no longer a representative benchmark rate or that its use is subject to restrictions for issuers of mortgage / asset backed floating rate notes, provided that if the specified date is more than 6 months in the future, the Benchmark Event will occur upon the date falling 6 months prior to the specified date;
- (vi) a change in the generally accepted market practice in the publicly listed mortgage-backed or asset backed floating rate notes market to refer to a benchmark rate endorsed in a public statement by the ECB, ESMA, or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Euro Risk-Free Rates, despite the continued existence of EURIBOR;
- (vii) a public statement by the supervisor of the EURIBOR administrator that means EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or
- (viii) it being the reasonable expectation of the Issuer that any of

the events specified in sub-paragraphs (i), (ii) or (iii) will occur or exist within six (6) months (each such an event as listed from (i) to and including (vii), a “**Benchmark Event**”); and

- (II) that such Alternative Reference Rate is:
  - (i) a reference rate which has been recognised or endorsed as a rate which should or could be used, subject to adjustments (if any), to replace EURIBOR by either (x) the ECB, ESMA, or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Euro Risk-Free Rates or (y) an industry body recognised nationally or internationally as representing participants in the mortgage / asset backed securitisation market generally; or
  - (ii) a reference rate utilised in a material number of publicly-listed new issues of Euro denominated mortgage / asset backed floating rate notes in the six months prior to the proposed effective date of such Reference Rate Modification; or
  - (iii) a reference rate utilised in a publicly-listed new issue of Euro denominated mortgage / asset backed floating rate notes where the originator of the relevant assets is Citibank, N.A., London Branch or an affiliate of Citibank, N.A., London Branch; or
  - (iv) such other base rate as the Issuer or the Rate Determination Agent on its behalf reasonably determines (to preserve, so far as reasonably and commercially practicable, what would have been the expected Interest Rate applicable to the Class A Notes) or which is proposed by any holder of the Most Senior Class of Notes then outstanding, provided that this option may only be used if the Issuer certifies to the Security Trustee that, in its reasonable opinion, neither paragraphs (i), (ii) or (iii) above are applicable and/or practicable in the context of the transaction contemplated by, *inter alia*, the Transaction Documents and that the Issuer has received from the Rate Determination Agent reasonable justification of such determination; and
- (III) the Alternative Reference Rate proposed falls within paragraph (i), (ii), (iii) or (iv) of item (II) above and where paragraph (iv) applies, the Issuer shall certify that, in its opinion, none of paragraphs (i), (ii) or (iii) of item (II) above is applicable and/or practicable in the context of the transaction contemplated by, *inter alia*, the Transaction Documents and sets out the justification for such determination (as provided by the Rate Determination Agent); and
- (IV) the same Alternative Reference Rate will be applied to all Classes of Notes issued in Euros; and
- (V) if ratings are assigned to the Most Senior Class of Notes, either: (i)

it has obtained from each of the Credit Rating Agencies a Credit Rating Agency Confirmation; or (ii) it has informed the Credit Rating Agencies of the proposed modification and none of the Credit Rating Agencies has indicated that such modification would result in a downgrade, qualification or withdrawal of the then current ratings assigned to any Class of the Notes by such Credit Rating Agency; and

- (VI) where relevant, the details of and the rationale for any proposed adjustment in the form of an increase or decrease to the relevant margin payable on any Class of Notes which the Rate Determination Agent proposes to make to any such Class of Notes which are the subject of the Reference Rate Modification in order to, if it is prevailing market practice to do so and so far as reasonably and commercially practicable, preserve what would have been the expected Interest Rate applicable to each such Class of Notes had no such Reference Rate Modification been effected (such adjustment, an “**Adjustment Spread**”) and are as set out in the notice to the Noteholders of the proposed modification in accordance with Condition 15 (*Notice to Noteholders*) provided that:
- (i) the Rate Determination Agent shall use reasonable endeavours to propose an Adjustment Spread as reasonably determined by the Rate Determination Agent, taking into account any note rate maintenance adjustment mechanisms endorsed by the ECB or ESMA or their sponsored committees or bodies, or mechanisms that have become generally accepted market practice (the “**Market Standard Adjustments**”). The rationale for the proposed Adjustment Spread and, where relevant, any deviation from the Market Standard Adjustments, shall be set out in the Reference Rate Modification Certificate and the notice to the Noteholders of the proposed modification in accordance with item (iv)(F) below; and
  - (ii) the Adjustment Spread applicable to each Class of Notes other than the Most Senior Class of Notes shall be at least equal to that applicable to the Most Senior Class of Notes. In circumstances where the Issuer proposes a lower Adjustment Spread on any Class of Notes other than the Most Senior Class than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Adjustment Spread is proposed to be made, the Reference Rate Modification will not be made unless an Extraordinary Resolution is passed in favour of such modification in accordance with this Condition 13 by the Noteholders of each Class of Notes then outstanding to which the lower Adjustment Spread is proposed to be made; and
  - (iii) the Adjustment Spread may effect an increase or a decrease to the relevant margin or may be set at zero; and

- (H) change (i) the benchmark rate that then applies in respect of the fixed-floating rate swap under any Swap Agreement to an alternative benchmark rate; and (ii) any adjustment spread under any Swap Agreement (if required) solely as a consequence of a Reference Rate Modification and solely for the purpose of aligning the benchmark rate of the fixed-floating rate swap under such Swap Agreement to the benchmark rate of the Notes following such Reference Rate Modification (a **"Swap Rate Modification"**) provided that:
  - (I) the Swap Counterparty provides its prior written consent to such Swap Rate Modification; and
  - (II) the Issuer certifies to the Security Trustee in writing that such modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a **"Swap Rate Modification Certificate"**).
- (iv) The Security Trustee is only obliged to concur with the Issuer in making any Reference Rate Modification or Swap Rate Modification (other than in respect of a Basic Terms Modification, the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights or the Swap Counterparty Entrenched Rights) to the Transaction Documents and/or the Conditions of the Notes, if:
  - (A) at least thirty (30) calendar days' prior written notice of any such proposed modification has been given to the Security Trustee;
  - (B) the Modification Certificate, the Reference Rate Modification Certificate or the Swap Rate Modification Certificate in relation to such modification shall be provided to the Security Trustee in draft form at the time the Security Trustee is notified of the proposed modification and in final form not less than two (2) Business Days prior to the date that such modification takes effect;
  - (C) in relation to a Reference Rate Modification or a Swap Rate Modification, a copy of the written notice provided to Noteholders shall be appended to the Reference Rate Modification Certificate or the Swap Rate Modification Certificate; and
  - (D) such Modification Certificate, Reference Rate Modification Certificate or Swap Rate Modification Certificate (to be signed by the managing director (*bestuurder*) of the Issuer) shall certify to the Security Trustee that:
    - (I) the consent of each Secured Creditor which has a right to consent to such modification pursuant to the provisions of the Transaction Documents has been obtained (evidence of which shall be provided by the Issuer to the Security Trustee with the Reference Rate Modification Certificate, Swap Rate Modification Certificate or Modification Certificate) and no other consents are required to be obtained in relation to the Reference Rate Modification or Modification;

- (II) the Issuer has agreed to pay all fees, costs and expenses (including legal fees and any initial or ongoing costs associated with the Reference Rate Modification, Swap Rate Modification or Modification) incurred by the Security Trustee or any other Transaction Party in connection with the Reference Rate Modification, Swap Rate Modification or Modification;
- (III) the modifications proposed are required solely for the purpose of applying the Alternative Reference Rate or making such Modification and making consequential modifications to any Transaction Document which are, as reasonably determined by the Issuer necessary or advisable, and the modifications have been drafted solely to such effect,

and provided further that:

- (E) if ratings are assigned to the Most Senior Class of Notes, either:
  - (i) the Issuer obtains from each of the Credit Rating Agencies a Credit Rating Agency Confirmation; or
  - (ii) the Issuer certifies in the Modification Certificate, the Reference Rate Modification Certificate or the Swap Rate Modification Certificate that it has informed the Credit Rating Agencies of the proposed modification and none of the Credit Rating Agencies has indicated that such modification would result in a downgrade, qualification or withdrawal of the then current ratings assigned to any Class of the Notes by such Credit Rating Agency; and
- (F) the Issuer certifies in writing to the Security Trustee (which certification may be in the Modification Certificate, the Reference Rate Modification Certificate or the Swap Rate Modification Certificate) that in relation to such Modification, Reference Rate Modification or Swap Rate Modification (I) the Issuer has provided at least thirty (30) calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 15 (*Notice to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, in each case specifying the date and time by which Noteholders may object to the proposed modification, and has made available at such time the modification documents for inspection at the registered office of the Issuer for the time being during normal business hours, and (II) Noteholders representing at least (i) ten (10) per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes outstanding and/or (ii) ten (10) per cent. of the aggregate Principal Amount Outstanding of the Class R Notes then outstanding, have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders object to the proposed Modification, Reference Rate Modification or Swap Rate Modification. The Security Trustee can rely on such Modification Certificate, the Reference Rate Modification Certificate or the Swap Rate Modification Certificate without enquiry or liability.

- (v) If Noteholders representing at least (i) ten (10) per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding and/or (ii) ten (10) per cent. of the aggregate Principal Amount Outstanding of the Class R Notes then outstanding have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which such Notes may be held within the notification period referred to above that they object to the proposed Modification, Reference Rate Modification or Swap Rate Modification, then such modification will not be made unless an Extraordinary Resolution of (i) the Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with the Trust Agreement.
- (vi) Objections made in writing to the Issuer other than through the applicable clearing system must be accompanied by evidence to the Issuer's and the Security Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.
- (vii) Other than where specifically provided in this Condition 13 or any Transaction Document, when implementing any modification pursuant to this Condition 13, the Security Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely, and without further investigation, on any Reference Rate Modification Certificate, Swap Rate Modification Certificate or Modification Certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.
- (viii) The Security Trustee shall not be obliged to agree to any modification pursuant to this Condition 13(b) (*Quorum*) which, in the sole opinion of the Security Trustee or the Security Trustee (as the case may be), would have the effect of (A) exposing the Security Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Security Trustee in the Transaction Documents and/or these Conditions.
- (ix) Any Reference Rate Modification, Swap Rate Modification or Modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable:
  - (A) for so long as any of the Notes rated by the Credit Rating Agencies remains outstanding, each Credit Rating Agency:
  - (B) to the Secured Creditors; and
  - (C) to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*).
- (x) Any modification, waiver, authorisation or determination by the Security Trustee in accordance with these Conditions or the Transaction Documents shall be binding on the Noteholders and, unless the Security Trustee agrees otherwise, any such modification shall be notified by the Issuer to the



Noteholders as soon as practicable thereafter in accordance with Condition 15 (*Notice to Noteholders*).

- (xi) Any modification to the Transaction Documents and the Conditions shall be notified by the Issuer in writing to the Credit Rating Agencies (as applicable).
- (xii) In connection with any such substitution of principal debtor referred to in Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*), the Security Trustee may also agree, without the consent of the Noteholders or the other Secured Creditors, to a change of the laws governing the Notes, these Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Security Trustee, be materially prejudicial to the interests of the Noteholders.
- (xiii) If ratings are assigned to the Most Senior Class of Notes, in determining whether a proposed action will not be materially prejudicial to the interests of the Noteholders of any Class thereof, the Security Trustee may, among other things, have regard to whether the Credit Rating Agencies have confirmed in writing to the Issuer or any other party to the Transaction Documents that any proposed action will not result in the withdrawal or reduction of, or entail any other adverse action with respect to, the then current ratings of the Rated Notes. It is agreed and acknowledged by the Security Trustee that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders. In being entitled to take into account that each of the Credit Rating Agencies has confirmed that the then current ratings of the Rated Notes would not be adversely affected, it is agreed and acknowledged by the Security Trustee this does not impose or extend any actual or contingent liability for each of the Credit Rating Agencies to the Security Trustee, the Noteholders or any other person, or create any legal relations between each of the Credit Rating Agencies and the Security Trustee, the Noteholders or any other person, whether by way of contract or otherwise.
- (xiv) Where, in connection with the exercise or performance by each of them of any right, power, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including in relation to any modification, waiver, authorisation, determination, substitution or change of laws as referred to above), the Security Trustee is required to have regard to the interests of the Noteholders of any Class or Classes, it shall at all times have regard to (and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) (A) have regard to the general interests of the Noteholders of such Class or Classes but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof, and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders and (B) subject to the more detailed

provisions of the Trust Agreement and the Parallel Debt Agreement, as applicable, have regard to the interests of holders of each Class of Notes (except where expressly provided otherwise) but requiring the Security Trustee where there is a conflict of interests between one or more Classes of Notes in any such case to have regard (except as expressly provided otherwise and at all times have regard to and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) to the interests of the holders of the Class or Classes of Notes ranking in priority to the other relevant Classes of Notes.

For the purpose of this Condition 13:

**“Ordinary Resolution”** means, in respect of the holders of any of the Classes of Notes:

- (i) a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Agreement and these Conditions by not less than fifty-one (51) per cent. of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by not less than fifty-one (51) per cent. of the votes cast on such poll (calculated on the basis of the aggregate Principal Amount Outstanding of the relevant Class of the Notes held by such Eligible Persons);
- (ii) a resolution in writing signed by or on behalf of the Noteholders of not less than fifty-one (51) per cent. of the aggregate Principal Amount Outstanding of the Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders of the relevant Class; or
- (iii) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Security Trustee) by or on behalf of the Noteholders holding not less than fifty-one (51) per cent. in aggregate Principal Amount Outstanding of the relevant Class of Notes.

**“Extraordinary Resolution”** means, in respect of the holders of any of the Classes of Notes:

- (i) a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Agreement and these Conditions by at least eighty-five (85) per cent. of the Eligible Persons voting at such meeting upon a show of hands or, if a poll is duly demanded, by at least eighty-five (85) per cent. of the votes cast on such poll (calculated on the basis of the aggregate Principal Amount Outstanding of the relevant Class of the Notes held by such Eligible Persons);
- (ii) a resolution in writing signed by or on behalf of the Noteholders of at least eighty-five (85) per cent. of the aggregate Principal Amount Outstanding of the Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders of the relevant Class; or
- (iii) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Security Trustee) by or on behalf of the

Noteholders holding at least eighty-five (85) per cent. in aggregate Principal Amount Outstanding of the Notes.

**“Eligible Person”** means any one of the following persons who shall be entitled to attend and vote at a meeting:

- (i) a bearer of any Voting Certificate; and
- (ii) a proxy specified in any Block Voting Instruction.

**“Voting Certificate”** means an English language certificate issued by the Paying Agent in which it is stated:

- (i) that on the date thereof the Notes (not being the Notes in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) are blocked in an account with a clearing system and that no such Notes will cease to be so blocked until the first to occur of:
  - (A) the conclusion of the meeting specified in such Voting Certificate; and
  - (B) the surrender of the Voting Certificate to the Paying Agent who issued the same; and
- (ii) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Notes represented by such Voting Certificate.

**“Block Voting Instruction”** means an English language document issued by the Paying Agent in which:

- (i) it is certified that on the date thereof Notes (not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) are blocked in an account with a clearing system and that no such Notes will cease to be so blocked until the first to occur of:
  - (A) the conclusion of the meeting specified in such Block Voting Instruction; and
  - (B) the Notes ceasing with the agreement of the Paying Agent to be so blocked and the giving of notice by the Paying Agent to the Issuer of the necessary amendment to the Block Voting Instruction;
- (ii) it is certified that each holder of such Notes has instructed such Paying Agent that the vote(s) attributable to the Notes so blocked should be cast in a particular way in relation to the resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 hours prior to the time for which such meeting is convened and ending at the conclusion thereof, neither revocable nor capable of amendment;
- (iii) the aggregate principal amount or aggregate total amount of the Notes so blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes

attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and

- (iv) one or more persons named in such Block Voting Instruction (each hereinafter called a “**proxy**”) is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in paragraph (iii) above as set out in such Block Voting Instruction, provided that no such person shall be named as a proxy:
  - (A) whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such meeting; and
  - (B) who was originally appointed to vote at a meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the meeting when it is resumed.

Details of any Extraordinary Resolution and any Ordinary Resolution passed in accordance with the provisions of the Trust Agreement shall be notified to each of the Credit Rating Agencies (as applicable) by the Paying Agent on behalf of the Issuer.

#### **14 Replacement of Notes and Coupons**

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

#### **15 Notice to Noteholders**

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

In addition, so long as the Notes (other than the Class R Notes) are listed on the Official List of Euronext Dublin and admitted to trading on Euronext Dublin all notices to the holders of the Notes will be valid if published in a manner which complies with the rules and regulations of Euronext Dublin (which includes delivering a copy of such notice to Euronext Dublin) and any such notice shall be deemed to have been given on the first date of such publication.

## 16 Governing Law and Jurisdiction

The Notes, Coupons, Transaction Documents (other than the Swap Agreement), any choice-of-jurisdiction clause contained in the Transaction Documents (other than the Swap Agreement) and any non-contractual obligations arising out of or in connection with the Transaction Documents (other than the Swap Agreement) and the Notes are governed by, and will be construed in accordance with, Dutch law. Any disputes arising out of or in connection with the Notes and Coupons, including, without limitation, disputes relating to any non-contractual obligations arising out of or in relation to the Notes and Coupons, shall be submitted to the exclusive jurisdiction of the competent courts of Amsterdam, the Netherlands.

## 17 Subordination by Deferral

### (a) Interest

In respect of the Most Senior Class of Notes (other than the Class A Notes), if, on any Notes Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of Deferred Interest (which shall, for the purposes of this Condition 17, mean any Deferred Interest previously deferred under this Condition 17(a) and accrued interest thereon and deferred prior to the date on which the Class of Notes became the Most Senior Class of Notes) payable in respect of any Class of Notes after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall be entitled to defer payment of the Deferred Interest to the next Notes Payment Date (only to the extent of the insufficiency).

Other than in respect of the Most Senior Class of Notes, if, on any Notes Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of Normal Interest (which shall, for the purposes of this Condition 17, include any Deferred Interest previously deferred under this Condition 17(a) and accrued interest thereon) payable in respect of any Class of Notes (other than in respect of the Most Senior Class of Notes, for which a failure to pay interest when due may result in an Event of Default) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments then the Issuer shall be entitled to defer to the next Notes Payment Date the payment of such Normal Interest (only to the extent of the insufficiency), which shall from then on be treated as Deferred Interest.

**“Deferred Interest”** means, on any date in respect of a class of Investor Notes the aggregate amount of accrued interest in respect of that Class of Note which has been deferred under Condition 17(a) (*Interest*) and remains outstanding on that date.

### (b) General

Interest shall accrue on the aggregate outstanding amount of Deferred Interest in respect of a Class of Note (other than the Class A Notes) on each day that such Deferred Interest remains outstanding but has not yet become due and payable (excluding the amount, if any, of Deferred Interest which is paid or discharged on that day and excluding each day, if any, where Deferred Interest is paid on a later date in accordance with the Conditions because the due date is not a Business Day) at the same rate of interest applicable to that Class of Note during the Interest Period in which that day falls.

The full amount of Deferred Interest in relation to a Class of Note (other than the Class A Notes) shall be due and payable on the first date as the relevant Class of Notes or Certificates becomes due and repayable in full in accordance with the Conditions and, prior to that date, shall be due and payable on each Notes Payment Date (only to the extent of the amount to be applied in payment of that Deferred Interest in accordance with Condition 17(c) (*Payment of Deferred Interest*) below).

(c) **Payment of Deferred Interest**

On each Notes Payment Date which occurs prior to the delivery of an Enforcement Notice, the amount available under the Revenue Priority of Payments to be applied on that Notes Payment Date in payment of interest in respect of any class of Notes will be applied as follows:

- (i) *first*, in or towards the payment of any Normal Interest then due in respect of each of those Notes *pro rata* to the amount of Normal Interest then due on each of those Notes; and
- (ii) *second*, in or towards payment of any Deferred Interest then outstanding in respect of each of those Notes *pro rata* to the amount of Deferred Interest then outstanding on each of those Notes.

(d) **Notification**

As soon as practicable after becoming aware that any part of a payment of interest on a Class of Notes will be deferred or that a payment previously deferred will be made in accordance with this Condition 17, the Issuer will give notice thereof to the relevant Class of Noteholders, as appropriate, in accordance with Condition 15 (*Notice to Noteholders*). Any deferral of interest in accordance with this Condition 17 will not constitute an Event of Default. The provisions of this Condition 17 shall cease to apply on the Final Maturity Date, or any earlier date on which the Notes are redeemed in full or, are required to be redeemed in full, at which time all deferred interest and accrued interest thereon shall become due and payable.

**18 Non-Responsive Credit Rating Agency**

- (a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Rated Notes and any of the Transaction Documents, the Security Trustee shall be entitled but not obliged to take into account any written confirmation or affirmation (in any form acceptable to the Security Trustee) from the relevant Credit Rating Agencies that the then current ratings of the Rated Notes will not be reduced, qualified, adversely affected or withdrawn thereby (a “**Credit Rating Agency Confirmation**”), where the Rated Notes include the Most Senior Class of Notes.
- (b) If a Credit Rating Agency Confirmation or other response by a Credit Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Credit Rating Agency Confirmation or response is delivered to each Credit Rating Agency by or on behalf of the Issuer (copied to the Security Trustee, as applicable) and:

- (i) (A) one or two Credit Rating Agencies (such Credit Rating Agency, a “**Non-Responsive Credit Rating Agency**”) indicates that it does not consider such Credit Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Credit Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Credit Rating Agency Confirmation or response is received and such request elicits no statement by such Credit Rating Agency that such Credit Rating Agency Confirmation or response could not be given; and
- (ii) one or two Credit Rating Agencies gives such Credit Rating Agency Confirmation or response based on the same facts,

then such condition to receive a Credit Rating Agency Confirmation or response from each Credit Rating Agency shall be modified so that there shall be no requirement for the Credit Rating Agency Confirmation or response from a Non-Responsive Credit Rating Agency if the Issuer provides to the Security Trustee a certificate signed by a director certifying and confirming that each of the events in paragraphs (i)(A) or (B) and (ii) above has occurred and the Security Trustee shall be entitled to rely on such certificate without further enquiry or liability.

#### 4.2 Form of Notes

Each Class of Notes shall be initially represented by a Temporary Global Note in global bearer form, without coupons, (i) in the case of the Class A Notes in the principal amount of EUR 287,689,000, (ii) in the case of the Class B Notes in the principal amount of EUR 18,851,000, (iii) in the case of the Class C Notes in the principal amount of EUR 10,655,000, (iv) in the case of the Class D Notes in the principal amount of EUR 7,377,000, (v) in the case of the Class E Notes in the principal amount of EUR 3,279,000, (vi) in the case of the Class X1 Notes in the principal amount of EUR 13,114,000, (vii) in the case of the Class X2 Notes in the principal amount of EUR 3,278,000, (viii) in the case of the Class S1 Note in the principal amount of EUR 100,000, (ix) in the case of the Class S2 Note in the principal amount of EUR 100,000 and (x) in the case of the Class R Notes in the principal amount of EUR 2,000,000.

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

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes are not intended to be held in a manner which allows Eurosystem eligibility. The Notes represented by a Global Note are held in book entry form.

The Global Notes will be transferable by delivery. Each Permanent Global Note will be exchangeable for Notes in definitive form only in the circumstances described below. Such Notes in definitive form shall be issued in denominations of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000 or, as the case may be, in the then Principal Amount Outstanding of the Notes on such exchange date. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of Euroclear and/or Clearstream, Luxembourg, as the case may be. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes, which must be made by the holder of a Global Note, for so long as such Global Note is outstanding. Each person must give a certificate as to non-U.S. beneficial ownership as of the date on which the Issuer is obliged to exchange a Temporary Global Note for a Permanent Global Note, which date shall be no earlier than the Exchange Date, in order to obtain any payment due on the Notes.

For so long as any Notes are represented by a Global Note, such Notes will be transferable in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg, in the minimum authorised denomination of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. Notes in definitive form, if issued, will only be printed and issued in denominations of EUR 100,000 in each case increased with any amount in excess thereof in integral multiples of EUR 1,000 up to and including EUR 199,000. No Notes in definitive form will be issued with a denomination above EUR 199,000.

For so long as all of the Notes are represented by the Global Notes and such Global Notes are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication to the relevant accountholders rather than by publication as required by Condition 15 (*Notice to Noteholders*), provided that as long as the Notes (other than the Class R Notes) are listed on the Official List of Euronext Dublin and admitted to trading on Euronext Dublin and the rules of Euronext Dublin so require, notices shall also be sent to Euronext Dublin or in case the Notes are listed on any other stock exchange in respect of any publication required by such stock exchange, such stock exchange agrees to such notice or, as the case may be, any due publication requirement of such stock exchange will be met. Any such notice delivered on or prior to 4.00 p.m. (local time) on a Business Day in the city in which it was delivered shall be deemed to have been given to the Noteholders on such Business Day. A notice delivered after 4.00 p.m. (local time) on a Business Day in the city in which it is delivered will be deemed to have been given to the Noteholders on the next following Business Day in such city.

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

If after the Exchange Date (i) the Notes become immediately due and payable by reason of accelerated maturity following an Event of Default, or (ii) either Euroclear or Clearstream,



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

- (a) Class A Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class A Notes;
- (b) Class B Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class B Notes;
- (c) Class C Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class C Notes;
- (d) Class D Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class D Notes;
- (e) Class E Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class E Notes;
- (f) Class X1 Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class X1 Notes;
- (g) Class X2 Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class X2 Notes;
- (h) Class S1 Note in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class S1 Note;
- (i) Class S2 Note in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class S2 Note; and
- (j) Class R Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class R Notes,

in each case within 30 calendar days of the occurrence of the relevant event.

#### **4.3 Subscription and Sale**

The Lead Manager has, pursuant to the Subscription Agreement, agreed with the Issuer (subject to certain conditions) to procure the subscription for or to subscribe and pay for on the Closing Date:

- (a) EUR 287,689,000 of the Class A Notes at the issue price of 100.458 per cent. of the aggregate principal amount of the Class A Notes;

- (b) EUR 18,851,000 of the Class B Notes at the issue price of 100.00 per cent. of the aggregate principal amount of the Class B Notes;
- (c) EUR 10,655,000 of the Class C Notes at the issue price of 100.00 per cent. of the aggregate principal amount of the Class C Notes;
- (d) EUR 7,377,000 of the Class D Notes at the issue price of 99.041 per cent. of the aggregate principal amount of the Class D Notes;
- (e) EUR 3,279,000 of the Class E Notes at the issue price of 92.177 per cent. of the aggregate principal amount of the Class E Notes;
- (f) EUR 13,114,000 of the Class X1 Notes at the issue price of 99.482 per cent. of the aggregate principal amount of the Class X1 Notes;
- (g) EUR 3,278,000 of the Class X2 Notes at the issue price of 96.842 per cent. of the aggregate principal amount of the Class X2 Notes;
- (h) EUR 100,000 of the Class S1 Note at the issue price of 100.00 per cent. of the aggregate principal amount of the Class S1 Note; and
- (i) EUR 100,000 of the Class S2 Note at the issue price of 100.00 per cent. of the aggregate principal amount of the Class S2 Note.

The Issuer has agreed to indemnify the Arranger and the Lead Manager against certain liabilities and to pay certain costs and expenses in connection with the issue of the Investor Notes. The Issuer will issue the Residual Notes directly to the relevant investor in these Classes of Notes.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

## United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Notes and the Closing Date (the "**Distribution Compliance Period**"), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells the Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### **United Kingdom**

The Lead Manager has represented and agreed with the Issuer that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issuance or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

### **Ireland**

The Lead Manager has represented and agreed that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite any Notes, or do anything in Ireland in respect of any Notes, otherwise than in conformity with the provisions of:

- (a) the Prospectus Regulation;
- (b) the Companies Act 2014 (as amended, the “**Companies Act**”);
- (c) the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) and it will conduct itself in accordance with any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank;
- (d) Regulation (EU) No 596/2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Central Bank rules issued and / or in force pursuant to Section 1370 of the Companies Act;
- (e) Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs); and
- (f) the Central Bank Acts 1942 to 2020 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989.

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

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

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:

- (i) as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA;
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe to the Notes.

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

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

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II;
  - (ii) a customer within the meaning of the EU Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe to the Notes.

### **General**

Other than admission of the Notes to the Official List of Euronext Dublin and the admission of the Notes to trading on its regulated market, no action has been taken by the Issuer, the Arranger, the Lead Manager or the Seller that would, or is intended to, permit a public offer of the Notes in any country or jurisdiction where any such action for that purpose is required. Accordingly, each of the Issuer, the Arranger, the Lead Manager and the Seller has undertaken that it will not, directly or indirectly, offer or sell any Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

#### 4.4 Regulatory and Industry Compliance

##### EU Securitisation Regulation and UK Securitisation Regulation

The Issuer is required to comply with periodic reporting requirements pursuant to Article 7 of the EU Securitisation Regulation. Furthermore, the Issuer undertakes to comply with periodic reporting requirements pursuant to Article 7 of the UK Securitisation Regulation. For the purposes of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation, the Issuer and the Seller agree that the Issuer is designated as the “Reporting Entity” to fulfil the Retention and Transparency Requirements.

For these purposes, “**Retention and Transparency Requirements**” means Article 5, Article 6, Article 7 and Article 9 of each of the EU Securitisation Regulation and the UK Securitisation Regulation, as the case may be, together with, respectively, any other guidelines and technical standards published in relation thereto by the EBA, ESMA or contained in any European Commission delegated regulation or (in the case of the UK Securitisation Regulation) the United Kingdom Financial Conduct Authority, the United Kingdom Prudential Regulation Authority, the Bank of England or other relevant UK regulator (or their successor) as may be effective from time to time, in each case together with any amendments to those provisions or any successor or replacement provisions included in any European Union directive or regulation or UK applicable laws, regulations, rules, guidance or other implementing measures.

The Issuer will appoint the Servicers, the Issuer Administrator and the Cash Manager, pursuant to the Servicing Agreements and the Cash Management Agreement, respectively, to provide certain services to assist it with its reporting obligations. Further, the Retention Holder will be obliged to prepare and provide (or procure that it is prepared and provided) all applicable information required to be provided to investors for the purposes of Article 7 of the EU Securitisation Regulation and as described in Article 7 of the UK Securitisation Regulation.

The Issuer as Reporting Entity will procure the publication of:

- (a) a quarterly investor report in respect of the relevant Collection Period as (i) required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation and the Article 7 EU Technical Standards and (ii) described in Article 7(1)(e) of the UK Securitisation Regulation and the Article 7 UK Technical Standards;
- (b) certain loan-by-loan information in relation to the Portfolio in respect of the relevant Collection Period on a quarterly basis, (i) to the extent required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation, and (ii) as described in Article 7(1)(a) of the UK Securitisation Regulation; and
- (c) any information falling under (i) Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation and in accordance with the Article 7 EU Technical Standards, and (ii) Articles 7(1)(f) or 7(1)(g) (as applicable) of the UK Securitisation Regulation and in accordance with the Article 7 UK Technical Standards, in each case without delay.

The Issuer as Reporting Entity confirms that it has made available this Prospectus and the Transaction Documents (other than the Subscription Agreement) as required by Article

7(1)(b) of the EU Securitisation Regulation and as described in Article 7(1)(b) of the UK Securitisation Regulation (in draft form) prior to the pricing of the Notes and that it will procure that final documents are provided no later than 15 days after the Closing Date. The information referred to above shall be provided in a manner consistent with the requirements of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation and, for these purposes, the information will be made available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes on (i) the website of EuroABS at [www.euroabs.com](http://www.euroabs.com) and (ii) the website of SecRep B.V. at [www.secprep.eu](http://www.secprep.eu) (or such other website (i) selected by the Issuer and notified to the Noteholders; and (ii) which complies with the EU Securitisation Regulation or the UK Securitisation Regulation, as applicable) (the “**Reporting Website**”). For the avoidance of doubt, the Reporting Website and the contents thereof do not form part of this Prospectus.

In addition, the Issuer as Reporting Entity undertakes to provide information to and to comply with written confirmation requests of the Securitisation Repository, as required under the Securitisation Repository Operational Standards.

Each of the Servicers, in accordance with the terms of each Servicing Agreement, will prepare reports and provide the Cash Manager with all information necessary for the investor reports to be produced and shall provide reasonable assistance to the Issuer (as the Reporting Entity), the Cash Manager and, as relevant, the Seller in relation to the information that is required to be provided under Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation. Pursuant to the terms of the Cash Management Agreement, with the assistance of the Servicers, the Cash Manager shall (assuming delivery by the Servicers of the Mortgage Reports by no later than the five Business Days after the end of the relevant Collection Period) provide the Issuer, the Issuer Administrator, the Servicers, the Security Trustee, the Noteholders, the VRR Lender, the Credit Rating Agencies (as applicable), Bloomberg, the Swap Counterparty and any prospective investors in the Notes with (i) a quarterly Investor Report by no later than two Business Days prior to the immediately following Notes Payment Date, in each case, substantially in the form set out in Schedule 3 (*Form of Investor Report*) of the Cash Management Agreement or in such other form as is reasonably acceptable to the recipients thereof and (ii) a quarterly Transparency Investor Report, in each case for the purposes of assisting the Issuer in respect of its regulatory obligations under and in accordance with Article 7(1)(e) of the EU Securitisation Regulation and its contractual obligations under and in accordance with Article 7(1)(e) of the UK Securitisation Regulation, subject to the terms of the Cash Management Agreement.

The Issuer Administrator will also agree to carry out certain reporting duties on behalf of the Issuer in accordance with the EU Securitisation Regulation and the UK Securitisation Regulation. In particular, pursuant to the terms of the Cash Management Agreement, the Issuer Administrator shall upload, on behalf of the Issuer and the Retention Holder, the Data Tape and the Inside Information and Significant Event Report to the Reporting Website or such other website or securitisation repository selected by the Issuer, in accordance with the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation.

The Article 7 EU RTS setting out the prescribed reporting templates under the Securitisation Regulations have entered into force on 23 September 2020 and all in-scope transactions are required to report using the new Article 7 EU RTS and Article 7 ITS templates. The Issuer will adopt the new Article 7 EU RTS and Article 7 EU ITS templates in accordance with these requirements, or any official variations thereto. Similarly, the

Issuer will adopt the Article 7 UK RTS and the Article 7 ITS templates. There can be no assurance that the information in this Prospectus or to be made available to investors in accordance with Article 7 of the EU Securitisation Regulation or Article 7 of the UK Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation or the UK Securitisation Regulation, as the case may be.

In addition, institutional investors are required to independently assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with Article 5 of the EU Securitisation Regulation or Article 5 of the UK Securitisation Regulation, as applicable, and any corresponding national measures which may be relevant to investors and none of the Issuer, the Arranger, the Lead Manager or any of the other Transaction Parties makes any representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

The above undertakings are subject always to any requirement of law.

### **EU and UK Risk Retention Requirements**

Citibank, N.A., London Branch, as originator, will retain a material net economic interest of not less than 5 per cent. in the securitisation in accordance with the text of Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and, in the context of the EU Securitisation Regulation, not taking into account any relevant national measures).

As at the Closing Date, such interest will be comprised of the VRR Loan which has a nominal value equal to at least 5 per cent. of (100/95) of the aggregate principal amount of the Notes, as required by the text of Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation, as applicable. Any change to the manner in which such interest is held will be notified to the Noteholders.

As to the information to be made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and to any other information provided separately (which information shall not form part of this Prospectus) and, after the Closing Date, to the quarterly Investor Reports and Transparency Investor Reports provided to the Noteholders pursuant to the Cash Management Agreement and published on the Reporting Website (or such other website selected by the Issuer and notified to the Noteholders). The Reporting Website at and the contents thereof do not form part of this Prospectus.

The Retention Holder will undertake to the Issuer and the Security Trustee in the Risk Retention Letter:

- (a) to subscribe for, hold and retain, for as long as any Class of Notes is outstanding, a material net economic interest in the securitisation constituted in the Transaction Documents in an amount equal to at least 5 per cent. of (100/95) of the aggregate principal amount of the Notes, in accordance with (i) the text of Article 6(3)(a) of the EU Securitisation Regulation (or the corresponding law or rules of any applicable jurisdiction) (the “**EU Minimum Required Interest**”) and (ii) the text of Article 6(3)(a) of the UK Securitisation Regulation (the “**UK Minimum Required Interest**”);

- (b) that (i) the EU Minimum Required Interest will be satisfied through the Retention Holder providing the VRR Loan, such that the Retention Holder retains the EU Minimum Required Interest in the securitisation in accordance with Article 6(3)(a) of the EU Securitisation Regulation and (ii) the UK Minimum Required Interest will be satisfied through the Retention Holder providing the VRR Loan, such that the Retention Holder retains the UK Minimum Required Interest in the securitisation in accordance with Article 6(3)(a) of the UK Securitisation Regulation;
- (c) not to change the manner or form in which it retains (i) the EU Minimum Required Interest, except to the extent permitted under the EU Securitisation Regulation, or (ii) the UK Minimum Required Interest, except to the extent permitted under the UK Securitisation Regulation;
- (d) not to transfer, sell or hedge or otherwise enter into any credit risk mitigation, short position or any other credit risk hedge or other activity prohibited under (i) Article 6 of the EU Securitisation Regulation with respect to the EU Minimum Required Interest, except to the extent permitted under the EU Securitisation Regulation or (ii) Article 6 of the UK Securitisation Regulation with respect to the UK Minimum Required Interest, except to the extent permitted under the UK Securitisation Regulation;
- (e) at all times to confirm, promptly upon the written request of the Arranger, the Lead Manager, Citibank Europe plc (in its capacity as holder of the Class S1 Note and the Class S2 Note) and/or the Security Trustee, the continued compliance with paragraphs (a), (c) and (d) above;
- (f) to promptly notify the Arranger, the Lead Manager, Citibank Europe plc (in its capacity as holder of the Class S1 Note and the Class S2 Note) and the Security Trustee if for any reason it (i) ceases to hold the retention in accordance with the requirements of the Risk Retention Letter or (ii) fails to comply with the covenants set out in the Risk Retention Letter in respect of the retention;
- (g) to comply with the disclosure obligations described in (i) Article 7(1)(e) of the EU Securitisation Regulation and (ii) Article 7(1)(e) of the UK Securitisation Regulation by confirming its risk retention as contemplated by (i) Article 6 of the EU Securitisation Regulation and (ii) Article 6 of the UK Securitisation Regulation through the provision of the information in this Prospectus, disclosure in the quarterly Investor Reports (as prepared by the Cash Manager) and procuring provision to the Security Trustee, the Lead Manager and the Issuer of access to any reasonable and relevant additional data and information referred to in Article 5 of the EU Securitisation Regulation and Article 5 of the UK Securitisation Regulation (subject to all applicable laws);
- (h) to prepare and provide (or procure that it is prepared and provided) all applicable information required to be provided to investors for the purposes of Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation. For the purposes of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation, the Retention Holder (as the originator for the purposes of Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation) and the Issuer designate the Issuer to fulfil the applicable information requirements of Article 7(1) of each of



the Securitisation Regulations, and further acknowledge that the Issuer has delegated performance of these obligations to the Servicers and the Cash Manager; and

- (i) to notify the Issuer and the Security Trustee of any change in the manner in which the Minimum Required Interest is held.

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 Article 5 of the EU Securitisation Regulation or Article 5 of the UK Securitisation regulation, as applicable, and any corresponding national measure which may be relevant. The due diligence requirements set out in Article 5 of the UK Securitisation Regulation require institutional investors (as defined in the UK Securitisation Regulation) to verify that the Issuer has, where applicable, made available information which is substantially the same (and with such frequency and modalities as are substantially the same) as the Issuer would have been required to make available in accordance with Article 5(1)(e) of the UK Securitisation Regulation, had it been established in the UK. None of the Issuer, the Seller, the Cash Manager, the Servicers, the Originators, the Back-Up Servicer Facilitator, the Issuer Administrator, the Security Trustee, the Arranger, the Lead Manager, the VRR Lender or any of the other Transaction Parties, their respective affiliates or any other person makes any representation that the information described above or in the Prospectus is sufficient in all circumstances for such purposes.

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

This securitisation transaction will be subject to the U.S. Credit Risk Retention Requirements. The Retention Holder, as "sponsor" for purposes of the U.S. Credit Risk Retention Requirements as implemented pursuant to U.S. Regulation RR, is required to acquire and retain (either directly or through a majority owned affiliate) at least 5 per cent. of the credit risk of the securitized assets. The Retention Holder intends to satisfy the U.S. Credit Risk Retention Requirements on the Closing Date by acquiring and retaining (directly or through a majority-owned affiliate) a "single vertical security" (as defined in U.S. Regulation RR) that is an "eligible vertical interest" (as defined in U.S. Regulation RR) in the Issuer, in the form of the VRR Loan with an aggregate principal balance of approximately EUR 18,233,842.11 as of the Closing Date. The VRR Loan will represent at least 5 per cent. of all "ABS interests" (as defined in U.S. Regulation RR) in the Issuer and will entitle the Retention Holder to a specified percentage of the amounts paid on each other class of ABS interests issued by the Issuer. See Section 5.8 (*Description of the VRR Loan*) for a description of the material terms of the VRR Loan.

So long as any Notes are Outstanding, the Retention Holder is obliged by the U.S. Credit Risk Retention Requirements to retain, directly or through a majority-owned affiliate, the VRR Loan from the Closing Date until the later of: (a) the fifth anniversary of the Closing Date and (b) the date on which the aggregate unpaid principal balance of the Mortgage Loans in the Portfolio has been reduced to 25% of the aggregate unpaid principal balance of the Mortgage Loans in the Portfolio as of the Closing Date, but in any event no longer than the seventh anniversary of the Closing Date (the "**Sunset Date**"). In order to satisfy this obligation, the Retention Holder will retain, directly or through a majority-owned affiliate, the VRR Loan through the Sunset Date.

Until the Sunset Date, the U.S. Credit Risk Retention Requirements impose limitations on the ability of the Retention Holder (or its majority-owned affiliate) during such period to dispose of or hedge its risk with respect to the VRR Loan in any manner that would reduce or limit its financial exposure in respect of the VRR Loan.

Notwithstanding any references in this Prospectus to the U.S. Credit Risk Retention Requirements, U.S. Regulation RR, the Retention Holder and other risk retention related matters, in the event the U.S. Credit Risk Retention Requirements and/or U.S. Regulation RR (or any relevant portion thereof) are repealed or determined by applicable regulatory agencies to be no longer applicable to this securitisation transaction, none of the Retention Holder or any other party will be required to comply with or act in accordance with the U.S. Credit Risk Retention Requirements or U.S. Regulation RR (or such relevant portion thereof).

### **Investor to assess compliance**

Each investor should consult with its own legal, accounting, regulatory and other advisors and/or its regulator before committing to acquire any Notes to determine whether, and to what extent, the information set out in this Prospectus and in Investor Reports and Transparency Investor Reports provided in relation to the transaction is sufficient for the purpose of satisfying such requirements. Investors are required to independently assess and determine the sufficiency of such information. None of Issuer, the Seller, the Cash Manager, the Servicers, the Originators, the Back-Up Servicer Facilitator, the Issuer Administrator, the Security Trustee, the Arranger, the Lead Manager, the VRR Lender or any of the other Transaction Parties, their respective affiliates or any other person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the risk retention requirements and the related due diligence requirements or any other applicable legal regulatory or other requirements and no such person shall have any liability to any prospective investor or any other person with respect to any deficiency in such information or any failure of the transactions contemplated thereby to comply with or otherwise satisfy such requirements.

The Cash Manager on behalf of the Issuer will prepare Investor Reports and Transparency Investor Reports wherein on a quarterly basis relevant information with regard to the Mortgage Loans and Mortgage Receivables will be disclosed together with information on the retention of the material net economic interest by the Seller. The Investor Reports and Transparency Investor Reports will be published on the Reporting Website. The Reporting Website and the contents thereof do not form part of this Prospectus.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with the EU Securitisation Regulation or the UK Securitisation Regulation and none of the Issuer, the Seller, each Servicer, the Cash Manager nor the Lead Manager makes any representation or warranty that the information described above is sufficient in all circumstances for such purposes.

### **Dutch Securitisation Standard**

This Prospectus follows the template table of contents and the template glossary of defined terms (save as otherwise indicated in this Prospectus), as published by the Dutch Securitisation Association on its website [www.dutchsecuritisation.nl](http://www.dutchsecuritisation.nl). As a result the Notes

comply with the standard created for buy-to-let mortgage-backed securities by the DSA (the “**BTL MBS Standard**”). For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

### **Volcker Rule**

The Issuer is relying on an exclusion or exemption under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7). The Issuer was structured so as not to constitute a “covered fund” for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the “**Volcker Rule**”). The Volcker Rule generally prohibits “banking entities” (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a “covered fund” and (iii) entering into certain relationships with such funds. The Volcker Rule became effective on 1 April 2014, but was subject to a conformance period for certain funds which concluded on 21 July 2015. Under the Volcker Rule, unless jointly determined otherwise by specified federal regulators, a “covered fund” does not include an issuer that may rely on an exclusion or exemption from the definition of “investment company” under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding compliance with and the effects of the Volcker Rule. If the Issuer is determined to be a “covered fund”, the liquidity of the market for the Notes may be materially and adversely affected.

### **Benchmarks Regulation**

The interest payable on the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, the Class X1 Notes and the Class X2 Notes will be determined by reference to EURIBOR. In addition, interest on certain of the Mortgage Loans are determined by reference to EURIBOR as well.

EURIBOR and other interest rates or other types of rates and indices which are deemed to be “benchmarks” pursuant to the Benchmarks Regulation are the subject of ongoing regulatory reform. Some of these reforms are already effective such as the Benchmarks Regulation, whilst others are still to be implemented. Further to these reforms, a transitioning away from the IBORs to ‘risk-free rates’ is expected.

Under the Benchmarks Regulation, requirements apply with respect to the provision of a wide range of benchmarks (including EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain use by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

In March 2017, EMMI published a position paper setting out the legal grounds for certain proposed reforms to EURIBOR. The proposed reforms seek to clarify the EURIBOR specification, to align the current methodology with the Benchmarks Regulation, the

IOSCO Principles (i.e. nineteen principles which are to apply to benchmarks used in financial markets as published by the Board of the International Organisation of Securities Commissions in July 2013) and other regulatory recommendations and to adapt the methodology to better reflect current market conditions. EMMI has since launched the hybrid methodology for EURIBOR and has transitioned panel banks from the current EURIBOR methodology to the hybrid methodology. EMMI has been authorised as administrator for EURIBOR for the purposes of the Benchmarks Regulation as of 2 July 2019. As at the date of this Prospectus, EMMI appears in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

These reforms and other pressures (including from regulatory authorities) may cause one or more benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted. Moreover, any significant change to the setting or existence of EURIBOR or any other relevant benchmark could affect the ability of the Issuer to meet its obligations under the Notes and could have a material adverse effect on the value or liquidity of, and amounts payable under, the Notes.

Investors should be aware that, if EURIBOR or any other benchmark were discontinued or otherwise unavailable, the rate of interest on the Notes which reference any such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes. Any such fall-back provisions and the services of the provider of an alternative benchmark, must meet the requirements laid down in the Benchmarks Regulation. If the Rate Determination Agent is unable to determine EURIBOR in accordance with the fall-back provisions in relation to the relevant Interest Period, EURIBOR applicable to such Interest Period will be EURIBOR last determined in relation thereto. This mechanism is not suitable for determining the interest rate payable on the relevant Notes on a long-term basis. In the event that EURIBOR is disrupted or permanently discontinued or another Benchmark Event has occurred, the Issuer will, as soon as reasonably practicable (and in any event prior to the next relevant Interest Determination Date) appoint a Rate Determination Agent which will determine in its sole discretion, acting in good faith and in a commercially reasonable manner, whether a substitute or successor rate, as well as any necessary changes to the business day convention, the definition of business day, the interest determination date, the day count fraction and any method for calculating the Alternative Reference Rate, including any Adjustment Spread or other adjustment factor is needed to make such Alternative Reference Rate comparable to the relevant Reference Rate. However, there is no guarantee that such an Adjustment Spread or other adjustment factor will be determined or applied or that the application of any such factor will either reduce or eliminate economic prejudice to Noteholders.

In the context of determining the Alternative Reference Rate, the Rate Determination Agent may be considered an 'administrator' under the Benchmarks Regulation. This is the case if it is considered to be in control over the provision of the Alternative Reference Rate and/or the determined rate of interest on the basis of the Alternative Reference Rate and any adjustments made thereto by the Rate Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario. This would mean that the Rate Determination Agent: (i) administers the arrangements for determining such rate; (ii) collects, analyses or processes input data for the purposes of determining such rate; and (iii) determines such rate through the application of a method of calculation or by an assessment of input data for that purpose. Furthermore, for the Rate

Determination Agent to be considered an 'administrator' under the Benchmarks Regulation, the Alternative Reference Rate and/or the determined rate of interest on the basis of the Alternative Reference Rate and any adjustments made thereto by the Rate Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario should be a benchmark (index) within the meaning of the Benchmarks Regulation. This may be the case if the Alternative Reference Rate and/or the determined rate of interest on the basis of the Alternative Reference Rate and any adjustments made thereto by the Rate Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario, is published or made available to the public and regularly determined by the application of a method of calculation or by an assessment, and on the basis of certain values or surveys.

The Benchmarks Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorised, recognised or endorsed, as applicable, in accordance with the Benchmarks Regulation. There is a risk that administrators (which may include the Rate Determination Agent in the circumstances as described above) of certain benchmarks will fail to obtain such registration, authorisation, recognition or endorsement, preventing them from continuing to provide such benchmarks or may otherwise choose to discontinue or no longer provide such benchmark. In such case, this may affect the possibility for the Issuer to apply the fall-back provision of Condition 13(c)(II)(G) meaning that the applicable benchmark will remain unchanged (but subject to the other Conditions).

The use of the Alternative Reference Rate may result in the Notes that referenced the Reference Rate performing differently (including potentially paying a lower interest rate) than they would do if the Reference Rate were to continue to apply in its current form. Furthermore, the terms and conditions of the Notes may be amended by the Issuer, as necessary to ensure the proper operation of the Alternative Reference Rate, without any requirement for consent or approval of the Noteholders.

As at the date of this Prospectus, the administrator of EURIBOR is included in ESMA's register of administrators under Article 36 of the Benchmarks Regulation.

## **CRA Regulation**

Prospective investors are responsible for ensuring that an investment in the Notes is compliant with all applicable investment guidelines and requirements and, in particular, any requirements relating to credit ratings.

In general, European Union regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under 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**").

ESMA is obliged to maintain on its website, <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>, a list of credit rating agencies registered and certified in accordance with the CRA Regulation. This list must be updated within five working days of ESMA's adoption of any decisions to withdraw the registration of a credit rating agency under the CRA Regulation. Therefore, such list is not conclusive evidence of the status of the relevant rating agency as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

The credit ratings in respect of the Rated Notes, if obtained on the Closing Date, are expected to be issued by, respectively, Moody's Deutschland GmbH and S&P Global Ratings Europe Limited, each of which is established in the European Union and included on the list of registered and certified credit rating agencies that is maintained by ESMA.

Prospective investors should note the provisions of Regulation 462/2013 (European Union) which amended the CRA Regulation (together with the CRA Regulation, "**CRA3**") and became effective on 20 June 2013. CRA3 requires, among other things, issuers or related third parties intending to solicit a credit rating of a structured finance instrument to appoint at least two credit rating agencies to provide credit ratings independently of each other. In addition, it is suggested that parties to a structured finance transaction consider appointing at least one smaller credit rating agency (being a credit rating agency with no more than a 10 per cent. market share), so long as such credit rating agency could be evaluated by the relevant issuer or related third party as capable of rating the issuance.

In accordance with the EUWA, at the end of the Implementation Period, the FCA became the regulator of credit rating agencies registered and certified in the United Kingdom and any credit rating agency which issues credit ratings in the United Kingdom after such time are required to be registered with the FCA. With effect from 31 December 2020, CRA3 was onshored into UK law pursuant to the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, SI 2019/266 ("**CRAR**"). Among other things, CRAR introduced a registration regime pursuant to which entities registered as a credit rating agency under the CRA Regulation and operating in the UK could convert their previous ESMA registration or certification into an FCA registration or certification to enable them to issue or endorse credit ratings for regulatory purposes in the UK. Otherwise, any UK-based credit rating agency must apply for a new registration or certification in the UK.

Investors regulated in the United Kingdom are subject to similar restrictions under the CRAR as are applicable to European regulated investors under the EU CRA Regulation. As such, in general, United Kingdom regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the United Kingdom and registered under the CRAR. However, in the case of ratings issued by third country non-United Kingdom credit rating agencies, these ratings can either be: (a) endorsed by a United Kingdom registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the CRAR. Note this is subject, in each case, to (a) the relevant United Kingdom registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the United Kingdom, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

The credit ratings in respect of the Rated Notes specified in this Prospectus, if obtained on the Closing Date, are expected to be issued by, respectively, Moody's Deutschland GmbH and S&P Global Ratings Europe Limited, each of which is established in the European Union and included on the list of registered and certified credit rating agencies that is maintained by ESMA pursuant to the CRA Regulation. In the UK, pursuant to the CRAR, such credit ratings (if issued) are expected to be endorsed by Moody's Investors Service Ltd or S&P Global Ratings UK Limited, as applicable, each being a credit rating agency established in the UK and registered by the FCA pursuant to the CRAR (as evidenced by their respective entries appearing on the FCA's Financial Services Register at <https://register.fca.org.uk/s/>).

If the status of the rating agency rating the Rated Notes changes for the purposes of the CRA Regulation or the CRAR, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the United Kingdom, as applicable, and the Rated Notes may have a different regulatory treatment, which may impact the value of the Rated Notes and their liquidity in the secondary market. Certain information with respect to the Credit Rating Agencies and ratings of the Rated Notes is set out on the cover of this Prospectus.

#### 4.5 Use of Proceeds

The aggregate proceeds of the Notes (other than the Class R Notes) to be issued on the Closing Date amount to EUR 345,261,904.26.

The Issuer will use the net proceeds of the Notes and the VRR Loan on the Closing Date to (i) pay the Closing Date Purchase Price payable by the Issuer for the Completion Mortgage Receivables to be acquired from the Seller on the Closing Date, (ii) fund the Liquidity Reserve Fund, (iii) fund the Post-Closing Reserves, which may be applied (A) to pay part of the Post-Closing Mortgage Receivables Purchase Price for any Post-Closing Mortgage Receivables acquired from the Seller on the Post-Closing Mortgage Receivables Purchase Date and/or (B) in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes), as Available Revenue Funds and to pay the Class R Noteholder, (iv) fund the Class S1/S2 Ledger and (v) pay certain fees and expenses of the Issuer incurred in connection with the issue of the Notes on the Closing Date. For the avoidance of doubt, the Aggregate Closing Reserve Amount will be zero, as all Mortgage Loans have received their first payment and the resulting Mortgage Receivables will be sold and assigned by the Seller to the Issuer on the Closing Date. As a result, there will be no Post-Closing Mortgage Receivables and the Issuer will therefore credit the Post-Closing Reserve Ledgers with an amount equal to zero on the Closing Date.

The Seller will apply (part of) the proceeds received from the Issuer towards purchase of the Completion Mortgage Receivables from the Original Sellers on the Closing Date. To the extent that any Post-Closing Mortgage Receivables are purchased by the Issuer on or prior to the Final Post-Closing Mortgage Receivables Purchase Date, the Seller will apply (part of) the Post-Closing Mortgage Receivables Purchase Price towards the purchase of the Post-Closing Mortgage Receivables from the Original Sellers on such date.

#### 4.6 Taxation in the Netherlands

The overview below is intended as general information only and it does not purport to present any comprehensive or complete picture of all aspects of Dutch tax law which could be of relevance to the holder of a Note (the “**Noteholder**”, together referred to as the “**Noteholders**”). It is limited to Dutch tax law as applied by the Dutch courts and published and in effect on the date of this Prospectus, and it is subject to any change in law, possibly with retroactive effect.

The Issuer has been advised that the following Dutch tax treatment will apply to the Notes provided that in each and every respect the terms and conditions of each of the documents, the performance by the parties thereto of their respective obligations and the exercise of their rights thereunder and the transactions contemplated therein, including, without limitation all payments made thereunder, are at arm's length:

(A) Withholding Tax

All payments of interest and principal made by the Issuer under a Note may, except in certain very specific cases as described below, be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Dutch withholding tax may apply on (deemed) payments of interest made to an affiliated (*gelieerde*) entity to the Issuer, if such entity: (i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation for another person, or (iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another (lower-tier) entity as the recipient of the interest (a hybrid mismatch), or (v) is not treated as resident anywhere (also a hybrid mismatch), all within the meaning of the Withholding Tax Act 2021 (*Wet bronbelasting 2021*). Provided that no payments of interest are made by the Issuer under a Note to an entity affiliated to the Issuer that meets one of the conditions as stated under (i) – (v) above, payments of interest made by the Issuer under a Note shall not become subject to withholding tax as of 1 January 2021 on the basis of the Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

(B) Taxes on Income and Capital Gains

A Noteholder who derives income from a Note or who realises a gain from the disposal or redemption of a Note will not be subject to Dutch taxation on such income or gain, provided that:

- (1) the Noteholder is neither resident nor deemed to be resident of the Netherlands for the purpose of the relevant Dutch tax law provisions;
- (2) the Noteholder does not have an enterprise or deemed enterprise (as defined in Dutch tax law) or an interest in an enterprise or deemed enterprise (as defined in Dutch tax law) that is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) taxable in the Netherlands and to which enterprise or part of that enterprise, as the case may be, the Notes are attributable;
- (3) the Noteholder is not entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands, other than by way of securities and to which enterprise the Notes are attributable; and



- (4) if the Noteholder is an individual, the Noteholder does not derive benefits from the Notes that are taxable as benefits from miscellaneous activities in the Netherlands (*resultaat uit overige werkzaamheden in Nederland*) as defined in the Dutch Income Tax Act 2001, which include, but are not limited to, activities in respect of the Notes which are beyond the scope of "regular active asset management" (*normaal actief vermogensbeheer*) or benefits which are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights which form a "lucrative interest" (*lucratief belang*). A lucrative interest is an interest which the holder thereof has acquired under such circumstances that benefits arising from this lucrative interest are intended to be a remuneration for work or services performed by such holder (or a person related to such holder) in the Netherlands, whether within or outside an employment relationship, where such lucrative interest provides the holder thereof, economically, with certain benefits that have a relationship to the relevant work or services.

Under Dutch tax law, a Noteholder will not be deemed resident, domiciled or carrying on a business in the Netherlands by reason only of its holding of the Notes or the performance by the Issuer of its obligations under the Notes.

(C) Gift and Inheritance Taxes

No gift or inheritance taxes will arise in the Netherlands with respect to the acquisition of a Note by way of gift by, or on the death of, a Noteholder, unless:

- (i) the Noteholder is a resident or deemed to be resident of the Netherlands for the purpose of the relevant Dutch tax law provisions; or
- (ii) in the case of a gift of the Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident of the Netherlands.

For the purpose of Dutch gift and inheritance tax, an individual who has the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift or the date of his death, if he has been a resident of the Netherlands at any time during the ten years preceding the date of the gift or the date of his death.

For the purposes of Dutch gift tax, an individual who does not have the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift, if he has been a resident of the Netherlands at any time during the twelve months preceding the date of the gift.

(D) Value Added Tax

No Value Added Tax (*omzetbelasting*) will arise in the Netherlands in respect of any payment in consideration for the issue of the Notes or with respect to any payment of principal or interest by the Issuer on the Notes.

(E) Other Taxes and Duties

No registration tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the issue

of the Notes.

## 4.7 Security

### *Parallel Debt Agreement*

In the Parallel Debt Agreement the Issuer will irrevocably and unconditionally undertake to pay to the Security Trustee the Parallel Debt, which is an amount equal to the aggregate amount due (*verschuldigd*) by the Issuer (i) to the Directors under the Management Agreements, (ii) to the Servicers under the Servicing Agreements, (iii) to the Issuer Administrator under the Cash Management Agreement, (iv) to the Paying Agent under the Paying Agency Agreement, (v) to the Agent Bank under the Paying Agency Agreement, (vi) to the Issuer Account Bank under the Issuer Account Agreement, (vii) to the Account Agent under the Issuer Account Agreement, (viii) to the Noteholders under the Notes, (ix) to the Swap Counterparty under the Swap Agreement, (x) to the Seller under the Mortgage Receivables Purchase Agreement, (xi) to the Cash Manager under the Cash Management Agreement, (xii) to the VRR Lender under the VRR Loan Agreement, (xiii) to the Back-Up Servicer Facilitator under the Servicing Agreements, (the parties referred to in items (i) through (xiii) together the Secured Creditors).

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

There is no statutory law or case law available on the concept of parallel debts such as the Parallel Debt, or on the question of whether a parallel debt constitutes a valid basis for the creation of security rights, such as rights of pledge. However, the Issuer holds the view that a parallel debt, such as the Parallel Debt, creates thereunder a claim in favour of the Security Trustee which can be validly secured by rights of pledge such as the rights of pledge created by the Pledge Agreements.

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

### *Pledge Agreements*

The Issuer will vest a right of pledge in favour of the Security Trustee on (i) the Mortgage Receivables on the Closing Date pursuant to the Issuer Mortgage Receivables Pledge Agreement and the Deed of Assignment and Pledge and (ii) the Post-Closing Mortgage Receivables on the relevant Post-Closing Mortgage Receivables on the date on which they are acquired pursuant to a supplemental Deed of Assignment and Pledge, which will secure the payment obligations of the Issuer to the Security Trustee under the Parallel Debt Agreement and any other Transaction Documents. The pledge on the Mortgage Receivables will not be notified to the Borrowers, except upon the occurrence of certain

notification events, which are similar to the Issuer Assignment Notification Events but relating to the Issuer, including the issuing of an Enforcement Notice by the Security Trustee (the Pledge Notification Events). Prior to notification of the pledge to the Borrowers, the pledge will be an undisclosed right of pledge (*stil pandrecht*) within the meaning of section 3:239 of the Dutch Civil Code.

In addition, a right of pledge will be vested by the Issuer in favour of the Security Trustee on the Closing Date pursuant to the Issuer Rights Pledge Agreement over all rights of the Issuer (a) under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Swap Agreement, (iii) the Servicing Agreements, (iv) the Issuer Account Agreement, (v) the Paying Agency Agreement, (vi) the Receivables Proceeds Distribution Agreements and (viii) the Cash Management Agreement, and (b) in respect of the Issuer Accounts. This right of pledge will be notified to the relevant obligors and will, therefore, be a disclosed right of pledge (*openbaar pandrecht*), but the Security Trustee will grant a power to collect to the Issuer which will be withdrawn upon the occurrence of any of the Pledge Notification Events.

From the date of the occurrence of a Pledge Notification Event and the consequent notification to the Borrowers and withdrawal of the power to collect, the Security Trustee will collect (*innen*) all amounts due to the Issuer whether by the Borrowers or by any other parties to the Transaction Documents. Pursuant to the Trust Agreement, the Security Trustee will, until the delivery of an Enforcement Notice for the sole purpose of enabling the Issuer to make payments in accordance with the relevant Priority of Payments, pay or procure the payment of certain amounts to the Issuer, whilst for that sole purpose terminating (*opzeggen*) its right of pledge solely in respect of the amounts so paid.

The rights of pledge created in the Pledge Agreements secure any and all liabilities of the Issuer to the Security Trustee resulting from or in connection with the Parallel Debt Agreement and any other Transaction Documents.

Pursuant to the Collection Foundation Account Pledge Agreements each Collection Foundation shall grant a first ranking right of pledge on the Collection Foundation's receivables (*vorderingen*) against the Collection Foundation Account Provider as such receivables are or will be reflected from time to time in the balances of the Collection Foundation Account, and any other receivables and rights of the Collection Foundation against the Collection Foundation Account Provider now or hereafter existing to the extent arising from or in connection with the Collection Foundation Account either (i) in favour of the Issuer, existing funders and any future funders of (the mortgage business of) the relevant Originator where the share within the meaning of section 3:166 of the Dutch Civil Code (*aandee*) of the beneficiaries of the right of pledge in respect of the balance of the Collection Foundation Account is equal to their respective entitlements, i.e. the sum of the amounts standing to the credit of the Collection Foundation Account which relate to the collections arising from the Mortgage Receivables owned by it or pledged to it, as the case may be, from time to time or (ii) to a separate security trustee holding such security for the benefit of the Issuer and the other beneficiaries of the amounts standing to the relevant Collection Foundation Account, each for an amount to their respective aforementioned entitlements. Such right of pledge will be notified to the Collection Foundation Account Provider where the Collection Foundation Account is maintained.

#### *Secured Creditors*

The security rights described above shall serve as security for the benefit of the Secured Creditors, including each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class X1 Noteholders, the Class X2 Noteholders, the Class S1 Noteholder, the Class S2 Noteholder and the Class R Noteholders. Any amounts owing to the Noteholders of a Class of Notes will rank in accordance with the relevant Priority of Payments.

#### 4.8 Credit Ratings

Under the Subscription Agreement, it is a condition precedent to issuance that:

- (i) the Class A Notes, on issue, be assigned an Aaa credit rating by Moody's and an AAA credit rating by S&P;
- (ii) the Class B Notes, on issue, be assigned an Aa3 credit rating by Moody's and an AA credit rating by S&P;
- (iii) the Class C Notes, on issue, be assigned an A2 credit rating by Moody's and an A credit rating by S&P;
- (iv) the Class D Notes, on issue, be assigned a Baa3 credit rating by Moody's and an BBB credit rating by S&P;
- (v) the Class E Notes, on issue, be assigned a Ba3 credit rating by Moody's and a BB+ credit rating by S&P;
- (vi) the Class X1 Notes, on issue, be assigned a B1 credit rating by Moody's and a B- credit rating by S&P; and
- (vii) the Class X2 Notes, on issue, be assigned a Ca credit rating by Moody's and a B- credit rating by S&P.

The Class S1 Note, the Class S2 Note and the Class R Notes will not be assigned a credit rating by any of the Credit Rating Agencies.

Each of Moody's and S&P is established in the European Union and is registered under the CRA Regulation and as such is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation at <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>.

In the UK, pursuant to the CRAR, such credit ratings (if issued) are expected to be endorsed by S&P Global Ratings UK Limited or Moody's Investors Service Ltd, as applicable, each being a credit rating agency established in the UK and registered by FCA pursuant to the CRAR. See further Section 4.4 (*Regulatory and Industry Compliance – CRA Regulation*).

The credit ratings of the Rated Notes address the assessment made by the Credit Rating Agencies of the likelihood of full and timely payment of interest and ultimate payment of principal on the Class A Notes and the ultimate payment of interest and principal on the other Rated Notes on or before the Final Maturity Date, but does not provide any certainty nor guarantee. Any decline in the credit ratings of the Rated Notes or changes in credit rating methodologies may affect the market value of the Notes. Furthermore, the credit

ratings may not reflect the potential impact of all rights relating to the structure, market, additional factors discussed above or below, or other factors that may affect the value of the Notes.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning credit rating organisation if in its judgment, the circumstances (including a reduction in, or withdrawal of, the credit rating of the Issuer Account Bank or the Swap Counterparty) in the future so require. A deterioration of the credit quality of any of the Issuer's counterparties might have an adverse effect on the credit rating of the Rated Notes.

The ratings to be assigned to the Rated Notes by Moody's and S&P are based, among other things, on the value and cash flow generating ability of the Mortgage Receivables and other relevant structural features of the transaction, and reflect only the view of each of the Credit Rating Agencies. There is no assurance that any such credit rating will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the Credit Rating Agencies if, in any of the Credit Rating Agencies' judgment, circumstances so warrant.

The Issuer does not have an obligation to maintain the credit ratings assigned to the Rated Notes. Other credit rating agencies that have not been engaged to rate the Notes by the Issuer may issue unsolicited credit ratings on the Notes at any time. Any unsolicited ratings in respect of the Notes may differ from the ratings expected to be assigned by Moody's and S&P and may not be reflected in this Prospectus. Issuance of an unsolicited rating which is lower than the ratings assigned by Moody's and S&P in respect of the Rated Notes may adversely affect the market value and/or the liquidity of the Notes.

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

The Security Trustee may, for the purposes of exercising any power, authority, duty or discretion under or in relation to the Conditions or any of the relevant Transaction Documents take the provision of a Credit Rating Agency Confirmation into account in determining whether such exercise will be materially prejudicial to the interest of any Class of Notes and the other Secured Creditors. By the Issuer or the Security Trustee obtaining a Credit Rating Agency Confirmation each of the Security Trustee, the Noteholders and the other Secured Creditors will be deemed to have agreed and/or acknowledged that (i) a credit rating is an assessment of credit only and does not address other matters that may be of relevance to the Noteholders or the other Secured Creditors, (ii) neither the Security Trustee nor the Noteholders nor the other Secured Creditors have any right of recourse to or against the relevant Credit Rating Agency in respect of the relevant Credit Rating Agency Confirmation which is relied upon by the Security Trustee and (iii) reliance by the Security Trustee on a Credit Rating Agency Confirmation does not create, impose on or extend to the relevant Credit Rating Agency any actual or contingent liability to any person (including, without limitation, the Security Trustee and/or the Noteholders and/or the other Secured Creditors) or create any legal relations between the relevant Credit Rating Agency and the Security Trustee, the Noteholders, the other Secured Creditors or any other person whether by way of contract or otherwise.

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

## 5. **CREDIT STRUCTURE**

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

### 5.1 **Available Funds**

#### **Available Revenue Funds**

Prior to an Enforcement Notice being served on the Issuer by the Security Trustee in accordance with Condition 10 (*Events of Default*), the Cash Manager, on behalf of the Issuer, will apply Available Revenue Funds on each Notes Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments.

**“Available Revenue Funds”** means the sum of the following amounts, calculated on each Notes Calculation Date, received or held by the Issuer in respect of the immediately preceding Notes Calculation Period (without double counting):

- (a) the amount of Revenue Funds received by the Issuer or, if in a Determination Period, the Calculated Revenue Funds received by the Issuer;
- (b) interest payable to the Issuer on the Issuer Accounts (other than any interest earned on, or distributions arising from, amounts recorded in the Swap Collateral Ledger (irrespective of whether such amounts are credited to the Issuer Transaction Account or any Swap Collateral Account at the relevant time)) and income from any Authorised Investments;
- (c) amounts received by the Issuer under the Swap Agreement (other than (i) any early termination amount received by the Issuer under the Swap Agreement to the extent it is or may in the future be applied in acquiring a replacement swap, (ii) any Excess Swap Collateral or Swap Collateral, except to the extent that the value of such Swap Collateral has been applied, pursuant to the provisions of the Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the Interest Rate Swap under the Swap Agreement and, to the extent so applied in reduction of the amount otherwise payable by the Swap Counterparty, such Swap Collateral is not to be applied (immediately or in the future) in acquiring a replacement swap, in which case such amounts will form part of the Available Revenue Funds, (iii) any Replacement Swap Premium but only to the extent applied directly to pay any termination payment due and payable by the Issuer to the Swap Counterparty, (iv) amounts in respect of Swap Tax Credits on such Notes Payment Date and (v) amounts in respect of any MTM Adjustment Amounts);
- (d) the Liquidity Reserve Fund Balance, but only to the extent necessary (after applying all other Available Revenue Funds but before applying Principal Addition Amounts to do so (assuming for the purpose of this paragraph (d) that this paragraph (d) and paragraph (g) had not applied)) to make payments in the Pre-Enforcement Revenue Priority of Payments to the extent there is a Revenue Shortfall;
- (e) on each Notes Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Revenue Funds in accordance with Condition 4(I) (*Determinations and Reconciliation*);

- (f) other net income of the Issuer received during the relevant Notes Calculation Period, excluding any Principal Funds;
- (g) Principal Addition Amounts to be applied as Available Revenue Funds (after the application of the Liquidity Reserve Fund Balance in accordance with paragraph (d) above) to pay any PAA Deficit;
- (h) any amounts to form part of Available Revenue Funds pursuant to items (b)(viii) and (c)(iv) of the Pre-Enforcement Principal Priority of Payments; and
- (i) in respect of the first Notes Payment Date or following the service of an Enforcement Notice, an amount (if any) standing to the credit of the Post-Closing Revenue Reserve Ledger on such date (taking into account any debits made to that ledger on the Post-Closing Mortgage Receivables Purchase Date),

*less:*

- (j) amounts applied from time to time during the relevant Notes Calculation Period in making payment of certain monies which properly belong to third parties (including the Seller) such as (but not limited to):
  - (A) fees, costs, charges and expenses charged by the Servicers pursuant to the Servicing Agreements to the extent required to be paid during the Notes Calculation period, and to the extent they are actually paid;
  - (B) amounts under a direct debit which are repaid to the bank making the payment if such bank is unable to recoup or recall such amount itself from its customer's account or is required to refund an amount previously debited and such other amounts that have been paid in error or otherwise recalled or is required by the Collection Foundation Account Provider to be credited to a reserve which will set aside an amount for such payments in the relevant Collection Foundation Account;
  - (C) fees, costs, charges and expenses charged by the Collection Foundation Accounts to the Collection Foundation Account Provider pursuant to the Receivables Proceeds Distribution Agreements to the extent required to be paid during the Notes Calculation period, and to the extent they are actually paid;
  - (D) any amount due to the Credit Rating Agencies;
  - (E) any amount received from a Borrower for the express purpose of payment being made to a third party for the provision of a service to that Borrower; and
  - (F) on the first Notes Calculation Date of each calendar year, an amount equal to the higher of (i) 10 per cent. of the annual fees or other remuneration due and payable to the Issuer Director under the Issuer Management Agreement in the immediately preceding calendar year, and (ii) EUR 2,500 to be retained by the Issuer as taxable profit in respect of the business of the Issuer (the "**Issuer Profit Amount**") (which may be used by the Issuer to pay or discharge any liability of the Issuer for corporation tax thereon),

(items within this paragraph (j) being collectively referred to herein as "**Third**



**Party Amounts”); and**

- (k) (taking into account any amount paid by way of Third Party Amounts) amounts to remedy any overdraft in relation to the Collection Foundation Accounts, or to pay any amounts due to the Collection Foundation Account Provider respect of the Mortgage Loans.

**Available Principal Funds**

Prior to an Enforcement Notice being served on the Issuer by the Security Trustee in accordance with Condition 10 (*Events of Default*), the Cash Manager, on behalf of the Issuer, will apply Available Principal Funds on each Notes Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments.

**“Available Principal Funds”** means the sum of the following amounts, calculated on each Notes Calculation Date, received or held by the Issuer in respect of the immediately preceding Notes Calculation Period (without double counting):

- (a) the amounts of Principal Funds received by the Issuer or, if in a Determination Period, any Calculated Principal Funds received by the Issuer;
- (b) the amounts (if any), pursuant to the Pre-Enforcement Revenue Priority of Payments, by which the debit balance of each of the Class A Principal Deficiency Sub-Ledger and/or the Class B Principal Deficiency Sub-Ledger and/or the Class C Principal Deficiency Sub-Ledger and/or the Class D Principal Deficiency Sub-Ledger and/or the Class E Principal Deficiency Sub-Ledger and/or the VRR Loan Principal Deficiency Sub-Ledger is to be reduced on that Notes Payment Date;
- (c) on each Notes Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Principal Funds in accordance with Condition 4(l) (*Determinations and Reconciliation*);
- (d) principal from any Authorised Investments;
- (e) any Liquidity Reserve Excess Amounts;
- (f) the amounts received on the Issuer Transaction Account during the Interest Period as undrawn Construction Deposits that have been released to the Issuer; and
- (g) following delivery of an Enforcement Notice, any amounts standing to the credit of the Post-Closing Principal Reserve Ledger.

**Cash Collection Arrangements**

Payments by the Borrowers of scheduled interest and scheduled principal under the Mortgage Loans are due on the first calendar day of each month (or the next Business Day if such day is not a Business Day), interest being payable in arrear. All payments made by Borrowers are paid into the relevant Collection Foundation Account maintained by the relevant Collection Foundation with the Collection Foundation Account Provider. As a consequence, the Collection Foundation has a claim against the Collection Foundation Account Provider as the bank where such account is held, in respect of the balances standing to credit of the Collection Foundation Account. Vistra Capital Markets (Netherlands) N.V. is the director of the Collection Foundation and the Collection

Foundation Accounts are each operated by Vistra B.V. as the Collection Foundation Administrator for the relevant Collection Foundation Account. Each Collection Foundation Account is also used for the collection of moneys paid in respect of mortgage loans other than the Mortgage Loans and in respect of other moneys to which each Originator and certain funders of (the mortgage business of) each Originator (that are a party to the relevant Receivables Proceeds Distribution Agreement, each a Beneficiary) are entitled *vis-à-vis* the relevant Collection Foundation and may in the future also be used in connection with new transactions involving future funders of (the mortgage business of) the relevant Originator. The Collection Foundation Administrator determines from time to time but at least on a monthly basis what the entitlement is of each Beneficiary (according to the Mortgage Receivables owned by, purchased by and assigned to, or pledged to, that Beneficiary) and will arrange for the transfer of such amount from the Collection Foundation Account to the relevant Beneficiary in accordance with the Receivables Proceeds Distribution Agreement.

Each Originator has under the relevant Receivables Proceeds Distribution Agreement undertaken not to instruct BCMGlobal to transfer amounts in respect of the Mortgage Receivables to an account other than the relevant Collection Foundation Account without prior approval of, amongst others, the relevant Collection Foundation, the Issuer and the Security Trustee.

The Collection Foundation Administrator undertakes that it will open and maintain in the books of the relevant Collection Foundation ledgers, which shall together reflect all amounts from time to time to be received, receivable or held by or on behalf of the relevant Collection Foundation, which ledger will at least include a ledger for each Beneficiary.

Each Collection Foundation Account will be pledged either directly in favour of the Beneficiaries or in favour of a security trustee who holds such right of pledge on behalf of the Beneficiaries pursuant to the Collection Foundation Account Pledge Agreements. In the event of a right of pledge directly in favour of the Beneficiaries, each of the Beneficiaries is entitled to foreclose the jointly-held right of pledge separately without prior consent or co-operation, to the extent the exercise of such right relates to collecting an amount equal to its entitlement.

In case of foreclosure of the right of pledge, the proceeds of such foreclosure will be divided and distributed to each Beneficiary according to each such Beneficiary's share. The rights of pledge created under the Collection Foundation Account Pledge Agreements will remain in place until any and all liabilities of all Beneficiaries (whether actual or contingent, and whether in relation to principal, interest or otherwise), to the extent such liabilities result in a claim for the payment (*geldvordering*) against the relevant Collection Foundation in favour of such Beneficiary have been discharged in full.

If at any time the rating of the Collection Foundation Account Provider falls below the Collection Foundation Account Provider Requisite Credit Rating or any such rating is withdrawn by any of the Credit Rating Agencies, each Collection Foundation will, as soon as reasonably possible, but within the remedy period as specified by the relevant Credit Rating Agency which on the date of this Prospectus is 60 calendar days for Moody's and 90 calendar days for S&P, either (i) transfer the relevant Collection Foundation Account to an alternative bank with at least the Collection Foundation Account Provider Requisite Credit Rating or (ii) ensure that payments to be made by the Collection Foundation Account Provider in respect of amounts received on the relevant Collection Foundation Account relating to the Mortgage Receivables will be guaranteed by a third party with at least the

Collection Foundation Account Provider Requisite Credit Rating, a copy of which guarantee shall in advance be provided to the relevant Credit Rating Agency and shall otherwise meet the relevant Credit Rating Agency's requirements, where applicable.

All reasonable costs and expenses (including but not limited to any replacement of guarantee costs), if any, incurred by the relevant Collection Foundation or the relevant Originator relating to any action taken by them in relation to the actions mentioned above as a consequence of the downgrade of the Collection Foundation Account Provider below the Collection Foundation Account Provider Requisite Credit Rating, or any of such rating being withdrawn (including but not limited to costs in relation to the replacement of itself, obtaining a third party guarantee or implementing any other suitable action) are split equally between the Collection Foundation Account Provider and the relevant Originator.

In the event of a transfer to the third party as referred to under (i) above, the relevant Collection Foundation shall enter into a pledge agreement with such third party – and create a first ranking right of pledge over such bank account in favour of the Beneficiaries – upon terms substantially the same as the Collection Foundation Account Pledge Agreement.

Each Collection Foundation and the Issuer have undertaken that all amounts of principal, interest and Early Repayment Charges in respect of the Mortgage Receivables received by the relevant Collection Foundation on the Collection Foundation Account during the immediately preceding Mortgage Calculation Period in respect of the Mortgage Receivables will be credited to the relevant Issuer Collection Account on each relevant Mortgage Collection Payment Date.

The Issuer Collection Accounts are held in the name of the Issuer and consist of:

- (i) the Community Issuer Collection Account: an account held with the Issuer Account Bank used to receive payments from the Community Collection Foundation Account;
- (ii) the DNL Issuer Collection Account: an account held with the Issuer Account Bank used to receive payments from the DNL Collection Foundation Account; and
- (iii) the DMS Issuer Collection Account: an account held with the Issuer Account Bank used to receive payments from the DMS Collection Foundation Account.

The Cash Manager shall procure that amounts standing to the credit of the Issuer Collection Accounts are applied towards Third Party Amounts pursuant to the Cash Management Agreement, and prior to, or ultimately on, each Notes Payment Date, all remaining amounts standing to the credit of the Issuer Collection Accounts attributable to the corresponding Collection Period are transferred to the Issuer Transaction Account and applied in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable).

The Issuer has been advised that in the event of a bankruptcy of the relevant Originator, relevant Original Seller or the Seller any amounts standing to the credit of the relevant Collection Foundation Account and the Issuer Collection Accounts relating to the Mortgage Receivables will not form part of the bankruptcy estate of the relevant Originator, relevant Original Seller or the Seller. Each Collection Foundation is set up as a special purpose bankruptcy remote entity. The objectives clause included in the articles of association

(*statuten*) of each Collection Foundation is limited to collecting, managing and distributing amounts received on the relevant Collection Foundation Account to the persons who are entitled to receive such amounts pursuant to the Receivables Proceeds Distribution Agreements.

On the Closing Date, the Issuer creates a first ranking right of pledge over the Issuer Collection Accounts in favour of the Security Trustee.

## 5.2 Priorities of Payments

### Priority of Payments in respect of interest

Prior to an Enforcement Notice being served on the Issuer by the Security Trustee in accordance with Condition 10 (*Events of Default*), the Available Revenue Funds determined on each Notes Calculation Date will, pursuant to the terms of the Trust Agreement, be applied by the Cash Manager on behalf of the Issuer on the Notes Payment Date immediately succeeding that Notes Calculation Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full) (the “**Pre-Enforcement Revenue Priority of Payments**”):

- (a) *first*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any fees, costs, charges, liabilities, expenses and all other amounts then due to the Security Trustee under or in connection with the provisions of the Trust Agreement and the other Transaction Documents together with VAT (if payable) thereon as provided therein; and
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof to each of the parties listed below (in each case without double counting) of:
  - (i) the fees, costs, expenses, charges, liabilities or other remuneration due and payable to the Issuer Director in connection with the Issuer Management Agreement;
  - (ii) any fees, costs, expenses, charges, liabilities or other remuneration due and payable to the Directors (other than the Issuer Director) in connection with the Management Agreements (other than the Issuer Management Agreement);
  - (iii) any fees, costs, expenses, charges, or liabilities payable to the Collection Foundations under or in connection with any of the Transaction Documents on such Notes Payment Date or in the first following Notes Calculation Period;
- (c) *third*, in or towards satisfaction, *pari passu* and *pro rata*, according to the respective amounts thereof, of:
  - (i) any remuneration then due and payable to the Cash Manager and any fees, costs, charges liabilities and expenses then due to the Cash Manager under the provisions of the Cash Management Agreement, together with VAT (if payable) thereon as provided therein;
  - (ii) any remuneration then due and payable to the Back-Up Servicer Facilitator including any fees, costs, charges, liabilities and expenses then due to the

Back-Up Servicer Facilitator under the provisions of the Servicing Agreements, together with VAT (if payable) thereon as provided therein;

- (iii) any remuneration then due and payable to the Issuer Administrator including any fees, costs, charges, liabilities and expenses then due to the Issuer Administrator under the provisions of the Cash Management Agreement, together with VAT (if payable) thereon as provided therein;
  - (iv) any remuneration then due and payable to the Account Agent and the Issuer Account Bank and any fees, costs, charges, liabilities and expenses then due to them under the provisions of the Issuer Account Agreement, together with VAT (if payable) thereon as provided therein;
  - (v) any remuneration then due and payable to the Swap Collateral Custody Account Bank and any fees, costs, charges, liabilities and expenses then due to it under the provisions of relevant Swap Collateral Account Agreement, together with VAT (if payable) thereon as provided therein;
  - (vi) any remuneration then due and payable to the Paying Agent and the Agent Bank and any fees, costs, charges, liabilities and expenses then due to it under the provisions of the Paying Agency Agreement, together with VAT (if payable) thereon as provided therein;
  - (vii) any amounts then due and payable to the Servicers relating to the Senior Servicing Fees including any fees, costs, charges, liabilities and expenses then due under the provisions of the Servicing Agreements, together with VAT (if payable) thereon as provided therein respectively;
  - (viii) any amount due to the Credit Rating Agencies; and
  - (ix) any remuneration then due and payable to the Deposit Agent including any fees, costs, charges, liabilities and expenses then due to the Deposit Agent under the provisions of the Deposit Agreement, together with VAT (if payable) thereon as provided therein.
- (d) *fourth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due and payable by the Issuer to third parties (including on behalf of the Seller) and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere, in each case to the extent such payments are for services (including servicing, trustee services and custodial services)) and any amounts required to pay or discharge any liability of the Issuer for corporation tax of the Issuer (but only to the extent such amounts cannot be paid out of deductible item (j)(F) of the Available Revenue Funds);
- (e) *fifth*, to pay, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due to the Swap Counterparty (excluding Interest Rate Swap Excluded Termination Amounts) in respect of the Swap Agreement including any termination payment due and payable by the Issuer to the extent it is not satisfied by the payment by the Issuer to the Swap Counterparty of any Replacement Swap Premium or amounts standing to the credit of any Swap Collateral Account (if applicable) but excluding, if applicable, any Interest Rate Swap Excluded Termination Amount;

- (f) *sixth*, in an amount equal to the Pre-Enforcement Revenue Note Share, simultaneously and *pari passu* with items (g)(i) to (g)(xvii) of the Pre-Enforcement Revenue Priority of Payments:
- (i) *first*, *pro rata* and *pari passu* with item (f)(ii) below, to provide for amounts due on the relevant Notes Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable and all arrears of interest remaining unpaid on the Class A Notes together with (if applicable) interest thereon;
  - (ii) *second*, *pro rata* and *pari passu* with item (f)(i) above, to pay the Class S1 Payment and the Class S1 Payment Early Repayment Amount (if any) due on the Class S1 Note and/or the Class S2 Payment due on the Class S2 Note;
  - (iii) *third*, (so long as the Class A Notes remain outstanding), to credit the Class A Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Principal Funds);
  - (iv) *fourth*, to provide for amounts due on the relevant Notes Payment Date, to pay, *pro rata* and *pari passu*, any interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class B Notes;
  - (v) *fifth*, (so long as the Class B Notes remain outstanding), to credit the Class B Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Principal Funds);
  - (vi) *sixth*, to provide for amounts due on the relevant Notes Payment Date, to pay, *pro rata* and *pari passu*, any interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class C Notes;
  - (vii) *seventh*, (so long as the Class C Notes remain outstanding), to credit the Class C Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Principal Funds);
  - (viii) *eighth*, to provide for amounts due on the relevant Notes Payment Date, to pay, *pro rata* and *pari passu*, any interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class D Notes;
  - (ix) *ninth*, (so long as the Class D Notes remain outstanding), to credit the Class D Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Principal Funds);
  - (x) *tenth*, to provide for amounts due on the relevant Notes Payment Date, to pay, *pro rata* and *pari passu*, any interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class E Notes;
  - (xi) *eleventh*, (so long as the Class E Notes remain outstanding), to credit the Class E Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Principal Funds);

- (xii) *twelfth*, to pay *pro rata* and *pari passu* according to the respective amounts thereof and in accordance with the terms of the Servicing Agreements to the Servicers in respect of ninety-five (95) per cent. of the Junior Servicing Fees, together with VAT (if payable) thereon;
- (xiii) *thirteenth*, to provide for amounts due on the relevant Notes Payment Date, to pay, *pro rata* and *pari passu*, any interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class X1 Notes;
- (xiv) *fourteenth*, in or towards repayment of principal amounts outstanding on the Class X1 Notes until the Principal Amount Outstanding on the Class X1 Notes has been reduced to zero;
- (xv) *fifteenth*, to provide for amounts due on the relevant Notes Payment Date, to pay, *pro rata* and *pari passu*, any interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class X2 Notes;
- (xvi) *sixteenth*, in or towards repayment of principal amounts outstanding on the Class X2 Notes until the Principal Amount Outstanding on the Class X2 Notes has been reduced to zero;
- (xvii) *seventeenth*, to pay *pro rata* and *pari passu* according to the amount thereof and in accordance with the terms of the Swap Agreement to the Swap Counterparty in respect of ninety-five (95) per cent. of the Interest Rate Swap Excluded Termination Amount (if any);
- (xviii) *eighteenth*, (A) to pay *pro rata* and *pari passu*, the Class R Notes Revenue Amount due on the Class R Notes (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations under items (a) to (f)(xvii) above), and/or (B) (i) on each Notes Payment Date on which all other Classes of Notes have been redeemed in full, but prior to the date on which neither the Issuer nor the Security Trustee has any further interest in any of the Mortgage Loans, the Mortgage Receivables or the Mortgages in excess of EUR 1,000, to pay *pro rata* and *pari passu* in or towards redemption of the Principal Amount Outstanding of the Class R Notes, until the Principal Amount Outstanding on the Class R Notes has been reduced to EUR 1,000 and (ii) on the Notes Payment Date on which all other Classes of Notes have been redeemed in full and neither the Issuer nor the Security Trustee has any further interest in any of the Mortgage Loans, the Mortgage Receivables or the Mortgages in excess of EUR 1,000, to pay *pro rata* and *pari passu* in or towards redemption of the Principal Amount Outstanding of the Class R Notes, until the Principal Amount Outstanding of the Class R Notes has been reduced to zero, in each case it being understood that any surplus is paid to the Class R Noteholder as Class R Notes Revenue Amount;
- (g) *seventh*, in an amount equal to the Pre-Enforcement Revenue VRR Share, an amount to be paid simultaneously with the payments under items (f)(i) to (f)(xviii) of the Pre-Enforcement Revenue Priority of Payments:
  - (i) *first*, to make a payment to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under items (f)(i) and (f)(ii) above;

- (ii) *second*, (so long as the VRR Loan will remain outstanding following such Notes Payment Date), to credit the VRR Loan Principal Deficiency Sub-Ledger in an amount equal to the VRR Proportion of amounts paid under item (f)(iii) above (such amounts to be applied in repayment of principal as Available Principal Funds);
- (iii) *third*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(iv) above;
- (iv) *fourth*, (so long as the VRR Loan will remain outstanding following such Notes Payment Date), to credit the VRR Loan Principal Deficiency Sub-Ledger in an amount equal to the VRR Proportion of amounts paid under item (f)(v) above (such amounts to be applied in repayment of principal as Available Principal Funds);
- (v) *fifth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(vi) above;
- (vi) *sixth*, (so long as the VRR Loan will remain outstanding following such Notes Payment Date), to credit the VRR Loan Principal Deficiency Sub-Ledger in an amount equal to the VRR Proportion of amounts paid under item (f)(vii) above (such amounts to be applied in repayment of principal as Available Principal Funds);
- (vii) *seventh*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(viii) above;
- (viii) *eighth*, (so long as the VRR Loan will remain outstanding following such Notes Payment Date), to credit the VRR Loan Principal Deficiency Sub-Ledger in an amount equal to the VRR Proportion of amounts paid under item (f)(ix) above (such amounts to be applied in repayment of principal as Available Principal Funds);
- (ix) *ninth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(x) above;
- (x) *tenth*, (so long as the VRR Loan will remain outstanding following such Notes Payment Date), to credit the VRR Loan Principal Deficiency Sub-Ledger in an amount equal to the VRR Proportion of amounts paid under item (f)(xi) above (such amounts to be applied in repayment of principal as Available Principal Funds);
- (xi) *eleventh*, to pay *pro rata* and *pari passu* according to the respective amounts thereof and in accordance with the terms of the Servicing Agreements to the Servicers in an amount equal to the VRR Proportion of amounts paid under item (f)(xii) above in respect of five (5) per cent. of the Junior Servicing Fees, together with VAT (if payable) thereon;
- (xii) *twelfth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xiii) above;
- (xiii) *thirteenth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xiv) above;



- (xiv) *fourteenth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xv) above;
- (xv) *fifteenth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xvi) above;
- (xvi) *sixteenth*, to make a payment *pro rata* and *pari passu* to the Swap Counterparty in an amount equal to the VRR Proportion of amounts paid under item (f)(xvii) above in respect of five (5) per cent. of the Interest Rate Swap Excluded Termination Amount (if any);
- (xvii) *seventeenth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xviii) above.

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

Prior to an Enforcement Notice being served on the Issuer by the Security Trustee in accordance with Condition 10 (*Events of Default*), the Available Principal Funds determined on each Notes Calculation Date will, pursuant to the terms of the Trust Agreement, be applied by the Cash Manager on behalf of the Issuer on the Notes Payment Date immediately succeeding that Notes Calculation Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full) (the “**Pre-Enforcement Principal Priority of Payments**”):

- (a) *first*, towards any shortfall on amounts due under items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments;
- (b) *second*, in an amount up to the Pre-Enforcement Principal Note Share, simultaneously with the payments under items (c)(i) to (c)(iii) of the Pre-Enforcement Principal Priority of Payments:
  - (i) *first*, towards any shortfall on amounts due under paragraphs (f)(i) and (f)(ii) of the Pre-Enforcement Revenue Priority of Payments;
  - (ii) *second*, towards any shortfall on amounts due under paragraph (f)(iv) of the Pre-Enforcement Revenue Priority of Payments, provided the Class B Note is the Most Senior Class outstanding;
  - (iii) *third*, towards any shortfall on amounts due under paragraph (f)(vi) of the Pre-Enforcement Revenue Priority of Payments, provided the Class C Note is the Most Senior Class outstanding;
  - (iv) *fourth*, towards any shortfall on amounts due under paragraph (f)(viii) of the Pre-Enforcement Revenue Priority of Payments, provided the Class D Note is the Most Senior Class outstanding;
  - (v) *fifth*, towards any shortfall on amounts due under paragraph (f)(x) of the Pre-Enforcement Revenue Priority of Payments, provided the Class E Note is the Most Senior Class outstanding;

- (vi) *sixth*, to credit the Liquidity Reserve Fund Ledger up to 95 per cent. of the Liquidity Reserve Target;
- (vii) *seventh*, in or towards repayment of principal amounts outstanding on:
  - (A) *first*, the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero;
  - (B) *second*, the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero;
  - (C) *third*, the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero;
  - (D) *fourth*, the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero; and
  - (E) *fifth*, the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero;
- (viii) *eighth*, any remainder to form part of Available Revenue Funds;
- (c) *third*, in an amount up to the Pre-Enforcement Principal VRR Share, simultaneously with the payments under items (b)(i) to (b)(viii) of the Pre-Enforcement Principal Priority of Payments:
  - (i) *first*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under items (b)(i) to (b)(v) above inclusive;
  - (ii) *second*, to credit the Liquidity Reserve Fund Ledger up to 5 per cent. of the Liquidity Reserve Target in an amount equal to the VRR Proportion of amounts paid under item (b)(vi) above;
  - (iii) *third*, to make a payment to the VRR Lender in an amount equal to the VRR Proportion of the aggregate amounts paid under items (b)(vii)(A) to (E); and
  - (iv) *fourth*, any remainder to form part of Available Revenue Funds.

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

After an Enforcement Notice being served on the Issuer by the Security Trustee in accordance with Condition 10 (*Events of Default*), the Available Revenue Funds and Available Principal Funds determined on each Notes Calculation Date and after an Enforcement Notice being served, as may be received by the Security Trustee (either under the Parallel Debt Agreement or recovered by the Security Trustee under the Pledge Agreements), other than:

- (a) any amounts representing any Excess Swap Collateral standing to the credit of any Swap Collateral Account (or any other Issuer Accounts, if applicable) which shall be returned directly to the Swap Counterparty under, and in accordance with, the Swap Agreement;

- (b) any Swap Collateral standing to the credit of any Swap Collateral Account (if applicable), except to the extent that the value of such Swap Collateral has been applied, pursuant to the provisions of the Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the Interest Rate Swap under the Swap Agreement, which shall be returned directly to the Swap Counterparty under, and in accordance with, the Swap Agreement;
- (c) any Swap Tax Credits (the existence of which has been notified to the Security Trustee) which shall be paid directly to the Swap Counterparty;
- (d) any Replacement Swap Premium (the existence of which has been notified to the Security Trustee) (only to the extent it is applied directly to pay a termination payment due and payable by the Issuer to a Swap Counterparty) which shall be paid directly to a Swap Counterparty; and
- (e) any amounts standing to the credit of the Issuer Transaction Account, which shall be applied by the Issuer in or towards satisfaction of any liability of the Issuer for corporation tax on any income or chargeable gain of the Issuer,

will, pursuant to the terms of the Trust Agreement, be applied by the Security Trustee, or the Cash Manager on behalf of the Security Trustee, on the Notes Payment Date immediately succeeding that Notes Calculation Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full) (the “**Post-Enforcement Priority of Payments**” and, together with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments, the “**Priorities of Payments**”):

- (a) *first*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any fees, costs, charges, liabilities, expenses and all other amounts then due to the Security Trustee under or in connection with the provisions of the Transaction Documents and the other Transaction Documents together with VAT (if payable) thereon as provided therein; and
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof to each of the parties listed below (in each case without double counting) of:
  - (i) the fees, costs, expenses, charges, liabilities or other remuneration due and payable to the Issuer Director in connection with the Issuer Management Agreement;
  - (ii) any fees, costs, expenses, charges, liabilities or other remuneration due and payable to the Directors (other than the Issuer Director) in connection with the Management Agreements (other than the Issuer Management Agreement);
  - (iii) any fees, costs, expenses, charges, or liabilities payable to the Collection Foundations under or in connection with any of the Transaction Documents on such Notes Payment Date or in the first following Notes Calculation Period;
- (c) *third*, in or towards satisfaction, *pari passu* and *pro rata*, according to the respective amounts thereof, of:

- (i) any remuneration then due and payable to the Cash Manager and any fees, costs, charges liabilities and expenses then due to the Cash Manager under the provisions of the Cash Management Agreement, together with VAT (if payable) thereon as provided therein;
  - (ii) any remuneration then due and payable to the Back-Up Servicer Facilitator including any fees, costs, charges, liabilities and expenses then due to the Back-Up Servicer Facilitator under the provisions of the Servicing Agreements, together with VAT (if payable) thereon as provided therein;
  - (iii) any remuneration then due and payable to the Issuer Administrator including any fees, costs, charges, liabilities and expenses then due to the Issuer Administrator under the provisions of the Cash Management Agreement, together with VAT (if payable) thereon as provided therein;
  - (iv) any remuneration then due and payable to the Account Agent and the Issuer Account Bank and any fees, costs, charges, liabilities and expenses then due to them under the provisions of the Issuer Account Agreement, together with VAT (if payable) thereon as provided therein;
  - (v) any remuneration then due and payable to the Swap Collateral Custody Account Bank and any fees, costs, charges, liabilities and expenses then due to it under the provisions of relevant Swap Collateral Account Agreement, together with VAT (if payable) thereon as provided therein;
  - (vi) any remuneration then due and payable to the Paying Agent and the Agent Bank and any fees, costs, charges, liabilities and expenses then due to it under the provisions of the Paying Agency Agreement, together with VAT (if payable) thereon as provided therein;
  - (vii) any amounts then due and payable to the Servicers relating to Senior Servicing Fees, including any fees, costs, charges, liabilities and expenses then due under the provisions of the Servicing Agreements, together with VAT (if payable) thereon as provided therein respectively;
  - (viii) any amount due to the Credit Rating Agencies; and
  - (ix) any remuneration then due and payable to the Deposit Agent including any fees, costs, charges, liabilities and expenses then due to the Deposit Agent under the provisions of the Deposit Agreement, together with VAT (if payable) thereon as provided therein.
- (d) *fourth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due and payable by the Issuer to third parties (including on behalf of the Seller) and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere, in each case to the extent such payments are for services (including servicing, trustee services and custodial services)) and any amounts required to pay or discharge any liability of the Issuer for corporation tax of the Issuer (but only to the extent such amounts cannot be paid out of deductible item (j)(F) of the Available Revenue Funds);

- (e) *fifth*, to pay, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due to the Swap Counterparty (excluding Interest Rate Swap Excluded Termination Amounts) in respect of the Swap Agreement including any termination payment due and payable by the Issuer to the extent it is not satisfied by the payment by the Issuer to the Swap Counterparty of any Replacement Swap Premium or amounts standing to the credit of any Swap Collateral Account (if applicable) but excluding, if applicable, any Interest Rate Swap Excluded Termination Amount;
- (f) *sixth*, in an amount up to the Post-Enforcement Note Share, simultaneously with the payments under items (g)(i) to (g)(xvii) of the Post-Enforcement Priority of Payments:
  - (i) *first*, to pay, *pro rata* and *pari passu* with item (f)(ii) below, to pay the Class S1 Payment (including any unpaid amounts) and the Class S1 Payment Early Repayment Amount (if any) due on the Class S1 Note and/or the Class S2 Payment (including any unpaid amounts) due on the Class S2 Note and the amounts of interest due and payable on the Class A Notes;
  - (ii) *second*, to pay, *pro rata* and *pari passu* with item (f)(i) above, the amount of any principal due and payable on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero;
  - (iii) *third*, to pay, *pro rata* and *pari passu*, the amounts of interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class B Notes;
  - (iv) *fourth*, to pay, *pro rata* and *pari passu*, the amount of any principal due and payable on the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero;
  - (v) *fifth*, to pay, *pro rata* and *pari passu*, the amounts of interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class C Notes;
  - (vi) *sixth*, to pay, *pro rata* and *pari passu*, the amount of any principal due and payable on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero;
  - (vii) *seventh*, to pay, *pro rata* and *pari passu*, the amounts of interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class D Notes;
  - (viii) *eighth*, to pay, *pro rata* and *pari passu*, the amount of any principal due and payable on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero;
  - (ix) *ninth*, to pay, *pro rata* and *pari passu*, the amounts of interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class E Notes;
  - (x) *tenth*, to pay, *pro rata* and *pari passu*, the amount of any principal due and payable on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero;

- (xi) *eleventh*, to pay, *pro rata* and *pari passu* according to the respective amounts thereof and in accordance with the terms of the Servicing Agreements to the Servicers in respect of ninety-five (95) per cent. of the Junior Servicing Fees, together with VAT (if payable) thereon;
- (xii) *twelfth*, to pay, *pro rata* and *pari passu*, the amounts of interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class X1 Notes;
- (xiii) *thirteenth*, to pay, *pro rata* and *pari passu*, the amount of any principal due and payable on the Class X1 Notes until the Principal Amount Outstanding on the Class X1 Notes has been reduced to zero;
- (xiv) *fourteenth*, to pay, *pro rata* and *pari passu*, the amounts of interest due and payable and all arrears of interest (including Deferred Interest) remaining unpaid on the Class X2 Notes;
- (xv) *fifteenth*, to pay, *pro rata* and *pari passu*, the amount of any principal due and payable on the Class X2 Notes until the Principal Amount Outstanding on the Class X2 Notes has been reduced to zero;
- (xvi) *sixteenth*, to pay *pro rata* and *pari passu* according to the amount thereof and in accordance with the terms of the Swap Agreement to the Swap Counterparty in respect of ninety-five (95) per cent. of the Interest Rate Swap Excluded Termination Amount (if any);
- (xvii) *seventeenth*, (A) to pay *pro rata* and *pari passu* the Class R Notes Revenue Amount due on the Class R Notes (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations in items (a) to (f)(xvi) above) and/or (B) (i) on each Notes Payment Date on which all other Classes of Notes have been redeemed in full, but prior to the date on which neither the Issuer nor the Security Trustee has any further interest in any of the Mortgage Loans, the Mortgage Receivables or the Mortgages in excess of EUR 1,000, to pay *pro rata* and *pari passu* in or towards redemption of the Principal Amount Outstanding of the Class R Notes, until the Principal Amount Outstanding on the Class R Notes has been reduced to EUR 1,000 and (ii) on the Notes Payment Date on which all other Classes of Notes have been redeemed in full and neither the Issuer nor the Security Trustee has any further interest in any of the Mortgage Loans, the Mortgage Receivables or the Mortgages in excess of EUR 1,000, to pay *pro rata* and *pari passu* in or towards redemption of the Principal Amount Outstanding of the Class R Notes, until the Principal Amount Outstanding of the Class R Notes has been reduced to zero, in each case it being understood that any surplus is paid to the Class R Noteholder as Class R Notes Revenue Amount;
- (g) *seventh*, in an amount up to the Post-Enforcement VRR Share, simultaneously with the payments under items (f)(i) to (f)(xvii) of the Post-Enforcement Priority of Payments:
  - (i) *first*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(i) above;

- (ii) *second*, in an amount equal to the VRR Proportion of amounts paid under item (f)(ii) above, to pay *pro rata* and *pari passu*, according to the respective amounts thereof, principal due and payable on the VRR Loan;
- (iii) *third*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(iii) above;
- (iv) *fourth*, in an amount equal to the VRR Proportion of amounts paid under item (f)(iv) above, to pay *pro rata* and *pari passu*, according to the respective amounts thereof, principal due and payable on the VRR Loan;
- (v) *fifth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(v) above;
- (vi) *sixth*, in an amount equal to the VRR Proportion of amounts paid under item (f)(vi) above, to pay *pro rata* and *pari passu*, according to the respective amounts thereof, principal due and payable on the VRR Loan;
- (vii) *seventh*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(vii) above;
- (viii) *eighth*, in an amount equal to the VRR Proportion of amounts paid under item (f)(viii) above, to pay *pro rata* and *pari passu*, according to the respective amounts thereof, principal due and payable on the VRR Loan;
- (ix) *ninth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(ix) above;
- (x) *tenth*, in an amount equal to the VRR Proportion of amounts paid under item (f)(x) above, to pay *pro rata* and *pari passu*, according to the respective amounts thereof, principal due and payable on the VRR Loan;
- (xi) *eleventh*, to pay *pro rata* and *pari passu* according to the respective amounts thereof and in accordance with the terms of the Servicing Agreements to the Servicers in an amount equal to the VRR Proportion of amounts paid under item (f)(xi) above in respect of five (5) per cent. of the Junior Servicing Fees, together with VAT (if payable) thereon;
- (xii) *twelfth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xii) above;
- (xiii) *thirteenth*, in an amount equal to the VRR Proportion of amounts paid under item (f)(xiii) above, to pay *pro rata* and *pari passu*, according to the respective amounts thereof, principal due and payable on the VRR Loan;
- (xiv) *fourteenth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xiv) above;
- (xv) *fifteenth*, in an amount equal to the VRR Proportion of amounts paid under item (f)(xv) above, to pay *pro rata* and *pari passu*, according to the respective amounts thereof, principal due and payable on the VRR Loan;

- (xvi) *sixteenth*, to make a payment *pro rata* and *pari passu* to the Swap Counterparty in an amount equal to the VRR Proportion of amounts paid under item (f)(xvi) above in respect of five (5) per cent. of the Interest Rate Swap Excluded Termination Amount (if any); and
- (xvii) *seventeenth*, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of amounts paid under item (f)(xvii) above.

### **Payments from Class S1/S2 Ledger**

On the Closing Date, the Issuer will record an amount equal to 100/95 of the Principal Amount Outstanding of the Class S1 Note and the Class S2 Note on the Class S1/S2 Ledger. Notwithstanding the Priorities of Payments above, the Issuer will pay from the Class S1/S2 Ledger *pari passu* on the first Notes Payment Date in April 2022 (i) an amount of EUR 90,000 to the holder of the Class S1 Note in redemption of the Class S1 Note and (ii) an amount of EUR 90,000 to the holder of the Class S2 Note in redemption of the Class S2 Note (the “**First Class S1 and S2 Payment**”) and (iii) to the VRR Lender in an amount equal to the VRR Proportion of the First Class S1 and S2 Payment in redemption of the VRR Loan. In addition, notwithstanding the Priorities of Payments above, the Issuer will pay from the Class S1/S2 Ledger *pari passu* on the Notes Payment Date on which all other Classes of Notes have been redeemed in full, (i) the Principal Amount Outstanding in respect of the Class S1 Note and the Class S2 Note, until the Principal Amount Outstanding on the Class S1 Note and the Class S2 Note has been reduced to zero (the “**Final Class S1 and S2 Payment**”) and (ii) to the VRR Lender in an amount equal to the VRR Proportion of the Final Class S1 and S2 Payment in redemption of the VRR Loan.

### **Treatment of other amounts payable under the Swap Agreement**

Notwithstanding the Pre-Enforcement Revenue Priority of Payments above, any amounts due to the Swap Counterparty in respect of (i) any early termination amount received by the Issuer under the Swap Agreement to the extent it is or may in the future be applied in acquiring a replacement swap, (ii) any Excess Swap Collateral or Swap Collateral, except to the extent that the value of such Swap Collateral has been applied, pursuant to the provisions of the Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the Interest Rate Swap under the Swap Agreement and, to the extent so applied in reduction of the amount otherwise payable by the Swap Counterparty, such Swap Collateral is not to be applied (immediately or in the future) in acquiring a replacement swap, in which case such amounts will form part of the Available Revenue Funds, (iii) any Replacement Swap Premium but only to the extent applied directly to pay any termination payment due and payable by the Issuer to the Swap Counterparty and (iv) amounts in respect of Swap Tax Credits on such Notes Payment Date, will be paid directly to the Swap Counterparty in accordance with the Swap Agreement and outside the Revenue Priority of Payments.

## **5.3 Loss Allocation**

### **Liquidity Support for the Notes and VRR Loan provided by Available Revenue Funds**

It is anticipated that, during the life of the Notes and the VRR Loan, the interest payable by Borrowers on the Mortgage Loans will, assuming that all of the Mortgage Loans are fully performing, be sufficient so that the Available Revenue Funds will be sufficient to pay the amounts payable under items (a) to (g) of the Pre-Enforcement Revenue Priority of



Payments. The actual amount of any excess payable to the Class R Noteholders without regard to the Pre-Enforcement Revenue Priority of Payments will vary during the life of the Notes. Two of the key factors determining such variation are the interest rates applicable to the Mortgage Loans in the Portfolio relative to (i) the payments due on the Notes and the VRR Loan, and (ii) the performance of the Portfolio.

Available Revenue Funds will be applied (after making payments ranking higher in the Pre-Enforcement Revenue Priority of Payments) on each Notes Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments, towards reducing any Principal Deficiency Ledger entries which may arise from Realised Losses on the Portfolio and (prior to the redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) in full) from the application of Available Principal Funds as Principal Addition Amounts to cure any PAA Deficit in accordance with items (a), (b)(i) to (v) and (c)(i) of the Pre-Enforcement Principal Priority of Payments and the Liquidity Reserve Fund Balance to cure any Revenue Shortfall.

### **Use of Available Principal Funds to pay PAA Deficit**

On each Notes Calculation Date prior to the service of an Enforcement Notice, and with reference to the immediately following Notes Payment Date, the Cash Manager will calculate whether there will be a PAA Deficit. If the Cash Manager determines that there will be a PAA Deficit, then pursuant to items (a), (b)(i) to (v) and (c)(i) of the Pre-Enforcement Principal Priority of Payments, the Cash Manager on behalf of the Issuer shall apply the Principal Addition Amounts as Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments (after applying the Liquidity Reserve Fund Balance).

Any Available Principal Funds applied as Principal Addition Amounts will be recorded as a debit on the Principal Deficiency Ledger (as further described below).

### **Principal Deficiency Ledger**

The Cash Manager has agreed in the Cash Management Agreement to establish a Principal Deficiency Ledger for and on behalf of the Issuer to record as a debit any Realised Losses affecting the Mortgage Loans in the Portfolio, any Principal Addition Amounts and any Capped Liquidity Reserve Principal Amounts. Depending on the losses under the Mortgage Loans, the Issuer may not receive sufficient amounts to fully redeem the Notes.

The Principal Deficiency Ledger will comprise six sub-ledgers: the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger.

Any Realised Losses, any Principal Addition Amounts and any Capped Liquidity Reserve Principal Amounts will be recorded (on the date that the Cash Manager is informed of such Realised Losses by the Servicers or, in the case of Principal Addition Amounts and Capped Liquidity Reserve Principal Amounts, on the date such amounts are determined by the Cash Manager (as applicable)) as follows:

- (a) *first*, up to the PDL Maximum Amount in respect of the Class E Notes, as debits on the Class E Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR

Loan Principal Deficiency Sub-Ledger under this item (a) shall equal the VRR Proportion of amounts debited from the Class E Principal Deficiency Sub-Ledger under this item (a);

- (b) *second*, up to the PDL Maximum Amount in respect of the Class D Notes, as debits on the Class D Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (b) shall equal the VRR Proportion of amounts debited from the Class D Principal Deficiency Sub-Ledger under this item (b);
- (c) *third*, up to the PDL Maximum Amount in respect of the Class C Notes, as debits on the Class C Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (c) shall equal the VRR Proportion of amounts debited from the Class C Principal Deficiency Sub-Ledger under this item (c);
- (d) *fourth*, up to the PDL Maximum Amount in respect of the Class B Notes, as debits on the Class B Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (d) shall equal the VRR Proportion of amounts debited from the Class B Principal Deficiency Sub-Ledger under this item (d); and
- (e) *fifth*, up to the PDL Maximum Amount in respect of the Class A Notes, as debits on the Class A Principal Deficiency Sub-Ledger and the VRR Loan Principal Deficiency Sub-Ledger in proportions such that the amounts debited from the VRR Loan Principal Deficiency Sub-Ledger under this item (e) shall equal the VRR Proportion of amounts debited from the Class A Principal Deficiency Sub-Ledger under this item (e).

Investors should note that Realised Losses in any period will be calculated after applying any recoveries following enforcement of a Mortgage Loan to outstanding fees and interest amounts due and payable on the relevant Mortgage Loan. The Cash Manager will record as a credit to the Principal Deficiency Ledger Available Revenue Funds applied as Available Principal Funds pursuant to the Pre-Enforcement Revenue Priority of Payments (if any).

#### **Application of Available Principal Funds to cure a PAA Deficit**

Prior to service of an Enforcement Notice on the Issuer and prior to the redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) in full, if the Cash Manager calculates that there will be a PAA Deficit on the immediately following Notes Payment Date (after the application of the Liquidity Reserve Fund Balance to meet a Revenue Shortfall), the Issuer shall use Available Principal Funds (to the extent available) to cure such a PAA Deficit on such Notes Payment Date, and such amounts will be applied as Available Revenue Funds on such Notes Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments.

If any Principal Addition Amounts are applied on any Notes Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments, the Issuer (or the Cash Manager

on its behalf) will make a corresponding debit entry in the relevant Principal Deficiency Ledger.

**“Principal Addition Amount”** means in respect of any Notes Payment Date prior to the redemption in full of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes), the amount of Available Principal Funds to be applied by the Issuer on that Notes Payment Date to cure any PAA Deficit, pursuant to item (a) of the Pre-Enforcement Principal Priority of Payments.

**“PAA Deficit”** means a deficit in amounts available to pay:

- (a) items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments and items (f)(i) and (f)(ii) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus
- (b) item (f)(iv) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus
- (c) item (f)(vi) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus
- (d) item (f)(viii) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus
- (e) item (f)(x) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95),

(after application of Available Revenue Funds and after application of any Liquidity Reserve Fund Balance).

Amounts will also be available to the Class A Noteholders, the Class S1 Noteholder and the Class S2 Noteholder (and for corresponding payments to the VRR Lender) under the Liquidity Reserve Fund – see *“Liquidity Reserve Fund”* below.

## 5.4 Hedging

Payments received by the Issuer under most of the Mortgage Loans in the Portfolio will initially be subject to fixed rates of interest. The interest amounts payable by the Issuer in respect of the Notes will be calculated by reference to 3-month EURIBOR. Pursuant to the Swap Agreement the Issuer will enter into the Interest Rate Swap to hedge against the possible variance between the fixed rates of interest received on the Fixed Rate Mortgage Loans in the Portfolio and the rates of interest payable on the Investor Notes.

The Swap Agreement will be entered into on the Closing Date in respect of the Mortgage Loans in the Portfolio as at the Closing Date. The notional amount of the Interest Rate Swap will be increased in respect of the Post-Closing Mortgage Loans.

Under the Interest Rate Swap, for each Interest Period falling prior to the termination date of such Interest Rate Swap, the following amounts will be calculated:

- (a) the amount produced by applying a rate equal to 3-month EURIBOR (as defined and determined in accordance with the Swap Agreement) for the relevant Interest

Period to the notional amount of the Interest Rate Swap for the relevant period and multiplying the resulting amount by the applicable day count fraction specified in the Swap Agreement (the “**Interest Period Swap Counterparty Amount**”); and

- (b) the amount produced by applying 0.10% (the “**Swap Fixed Rate**”) to the notional amount of the Interest Rate Swap for the relevant period and multiplying the resulting amount by the applicable day count fraction specified in the Swap Agreement (the “**Interest Period Issuer Amount**”).

In respect of these amounts:

- (a) if the Interest Period Swap Counterparty Amount for a Notes Payment Date is positive, an amount equal to the Interest Period Swap Counterparty Amount will be payable by the Swap Counterparty to the Issuer on the relevant Notes Payment Date;
- (b) if the Interest Period Swap Counterparty Amount for a Notes Payment Date is negative, an amount equal to the absolute value of the Interest Period Swap Counterparty Amount will be payable by the Issuer to the Swap Counterparty on the relevant Notes Payment Date; and
- (c) on each Notes Payment Date, an amount equal to the Interest Period Issuer Amount for a Notes Payment Date will be payable by the Issuer to the Swap Counterparty on the relevant Notes Payment Date.

Amounts payable between the parties under the Interest Rate Swap will be netted to the extent payable on the same day.

If a payment is to be made by the Swap Counterparty, that payment will be included in the Available Revenue Funds and will be applied on the relevant Notes Payment Date according to the relevant Priority of Payments. If a payment is to be made by the Issuer, it will be made according to the relevant Priority of Payments.

In addition, the Issuer will make a single up-front payment to the Swap Counterparty on or around the Closing Date under the terms of the Interest Rate Swap.

### **The Interest Rate Swap**

The Effective Date (as defined in the Interest Rate Swap) of the Interest Rate Swap is the Closing Date.

The termination date of the Interest Rate Swap is 19 January 2032, subject to adjustment in accordance with the Business Day Convention (as defined in the Interest Rate Swap).

For the purposes of calculating the Interest Period Swap Counterparty Amount and the Interest Period Issuer Amount for each Interest Period for the Interest Rate Swap, the notional amount of the Interest Rate Swap will reflect a fixed amortisation schedule as set out in the table below save that such notional amount will be recalculated in accordance with the Swap Agreement on the Post-Closing Mortgage Receivables Purchase Date (the “**Swap Notional Amount Schedule**”).

### **Fixed Rate Payer Calculation Period/Floating Rate Payer Calculation Period**

<b>Start</b>	<b>End</b>	<b>Notional Amount (€)</b>
From (and including)	To (but excluding)	
Closing Date	Notes Payment Date falling in April 2022	340,294,125.79
Notes Payment Date falling in April 2022	Notes Payment Date falling in July 2022	337,291,422.89
Notes Payment Date falling in July 2022	Notes Payment Date falling in October 2022	334,588,926.15
Notes Payment Date falling in October 2022	Notes Payment Date falling in January 2023	329,677,086.49
Notes Payment Date falling in January 2023	Notes Payment Date falling in April 2023	327,721,636.18
Notes Payment Date falling in April 2023	Notes Payment Date falling in July 2023	326,253,888.59
Notes Payment Date falling in July 2023	Notes Payment Date falling in October 2023	323,802,793.20
Notes Payment Date falling in October 2023	Notes Payment Date falling in January 2024	318,096,902.05
Notes Payment Date falling in January 2024	Notes Payment Date falling in April 2024	316,739,997.66
Notes Payment Date falling in April 2024	Notes Payment Date falling in July 2024	306,661,891.52
Notes Payment Date falling in July 2024	Notes Payment Date falling in October 2024	286,173,044.24
Notes Payment Date falling in October 2024	Notes Payment Date falling in January 2025	260,693,600.27
Notes Payment Date falling in January 2025	Notes Payment Date falling in April 2025	243,227,921.17
Notes Payment Date falling in April 2025	Notes Payment Date falling in July 2025	242,818,945.06
Notes Payment Date falling in July 2025	Notes Payment Date falling in October 2025	242,406,215.67
Notes Payment Date falling in October 2025	Notes Payment Date falling in January 2026	241,989,698.38
Notes Payment Date falling in January 2026	Notes Payment Date falling in April 2026	241,569,358.21
Notes Payment Date falling in April 2026	Notes Payment Date falling in July 2026	230,329,599.44
Notes Payment Date falling in July 2026	Notes Payment Date falling in October 2026	187,615,199.09
Notes Payment Date falling in October 2026	Notes Payment Date falling in January 2027	134,877,838.60
Notes Payment Date falling in January 2027	Notes Payment Date falling in April 2027	100,490,418.60
Notes Payment Date falling in April 2027	Notes Payment Date falling in July 2027	100,339,657.19
Notes Payment Date falling in July 2027	Notes Payment Date falling in October 2027	100,187,480.79
Notes Payment Date falling in October 2027	Notes Payment Date falling in January 2028	100,033,876.07
Notes Payment Date falling in January 2028	Notes Payment Date falling in April 2028	99,878,829.54
Notes Payment Date falling in April 2028	Notes Payment Date falling in July 2028	90,552,318.83
Notes Payment Date falling in July 2028	Notes Payment Date falling in October 2028	64,899,629.21
Notes Payment Date falling in October 2028	Notes Payment Date falling in January 2029	42,198,215.05

Notes Payment Date falling in January 2029	Notes Payment Date falling in April 2029	28,279,320.07
Notes Payment Date falling in April 2029	Notes Payment Date falling in July 2029	28,236,462.78
Notes Payment Date falling in July 2029	Notes Payment Date falling in October 2029	28,193,200.55
Notes Payment Date falling in October 2029	Notes Payment Date falling in January 2030	28,149,529.53
Notes Payment Date falling in January 2030	Notes Payment Date falling in April 2030	28,105,445.82
Notes Payment Date falling in April 2030	Notes Payment Date falling in July 2030	28,060,945.49
Notes Payment Date falling in July 2030	Notes Payment Date falling in October 2030	28,016,024.58
Notes Payment Date falling in October 2030	Notes Payment Date falling in January 2031	27,970,679.07
Notes Payment Date falling in January 2031	Notes Payment Date falling in April 2031	27,924,904.92
Notes Payment Date falling in April 2031	Notes Payment Date falling in July 2031	26,259,756.29
Notes Payment Date falling in July 2031	Notes Payment Date falling in October 2031	15,941,892.40
Notes Payment Date falling in October 2031	Notes Payment Date falling in January 2032	4,928,310.74

On or prior to the purchase of any Post-Closing Mortgage Receivables by the Issuer, the notional amount of the Interest Rate Swap will be adjusted to account for such Post-Closing Mortgage Receivables in order to ensure compliance with the Post-Closing Mortgage Receivables Purchase Conditions. The fixed rate of the Interest Rate Swap used to calculate the Interest Period Issuer Amount will remain equal to the Swap Fixed Rate. Such adjustment to the notional amount of the Interest Rate Swap may trigger (i) an upfront payment from the Issuer to the Swap Counterparty or (ii) an upfront payment from the Swap Counterparty to the Issuer, (such amount, the “**MTM Adjustment Amount**”), with the MTM Adjustment amount being calculated on the basis of the prevailing mark-to-market of the Interest Rate Swap from the Swap Counterparty's perspective taking into consideration the revised Swap Notional Amount Schedule compared to the mark-to-market of the Interest Rate Swap immediately prior to such adjustment being made.

Where such MTM Adjustment Amount is payable by the Issuer, such amounts will be paid only from the amounts to be debited from the Post-Closing Reserve Ledgers towards item (a) of the definition of “Post-Closing Mortgage Receivables Purchase Price”, and will not affect the amounts to be released from the Post-Closing Reserve Ledgers to be applied in accordance with the Priorities of Payments. This may mean that if the amount calculated in item (a) of the definition of “Post-Closing Mortgage Receivables Purchase Price” is not sufficient to pay the MTM Adjustment Amount that would be payable by the Issuer to the Swap Counterparty, then the Post-Closing Mortgage Receivables Purchase Conditions may not be satisfied and the Post-Closing Mortgage Receivables may not be purchased by the Issuer.

### Swap Agreement

Under the terms of the Swap Agreement, in the event that the relevant rating(s) of the Swap Counterparty (or its guarantor, if applicable) assigned by a Credit Rating Agency is or are below the relevant Swap Counterparty Required Ratings, the Swap Counterparty will, in accordance with the Swap Agreement, be required to take certain remedial measures within the timeframe stipulated in the Swap Agreement and at its own cost which

may include providing Swap Collateral for its obligations under the Swap Agreement, and/or arranging for its obligations under the Swap Agreement to be transferred to an entity with the Swap Counterparty Required Ratings, procuring another entity with the Swap Counterparty Required Ratings to become co-obligor or guarantor, as applicable, in respect of its obligations under the Swap Agreement or taking such other action (or inaction) that would result in the rating of the Rated Notes being maintained at, or restored to, the level it would have been at prior to such lower rating being assigned by the relevant Credit Rating Agency. If required, the Issuer will open each Swap Collateral Custody Account in its name pursuant to the terms of the Transaction Documents with a Swap Collateral Custody Account Bank which has the Swap Collateral Custody Account Bank Minimum Rating at the time that the Swap Collateral Custody Account is opened.

To the extent required to be provided as set out above, Swap Collateral will be provided under a Credit Support Annex to the Schedule to the Swap Agreement. The Swap Counterparty will be responsible for determining (in accordance with stipulated parameters) the amount of Swap Collateral which is required to be transferred. Any Swap Collateral provided will be transferred by the Swap Counterparty to the relevant Swap Collateral Account. The Swap Counterparty may from time to time be required to transfer additional Swap Collateral, or may be entitled to require a transfer of equivalent Swap Collateral to it (provided that the Issuer will not be a net transferor of Swap Collateral). In certain circumstances of termination of the Interest Rate Swap, the value of Swap Collateral then held by the Issuer Account Bank or the Swap Collateral Custody Account Bank (if applicable) will be taken into account in determining the respective obligations of the parties to the Swap Agreement as described below. Swap Collateral will not form part of Available Revenue Funds unless applied in accordance with the Swap Agreement following early termination of the Interest Rate Swap.

The Interest Rate Swap may be terminated in certain circumstances, including, but not limited to, the following, each as more specifically defined in the Swap Agreement (an **“Early Termination Event”**):

- (a) if there is a failure by a party to pay amounts due under the Swap Agreement and any applicable grace period has expired;
- (b) if certain insolvency events occur with respect to a party;
- (c) if a breach of a provision of the Swap Agreement by the Swap Counterparty is not remedied within the applicable grace period;
- (d) if a change of law results in the obligations of one of the parties becoming illegal;
- (e) if the Swap Counterparty is downgraded and fails to comply with the requirements of the downgrade provisions contained in the Swap Agreement (as described above);
- (f) service by the Security Trustee of an Enforcement Notice on the Issuer pursuant to Condition 10 (*Events of Default*) of the Notes;
- (g) if a Required Counterparty Consent Matter occurs otherwise than in compliance with the Swap Agreement;

- (h) if an irrevocable notice is given by the Issuer that redemption of all the Notes will occur, or redemption of the Notes in full otherwise does occur, pursuant to Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*), Condition 6(d) (*Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option*), Condition 6(e) (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option*) or any other reason (other than in accordance with Condition 6(a) (*Final Redemption*) or Condition 6(b) (*Mandatory Redemption of the Notes*) or with the prior written consent of the Swap Counterparty);
- (i) if the Investor Report identifies that the Notes will be redeemed in full on the immediately following Notes Payment Date pursuant to Condition 6(b) (*Mandatory Redemption of the Notes*);
- (j) if the Issuer has proposed a Reference Rate Modification and Swap Rate Modification in accordance with Condition 13(c) (*Most Senior Class, Limitations on other Noteholders*) and the requisite numbers of Noteholders have not objected to such Reference Rate Modification in accordance with Condition 13(c) (*Most Senior Class, Limitations on other Noteholders*) within the relevant notification period but at such time the Swap Counterparty has not provided its written consent to the proposed Swap Rate Modification within the time period specified by the Issuer (or the Servicers on its behalf), or if a Reference Rate Modification occurs and the Swap Counterparty and the Issuer have not agreed to a Swap Rate Modification within five Business Days (or such longer period as the Swap Counterparty and the Issuer may agree), or if the Reference Rate is no longer available and the Issuer has not proposed any Swap Rate Modification;
- (k) if, on substitution of the Issuer pursuant to Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*), the Swap Counterparty determines, acting in a commercially reasonable manner, that such substitution would, or there is a reasonable likelihood that it would, adversely affect such Swap Counterparty or any of its rights under any Transaction Document;
- (l) if the whole of the Portfolio is sold or otherwise disposed of by the Issuer; and
- (m) if the Issuer sells or otherwise disposes of Fixed Rate Mortgage Loans causing the notional amount of the Interest Rate Swap to exceed 120% of the aggregate principal amount outstanding of all Fixed Rate Mortgage Loans remaining in the Portfolio. The Swap Agreement shall only partially terminate in respect of a proportion of the Notional Amount equal to a pro rata proportion amount of the Portfolio sold or disposed of, as determined by the Swap Counterparty.

Upon an early termination of the Interest Rate Swap, depending on the type of Early Termination Event and circumstances prevailing at the time of termination, the Issuer or the Swap Counterparty may be liable to make a termination payment to the other. This termination payment will be calculated and made, to the extent permitted by applicable law, in Euro. The amount of any termination payment will generally be based on the market value of the terminated swap as determined on the basis of quotations sought from leading dealers as to the costs of entering into a transaction with the same terms and conditions that would have the effect of preserving the economic equivalent of the respective full payment obligations of the parties (or based upon a good faith determination of total losses and costs (or gains) if an insufficient number of quotations can be obtained or if basing the valuation on quotations would not produce a commercially reasonable result) and will



include any unpaid amounts that became due and payable prior to the date of termination, taking account of any Swap Collateral transferred by the Swap Counterparty to the Issuer. In certain circumstances where the Issuer is the Defaulting Party (as defined in the Swap Agreement) or sole Affected Party (as defined in the Swap Agreement), the amount of any termination payment will instead be based on the total losses and costs of the Swap Counterparty as reasonably determined by it in good faith.

Where the Issuer enters into a replacement Swap Agreement to replace all or part of any Interest Rate Swap which is terminated early, the Issuer shall upon receipt, apply the amount of Replacement Swap Premium in or towards payment of any termination payment then payable by the Issuer to the Swap Counterparty in respect of the Interest Rate Swap which has been terminated early and the remainder of that amount, if any, will constitute Available Revenue Funds.

The Issuer will seek to apply any termination payment it receives from a termination of the Interest Rate Swap to purchase a replacement Interest Rate Swap. If, following the termination of the Interest Rate Swap, a replacement Swap Agreement is not found, such termination payment shall be deposited in the Swap Collateral Cash Account and applied to purchase a replacement Interest Rate Swap at a future date. Following the earlier of (i) the Issuer determining that no replacement Swap Agreement will be entered into at a future date, and (ii) application of a termination payment to purchase a replacement swap, any excess amount of the termination payment remaining will constitute Available Revenue Funds.

Any amount attributable to the return of collateral to the Swap Counterparty, including any swap termination payment due from the Issuer to the Swap Counterparty, and any Replacement Swap Premium applied by the Issuer in making any swap termination payment due from the Issuer to the Swap Counterparty will be paid directly to the Swap Counterparty and not in accordance with the relevant Priority of Payments. Any swap termination payment applied by the Issuer in the purchase of one or more replacement hedging transactions shall be applied directly to such purchase and shall not be paid in accordance with the relevant Priority of Payments.

Depending on the circumstances prevailing at the time of termination, any such termination payment could be substantial and may affect the funds available to pay amounts due to the Noteholders.

The Swap Counterparty may, subject to certain conditions specified in the Swap Agreement including (without limitation) the satisfaction of certain requirements of the Credit Rating Agencies, transfer its obligations under the Swap Agreement to another entity with the Swap Counterparty Required Ratings.

The Issuer is not obliged, under the Swap Agreement, to gross up payments made by it if a withholding or deduction for or on account of taxes is imposed on payments made under the relevant Interest Rate Swap.

The Swap Counterparty will generally be obliged to gross up payments made by it to the Issuer if a withholding or deduction for, or on account of, tax is imposed on payments made by it under the relevant Interest Rate Swap (other than in respect of any FATCA withholdings). However, if the Swap Counterparty is required to gross up a payment under the relevant Interest Rate Swap due to a change in the law, such Swap Counterparty may terminate the relevant Interest Rate Swap.

The Swap Agreement is governed by English law.

**“Swap Collateral Cash Account”** means one or more cash accounts opened with the Issuer Account Bank and/or any other bank for the purpose of holding, *inter alia*, any Swap Collateral in the form of cash posted by the Swap Counterparty pursuant to the terms of the Swap Agreement.

**“Swap Collateral Custody Account”** means one or more securities accounts opened with the Swap Collateral Custody Account Bank and/or any other custodian for the purpose of holding, *inter alia*, any Swap Collateral in the form of securities posted by the Swap Counterparty pursuant to the terms of the Swap Agreement.

**“Swap Collateral Custody Account Bank”** means any bank with which the Issuer agrees to open any Swap Collateral Custody Account.

**“Swap Collateral Account”** means each Swap Collateral Cash Account and each Swap Collateral Custody Account.

**“Swap Counterparty Required Ratings”** means, in respect of a person and at any time, the minimum credit ratings assigned by Moody’s and S&P as determined in accordance with the Swap Agreement.

#### **Rating Swap Collateral Custody Account Bank**

If the Swap Collateral Custody Account Bank fails to maintain any of the Swap Collateral Custody Account Bank Minimum Ratings, then the Issuer may, subject to the terms of the relevant Swap Collateral Custody Account Agreement, be required to use its best endeavours to, within 60 calendar days of such downgrade:

- (a) close the relevant Swap Collateral Accounts held with the Swap Collateral Custody Account Bank and use reasonable endeavours to open replacement accounts with a financial institution (i) having the Swap Collateral Custody Account Bank Minimum Ratings and (ii) which is a bank as defined in section 991 of the Income Tax Act 2007; or
- (b) use all reasonable endeavours to obtain a guarantee of the obligations of such Swap Collateral Custody Account Bank under the relevant Swap Collateral Custody Account Agreement from a financial institution which has the Swap Collateral Custody Account Bank Minimum Ratings, in each case as prescribed in the Swap Collateral Custody Account Agreement, and transfer amounts standing to the credit of the relevant Swap Collateral Accounts and all Ledgers on the relevant Swap Collateral Accounts to the replacement Swap Collateral Accounts; or
- (c) take any other reasonable action as the Credit Rating Agencies may agree will not result in a downgrade of the Notes,

in each case as prescribed in the Swap Collateral Custody Account Agreement, and transfer amounts standing to the credit of the relevant Swap Collateral Accounts and all Ledgers on the relevant Swap Collateral Accounts to the replacement Swap Collateral Accounts.

## 5.5 Liquidity Support

On the Closing Date, the Issuer will establish a fund which comprises any Liquidity Reserve Fund Actual Amounts (such fund, the “**Liquidity Reserve Fund**”). Amounts (other than Liquidity Reserve Excess Amounts) standing to the credit of the Liquidity Reserve Fund Ledger will be available to provide liquidity support for the Class A Notes, the Class S1 Note and the Class S2 Note (and for corresponding payments to the VRR Lender (if any)). Liquidity Reserve Excess Amounts (to the extent there are any) will be (partially) available to provide credit enhancement for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

The Liquidity Reserve Fund Actual Amount will be deposited in the Issuer Transaction Account (with a corresponding credit being made to the Liquidity Reserve Fund Ledger) which, on the Closing Date, will be in an amount equal to the Liquidity Reserve Target Amount. The Issuer (or the Cash Manager on its behalf) may invest the amounts standing to the credit of the Liquidity Reserve Fund Ledger from time to time in Authorised Investments.

On each Notes Calculation Date, the Cash Manager will calculate whether the Available Revenue Funds (excluding any Principal Addition Amounts to cure any PAA Deficit on such Notes Payment Date) (the “**Actual Available Revenue Funds**”) will be sufficient to pay (a) items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments plus (b) items (f)(i) and (f)(ii) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95) (the “**Senior Interest Amounts**”). To the extent that such Available Revenue Funds are insufficient for this purpose, the Cash Manager shall calculate the shortfall (the “**Revenue Shortfall**”), being the amount equal to the Senior Interest Amounts *minus* the Actual Available Revenue Funds, and the Issuer shall apply amounts representing the Liquidity Reserve Fund Balance to meet such Revenue Shortfall in accordance with item (d) of the definition of “Available Revenue Funds” (such amounts being “**Liquidity Reserve Principal Amounts**”).

The Liquidity Reserve Fund will be (i) funded on the Closing Date up to the Initial Liquidity Reserve Target from the proceeds of the issuance of the Notes and the VRR Loan and (ii) thereafter replenished from Available Principal Funds in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments.

If, on any Notes Payment Date, the funds credited to the Liquidity Reserve Fund Ledger (having taken into account any funds applied on such Notes Payment Date to remedy a Revenue Shortfall) exceed the Liquidity Reserve Target, the excess (being the “**Liquidity Reserve Excess Amounts**”) shall form part of the Available Principal Funds to be distributed on such Notes Payment Date, provided that, on any Notes Payment Date on which the exercise of a Portfolio Purchase Option completes, the funds credited to the Liquidity Reserve Fund Ledger on such Notes Payment Date will constitute Liquidity Reserve Excess Amounts on such Notes Payment Date and be applied in accordance with the Post-Enforcement Priority of Payments.

The Issuer (or the Cash Manager on behalf of the Issuer) shall record as a credit to a ledger (the “**Liquidity Reserve Principal Ledger**”), any Available Principal Funds applied in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments to replenish the Liquidity Reserve Fund (the aggregate of such amounts since the Closing Date being the “**Liquidity Reserve Principal Replenishment Amounts**”), and, as a debit, any Liquidity Reserve Principal Amounts. The aggregate of any Liquidity

Reserve Principal Amounts on a Notes Payment Date, and all earlier Notes Payment Dates since the Closing Date, up to the Liquidity Reserve Principal Replenishment Amounts (the **“Capped Liquidity Reserve Principal Amounts”**) shall be recorded on the Principal Deficiency Ledger.

**“Liquidity Reserve Fund Actual Amount”** means an amount equal to the lesser of (a) the Liquidity Reserve Target and (b) the amount already standing to the credit of the Liquidity Reserve Fund plus the amount available to be credited on that date in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments.

**“Liquidity Reserve Fund Balance”** means the amount standing to the credit of the Liquidity Reserve Fund.

**“Initial Liquidity Reserve Target”** means on the Closing Date, an amount equal to 0.75 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes on the Closing Date.

**“Liquidity Reserve Target”** means:

- (a) on the Closing Date, an amount equal to 0.75 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes on the Closing Date;
- (b) prior to the Class A Redemption Date, on any Notes Payment Date up to (and including) the First Optional Redemption Date, the higher of:
  - (i) an amount equal to 0.75 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes on the first Notes Payment Date (following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments and prior to the application of the Pre-Enforcement Principal Priority of Payments); and
  - (ii) an amount equal to 1.25 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes immediately before such Notes Payment Date or, in the case of the first Notes Payment Date, following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments and prior to the application of the Pre-Enforcement Principal Priority of Payments;
- (c) prior to the Class A Redemption Date, on any Notes Payment Date after the First Optional Redemption Date, an amount equal to 1.25 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes immediately before such Notes Payment Date; and
- (d) on or following the Class A Redemption Date, zero.

To the extent there is a Revenue Shortfall, amounts standing to the credit of the Liquidity Reserve Fund Ledger will be applied as Available Revenue Funds to meet such Revenue Shortfall.

#### *Impact of Post-Closing Mortgage Receivables*

On the earlier to occur of the Post-Closing Mortgage Receivables Purchase Date and the

Final Post-Closing Mortgage Receivables Purchase Date, the Cash Manager shall (subject to having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller on or prior to such date):

- (a) calculate and record as a debit on the Post-Closing Principal Reserve Ledger the amount paid as part of the Post-Closing Mortgage Receivables Purchase Price and equal to the Closing Principal Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion;
- (b) calculate the Expected Post-Closing Class A Note Amount;
- (c) calculate the Post-Closing Liquidity Reserve Target; and
- (d) calculate the Liquidity Release Amount which shall be recorded as a debit on the Liquidity Reserve Fund and paid to the Seller as the Additional Purchase Price Amount due for the purchase of the Completion Mortgage Receivables.

In the event that no Post-Closing Mortgage Receivables are purchased prior to the Final Post-Closing Mortgage Receivables Purchase Date, the Cash Manager shall only perform the calculations mentioned in (b), (c) and (d) above.

## 5.6 Issuer Accounts

On the Signing Date, the Issuer will enter into an issuer account agreement with the Issuer Account Bank, the Cash Manager, the Account Agent and the Security Trustee (the “**Issuer Account Agreement**”). Pursuant to the terms of the Issuer Account Agreement, the Issuer will maintain the Issuer Transaction Account, the Community Issuer Collection Account, the DMS Issuer Collection Account, the DNL Issuer Collection Account and the Swap Collateral Cash Account(s) (the “**Issuer Accounts**”) with the Issuer Account Bank which will be operated in accordance with the Cash Management Agreement, as applicable. All payments under the Issuer Account Agreement are made without deductions or withholdings, unless required by law. The Issuer may from time to time open additional or replacement accounts pursuant to the Transaction Documents.

“**Issuer Transaction Account**” means the bank account of the Issuer, held with Citibank, N.A., London Branch used to, *inter alia*, receive payments from the Issuer Collection Accounts.

“**Community Issuer Collection Account**” means the bank account of the Issuer, held with Citibank, N.A., London Branch used to receive payments from the Community Collection Account.

“**DMS Issuer Collection Account**” means the bank account of the Issuer, held with Citibank, N.A., London Branch used to receive payments from the DMS Collection Account.

“**DNL Issuer Collection Account**” means the bank account of the Issuer, held with Citibank, N.A., London Branch used to receive payments from the DNL Collection Account.

“**Issuer Collection Accounts**” means the Community Issuer Collection Account, the DMS Issuer Collection Account and the DNL Issuer Collection Account.

The Cash Manager shall procure that amounts standing to the credit of the Issuer Collection Accounts are applied towards Third Party Amounts pursuant to the Cash Management Agreement, and on each Notes Payment Date, all remaining amounts standing to the credit of the Issuer Collection Accounts attributable to the corresponding Collection Period are transferred to the Issuer Transaction Account and applied in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable).

**“Swap Collateral Account”** means each Swap Collateral Cash Account and each Swap Collateral Custody Account.

### **Liquidity Reserve Fund**

In the Cash Management Agreement, the Cash Manager agrees to open and administer, amongst others, a Liquidity Reserve Fund as a sub-ledger of the Issuer Transaction Account for and on behalf of the Issuer. See Section 5.5 (*Liquidity Support*) for further details.

### **Swap Collateral Accounts**

The Issuer will maintain with the Issuer Account Bank the Swap Collateral Cash Account(s). See Section 5.4 (*Hedging*) for further details.

### **Rating Issuer Account Bank**

If the Issuer Account Bank fails to maintain any of the Issuer Account Bank Minimum Ratings, then the Issuer shall use its best endeavours to, within sixty (60) calendar days of such downgrade:

- (A) close the relevant Issuer Accounts held with the Issuer Account Bank and use reasonable endeavours to open replacement accounts with a financial institution having the Issuer Account Bank Minimum Ratings; or
- (B) use all reasonable endeavours to obtain a guarantee of the obligations of such Issuer Account Bank under the relevant Issuer Account Agreement from a financial institution which has the Issuer Account Bank Minimum Ratings; or
- (C) take any other reasonable action as the Credit Rating Agencies may agree will not result in a downgrade of the Notes,

in each case as prescribed in the Issuer Account Agreement, and transfer amounts standing to the credit of relevant Bank Accounts and all Ledgers on the relevant Issuer Accounts to the replacement Issuer Accounts.

In the event of a transfer to a new bank account as referred to under (a) above, the relevant bank shall, with respect to the Issuer Accounts, enter into a pledge agreement with the Issuer – and create a first ranking right of pledge over the relevant bank account in favour of the Security Trustee – upon terms substantially the same as the Issuer Rights Pledge Agreement.

## 5.7 Cash Management Services

On the Signing Date, *inter alios*, the Cash Manager, the Issuer, the Issuer Administrator and the Security Trustee will enter into a cash management agreement (the “**Cash Management Agreement**”). The Cash Manager shall perform its obligations with reasonable care, skill and diligence and in good faith and exercise the level of skill, care and attention of an experienced cash manager for buy-to-let mortgage-backed securities transactions.

### Cash Management Services to be provided to the Issuer

Pursuant to the Cash Management Agreement, the Cash Manager will agree to provide certain cash management and other services to the Issuer or, upon the Security Trustee notifying the Cash Manager that an Enforcement Notice has been served on the Issuer, the Security Trustee. The Cash Manager’s principal function will be effecting payments to and from the Issuer Accounts, including the Swap Collateral Account(s). In addition, the Cash Manager will, among other things:

- (A) operate the Issuer Accounts, any Swap Collateral Custody Account(s) and any additional Issuer Account(s) and ensure that payments are made into and from such accounts (to the extent that the Cash Manager has the right to instruct such payment) in accordance with the Cash Management Agreement, the Issuer Account Agreement, any Swap Collateral Custody Account Agreement, the Swap Agreement, the VRR Loan Agreement and any other relevant Transaction Document, provided that nothing in the Cash Management Agreement shall require the Cash Manager to make funds available to the Issuer to enable such payments to be made;
- (B) on each Notes Calculation Date, calculate if there would be a Revenue Shortfall following the application of Available Revenue Funds or a PAA Deficit following the application of Available Revenue Funds and any Liquidity Reserve Fund Balance (disregarding for such purposes any Principal Addition Amounts) on the immediately following Notes Payment Date and apply such amounts accordingly on the relevant Notes Payment Date;
- (C) on each Notes Payment Date prior to delivery of an Enforcement Notice, apply, or cause to be applied, Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments and Available Principal Funds in accordance with the Pre-Enforcement Principal Priority of Payments;
- (D) on each Notes Calculation Date, determine whether the immediately following Notes Payment Date is the Class A Redemption Date and/or the Final Maturity Date;
- (E) record credits to, and debits from, the Ledgers, as and when required in accordance with the terms of the Cash Management Agreement (as more particularly described in Schedule 2 (*Cash Management and Maintenance of Ledgers*) to the Cash Management Agreement);
- (F) make withdrawals (when necessary) from the relevant Issuer Account to pay any Third Party Amounts (in accordance with the relevant TPA Notice) to the Servicers

(as applicable) and the other payments set out in Clause 5.3 (*Third Party Amounts*) of the Cash Management Agreement;

- (G) determine on a Notes Calculation Date if there are sufficient Available Principal Funds available to redeem the Notes in full on the next Notes Payment Date;
- (H) if required (i) during the Determination Period, calculate the Interest Determination Ratio, the Calculated Revenue Funds and the Calculated Principal Funds; and (ii) following any Determination Period, upon receipt by the Cash Manager of the Mortgage Reports in respect of such Determination Period, reconcile the calculations to the actual collections set out in the Mortgage Reports by allocating the Reconciliation Amounts in accordance with Condition 4(l) (*Determinations and Reconciliation*) and the Cash Management Agreement;
- (I) calculate any Liquidity Reserve Excess Amounts and apply these as Available Principal Funds;
- (J) calculate any Available Principal Funds due to be applied in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments to replenish the Liquidity Reserve Fund (the aggregate of such amounts since the Closing Date being, the “Liquidity Reserve Principal Replenishment Amounts”);
- (K) calculate the Capped Liquidity Reserve Principal Amounts;
- (L) calculate amounts due to be applied to the Liquidity Reserve Fund Amount up to the Liquidity Reserve Target;
- (M) on each Notes Calculation Date, calculate whether the Available Revenue Funds (excluding any Principal Addition Amounts to cure any PAA Deficit on such Notes Payment Date) (the “**Actual Available Revenue Funds**”) will be sufficient to pay:
  - (1) items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments; plus;
  - (2) items (f)(i) and (f)(ii) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95),(the “**Senior Interest Amounts**”). To the extent that such Available Revenue Funds are insufficient for this purpose, the Cash Manager shall calculate the shortfall (the “**Revenue Shortfall**”), being the amount equal to the Senior Interest Amounts *minus* the Actual Available Revenue Funds, and the Issuer shall apply amounts representing the Liquidity Reserve Fund Balance to meet such Revenue Shortfall in accordance with item (d) of the definition of “Available Revenue Funds” (such amounts being “**Liquidity Reserve Principal Amounts**”); and
- (N) calculate the Net Post-Closing Principal Reserve Amount, the Pre-Enforcement Post-Closing Principal Note Share and the Pre-Enforcement Post-Closing Principal VRR Share;
- (O) calculate any Net Post-Closing Revenue Reserve Amounts;



- (P) calculate the Net Class R Post-Closing Reserve Amount, the Class R Pre-Enforcement Note Share and the Class R Pre-Enforcement Post-Closing VRR Share; and
- (Q) on the Post-Closing Mortgage Receivables Purchase Date or the Final Post-Closing Mortgage Receivables Purchase Date (as the case may be), subject to having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller on or prior to such date, calculate the Post-Closing Mortgage Receivables Proportion, the Post-Closing Mortgage Receivables Purchase Price (if any), the Expected Post-Closing Class A Note Amount, the Liquidity Release Amount and the Post-Closing Liquidity Reserve Target,

in each case in accordance with the Conditions and the other Transaction Documents.

In addition, the Cash Manager will:

- (A) maintain the following Ledgers on behalf of the Issuer on the Issuer Transaction Account:
  - (1) the Redemption Ledger, which will record as a credit all Principal Funds received by the Issuer and as a debit the distribution of the Principal Funds in accordance with the Pre-Enforcement Principal Priority of Payments or the Post Enforcement Priority of Payments (as applicable);
  - (2) the Revenue Ledger, which will record as a credit all Revenue Funds received by the Issuer and as a debit the distribution of the Revenue Funds and the distribution of any other relevant amounts recorded on the Revenue Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable) or by way of Third Party Amounts pursuant to Clause 5.3 (*Third Party Amounts*) of the Cash Management Agreement or payments to the Servicers pursuant to Clause 5.4 (*Servicing Fees*) of the Cash Management Agreement, respectively;
  - (3) the Liquidity Reserve Fund Ledger which will record amounts of Liquidity Reserve Fund Actual Amounts credited to, and debited from, the liquidity reserve fund (the “**Liquidity Reserve Fund**”). The Cash Manager will record, as a debit, (i) on each Notes Payment Date, any Liquidity Reserve Fund Balance used to meet any Revenue Shortfall in accordance with item (d) of the definition of “Available Revenue Funds” and (ii) on the Post-Closing Mortgage Receivables Purchase Date or the Final Post-Closing Mortgage Receivables Purchase Date (as the case may be), the Liquidity Release Amount applied in payment to the Seller as the Additional Purchase Price Amount (subject to the Cash Manager having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller) and, as a credit, amounts credited in the Liquidity Reserve Fund in accordance with the Pre-Enforcement Principal Priority of Payments;

- (4) the Liquidity Reserve Principal Ledger, which shall record, as a credit, any Available Principal Funds applied in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments to replenish the Liquidity Reserve Fund (the aggregate of such amounts since the Closing Date, being the “Liquidity Reserve Principal Replenishment Amounts”). The Cash Manager will record, as a debit, any amount deducted from the Liquidity Reserve Fund and applied to cure a Revenue Shortfall in accordance with item (d) of the definition of “Available Revenue Funds”;
- (5) the Principal Deficiency Ledger, which will record on the appropriate sub ledger (as set out in Schedule 2 (*Cash Management and Maintenance of Ledgers*) to the Cash Management Agreement) as a debit deficiencies arising from Realised Losses on the Portfolio commencing from (but not including) the Cut-off Date (on the date the Cash Manager is informed of such Realised Losses by the Servicers), Principal Addition Amounts and Capped Liquidity Reserve Principal Amounts (on the Notes Calculation Date on which such Principal Addition Amounts or Capped Liquidity Reserve Principal Amounts are determined by the Cash Manager), and record as a credit Available Revenue Funds applied as Available Principal Funds pursuant to the Pre-Enforcement Revenue Priority of Payments (if any) on each Notes Payment Date;
- (6) the Swap Collateral Ledger, which will record as a credit (A) all amounts which are specified in paragraphs (i) to (iv) of limb (c) of the definition of “Available Revenue Funds” received by the Issuer; and (B) interest earned on, and distributions arising from, amounts recorded in the Swap Collateral Ledger and as a debit the distribution of such amounts in accordance with the terms of the Swap Agreement and other Transaction Documents;
- (7) the Class S1/S2 Ledger, which shall record on the Closing Date as a credit an amount equal to 100/95 of the Principal Amount Outstanding of the Class S1 Note and the Class S2 Note, as a debit (A) on the first Notes Payment Date in April 2022 (i) an amount of EUR 90,000 to the holder of the Class S1 Note in redemption of the Class S1 Note and (ii) an amount of EUR 90,000 to the holder of the Class S2 Note in redemption of the Class S2 Note (the “**First Class S1 and S2 Payment**”) and (iii) to the VRR Lender an amount equal to the VRR Proportion of the First Class S1 and S2 Payment in redemption of the VRR Loan, and (B) on the Notes Payment Date on which all other Classes Notes have been redeemed in full, (i) the Principal Amount Outstanding in respect of the Class S1 Note and the Class S2 Note, until the Principal Amount Outstanding on the Class S1 Note and the Class S2 Note has been reduced to zero (the “**Final Class S1 and S2 Payment**”) and (ii) to the VRR Lender in an amount equal to the VRR Proportion of the Final Class S1 and S2 Payment in redemption of the VRR Loan;
- (8) the Post-Closing Principal Reserve Ledger which shall record as a credit the Closing Principal Reserve Amount and as a debit (A) an amount equal to the Closing Principal Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion such amount being part of the Post-Closing Mortgage Receivables Purchase Price applied to purchase any Post-Closing Mortgage Receivables and (B) any Net Post-Closing Principal Reserve Amounts applied in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) and the VRR Loan (subject to the Cash Manager

having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller);

- (9) the Post-Closing Revenue Reserve Ledger which shall record as a credit the Closing Revenue Reserve Amount and as a debit (A) an amount equal to the Closing Revenue Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion such amount being part of the Post-Closing Mortgage Receivables Purchase Price applied to purchase any Post-Closing Mortgage Receivables and (B) any Net Post-Closing Revenue Reserve Amounts applied as Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments (subject to the Cash Manager having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller); and
  - (10) the Class R Post-Closing Reserve Ledger which will record as a credit the Closing Class R Reserve Amount and as a debit (A) an amount equal to the Closing Class R Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion such amount being part of the Post-Closing Mortgage Receivables Purchase Price applied to purchase any Post-Closing Mortgage Receivables and (B) any Net Class R Post-Closing Reserve Amounts paid to the Class R Noteholder and the VRR Lender (subject to the Cash Manager having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller).
- (B) on the first Notes Calculation Date (prior to the service of an Enforcement Notice) calculate the amount of Net Post-Closing Principal Reserve Amounts, the Pre-Enforcement Post-Closing Principal Note Share, the Pre-Enforcement Post-Closing Principal VRR Share and the Post-Closing Principal Pro Rata Payments; the Net Post-Closing Revenue Reserve Amounts; and the Net Class R Post-Closing Reserve Amounts, the Class R Pre-Enforcement Post-Closing Note Share and the Class R Pre-Enforcement Post-Closing VRR Share and apply amounts (as applicable) in accordance with the terms of the Cash Management Agreement and subject to the Cash Manager having been notified of the Actual Post-Closing Mortgage Receivables Balance and the Maximum Post-Closing Mortgage Receivables Balance and the MTM Adjustment Amount by the Servicers, the Issuer or the Seller prior to such date;
- (C) (assuming delivery by the Portfolio Option Holder of the Exercise Notice in accordance with Clause 22 (*Exercise of Portfolio Purchase Option*) of the Trust Agreement) upon receipt of the Exercise Notice from the Portfolio Option Holder in accordance with Clause 22 (*Exercise of Portfolio Purchase Option*) of the Trust Agreement, at the request of the Issuer, calculate on the relevant Notes Calculation Date, the Portfolio Purchase Option Purchase Price (subject to having been notified of limbs (a)(v) and (b)(i) of the definition "Portfolio Purchase Option Purchase Price"). For the avoidance of doubt, the Cash Manager shall calculate each of the following in respect of an exercise of the Portfolio Purchase Option: (1) any amounts payable to the RTM Party on the Portfolio Purchase Option Completion Date in accordance with the relevant Priorities of Payments (without taking into account any Portfolio Purchase Option Purchase Price) (the "**Gross Amounts**"); (2) the Portfolio Purchase Option Purchase Price; (3) the portion of the Portfolio

Purchase Option Purchase Price which the RTM Party is required to pay in respect of a right to match being exercised and (4) the net Portfolio Purchase Option Purchase Price (or portion therefor for the RTM Party) taking into account the Gross Amounts and any netting or set-off arrangement agreed with the Issuer;

- (D) on the Portfolio Purchase Option Completion Date, apply the Portfolio Purchase Option Purchase Price together with amounts standing to the credit of the Issuer Accounts (but excluding Purchaser Receipts), in accordance with the Post-Enforcement Priority of Payments;
- (E) calculate on each Notes Calculation Date (prior to service of an Enforcement Notice) the amount of Available Revenue Funds (including any Principal Addition Amounts) and Revenue Shortfall (if applicable), and Available Principal Funds to be applied on the immediately following Notes Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments or the Pre-Enforcement Principal Priority of Payments (as applicable);
- (F) (assuming delivery by the Servicers of the Mortgage Reports by no later than the five Business Days after the end of the relevant Collection Period) provide to the Security Trustee, the Noteholders, the VRR Lender, the Issuer Administrator, the Credit Rating Agencies (as applicable), Bloomberg and any prospective investors in the Notes the Investor Report and the Transparency Investor Report on a quarterly basis by no later than two Business Days prior to the immediately following Notes Payment Date;
- (G) upon receipt of the Data Tapes from the Reporting Website and any other relevant party and the Mortgage Reports, provide the Issuer, the Issuer Administrator, the Servicers, the Security Trustee, the Noteholders, the VRR Lender, the Credit Rating Agencies (as applicable), Bloomberg, the Swap Counterparty and any prospective investors in the Notes with the monthly collateral investor reports in the form as set out in Schedule 7 (*Form of Monthly Collateral Investor Report*) to the Cash Management Agreement. The first monthly collateral investor report will be provided by the Cash Manager in March 2022;
- (H) provide, on or prior to each Interest Determination Date, information to the Reporting Website (or an entity appointed in replacement thereof) in relation to the relevant fields (as described in the Cash Management Agreement) to enable the Reporting Website to complete the report in the form of Annex 14 of the Article 7 EU Technical Standards and the Article 7 UK Technical Standards;
- (I) keep such records for all Tax purposes (including those relating to VAT) as it is required to keep under Applicable Law;
- (J) subject to any Applicable Law, assist the Auditors of the Issuer and provide such information to them as they may reasonably request for the purpose of carrying out their duties as auditors of the Issuer;
- (K) arrange for all payments due to be made by the Issuer under any of the Transaction Documents, provided that such monies as are necessary to meet such payments are at the relevant time available to the Issuer and the Cash Manager is aware of the requirement to make such payment of a specific amount at the relevant time (provided that the Cash Manager is deemed to be aware of all of the requirements

to make such payments as set out in the Transaction Documents) and provided further that nothing herein shall constitute a guarantee by the Cash Manager of all or any of the obligations of the Issuer under any of the Transaction Documents;

(L) on behalf of the Issuer, provided that monies are at the relevant time available to the Issuer, pay all Taxes or all out-of-pocket expenses of the Issuer as advised in writing to the Cash Manager including:

- (1) all Taxes which may be due or payable by the Issuer to the relevant Tax Authority;
- (2) all necessary filing and other fees in compliance with regulatory requirements;
- (3) all legal and audit fees and other professional advisory fees; and
- (4) all communication expenses including postage, courier and telephone charges;

(M) notify the Issuer as soon as reasonably practicable once it becomes aware that it cannot perform the relevant calculations required to be performed by it under the Cash Management Agreement, and the reason for its inability to perform such calculations;

(N)

- (1) if necessary, perform all currency conversions free of charge, cost or expense at the relevant exchange rate; and
- (2) for the purposes of any calculations referred to in paragraph (i) above, any currency amounts used in or resulting from such calculations will be rounded in accordance with the relevant market practice and the Cash Manager shall be entitled to retain any transaction spreads or sales margin for its own account;

For the avoidance of doubt, if the currency conversions are arranged with the Cash Manager or any of its affiliates, it shall be entitled to transact in the same commercial terms as it would to clients of a similar nature.

(O) arrange payment of all fees due to Euronext Dublin or, as applicable, the Central Bank, as advised by the Issuer in writing to the Cash Manager, pursuant to the applicable Priority of Payments;

(P) if, in relation to any proposed action, it is required to certify to the Security Trustee that such action (while any Rated Notes remain outstanding) has been notified to the Credit Rating Agencies it will promptly notify the Credit Rating Agencies of such action and put itself in a position to provide the necessary certification;

(Q) two Business Days before each Notes Payment Date provide notification to the Issuer and the Servicers that all necessary determinations and calculations have been made in order for all necessary payments to be made in accordance with the Priorities of Payments on the forthcoming Notes Payment Date;

- (R) to the extent that there are any amounts held by the Issuer (whether in the Issuer Accounts or otherwise) after paying or providing for all items in the relevant Priority of Payments ranking in priority to the amounts payable on the Residual Notes and available for such purpose, such amounts shall be distributed by or on behalf of the Issuer to the holders of the Residual Notes; and
- (S) liaise with the Issuer Administrator so that they may procure that each of the following is published on a website relating to the Transaction:
  - (1) each Investor Report and Transparency Investor Report (any such report delivered in a month in which a Notes Payment Date falls, to be published by no later than one Business Day following the date on which the Cash Manager has prepared such report in accordance with the Cash Management Agreement; and
  - (2) electronic copies of all the Transaction Documents.

Prior to the service of an Enforcement Notice on the Issuer or a Cash Manager Termination Event, the Cash Manager:

- (A) if directed by the Issuer, shall, invest an amount up to, but not exceeding, all amounts standing to the credit of the Liquidity Reserve Fund Ledger and other amounts standing to the credit of the Issuer Accounts (other than the Issuer Profit Amount and the amounts standing to the credit of the Swap Collateral Ledger or the Post-Closing Reserve Ledgers), in Authorised Investments as determined by the Issuer, subject to the following provisions:
  - I. any investment in any Authorised Investments shall be made in the name of the Issuer;
  - II. any costs properly incurred in making, changing or otherwise disposing of any investment in any Authorised Investments will be reimbursed to the Cash Manager by the Issuer; and
  - III. all income and other distributions arising on, or proceeds following the disposal or maturity of, Authorised Investments shall be credited to the relevant Issuer Account prior to the immediately succeeding Notes Calculation Date; and
- (B) shall maintain copies of the deposit receipt, contract, confirmation or equivalent document or other documentary evidence of any transaction in respect of an Authorised Investment and, if requested to do so by the Security Trustee, will provide copies of such documentary evidence to the Security Trustee or to its order.

The Issuer may not invest the Issuer Profit Amount and the amounts standing to the credit of the Swap Collateral Ledger or the Post-Closing Reserve Ledgers at any time in Authorised Investments.

The Cash Manager shall not be responsible (save where any loss results from the Cash Manager's own fraud, wilful default or gross negligence) for any loss occasioned by reason of any such investment in any Authorised Investments or any purported investment in any Authorised Investments whether by depreciation in value or otherwise, provided that any

such investment in any Authorised Investments was made in accordance with the terms of the Cash Management Agreement.

The Cash Manager shall have no obligation to monitor on an ongoing basis the compliance of any investment in an Authorised Investment with the conditions for such investment to be considered an Authorised Investment.

### **Cash Manager and Directions from the Security Trustee**

The Cash Manager will act upon the direction of the Security Trustee (given in accordance with the terms and provisions of the Pledge Agreements) upon the Security Trustee notifying the Cash Manager that an Enforcement Notice has been served on the Issuer.

### **Investor Reporting**

With the assistance of the Servicers, the Cash Manager shall (assuming delivery by the Servicers of the Mortgage Reports by no later than the five Business Days after the end of the relevant Collection Period) provide the Issuer, the Issuer Administrator, the Servicers, the Security Trustee, the Noteholders, the VRR Lender, the Credit Rating Agencies (as applicable), Bloomberg, the Swap Counterparty and any prospective investors in the Notes with (i) a quarterly Investor Report by no later than two Business Days prior to the immediately following Notes Payment Date, in each case, substantially in the form set out in Schedule 3 (*Form of Investor Report*) of the Cash Management Agreement or in such other form as is reasonably acceptable to the recipients thereof and (ii) a quarterly Transparency Investor Report, in each case for the purposes of assisting the Issuer in respect of its obligations under Article 7(1)(e) of the EU Securitisation Regulation and as described in Article 7(1)(e) of the UK Securitisation Regulation, subject to the terms of the Cash Management Agreement. See Section 8 (*General*) for more details.

### **Remuneration of Cash Manager**

The Issuer will pay to the Cash Manager a cash management fee (inclusive of VAT) for its cash management services under the Cash Management Agreement. Such fees will be determined under a separate fee letter between the Issuer and the Cash Manager. The cash management fee is payable in the manner contemplated by and in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments or, as the case may be, the Post-Enforcement Priority of Payments.

### **Termination of Appointment and Replacement of Cash Manager**

If any of the following events ("**Cash Manager Termination Events**") shall occur:

- (a) default is made by the Cash Manager in giving a payment instruction, on the due date, in respect of any payment due and payable by it under the Cash Management Agreement (provided in each case there are funds available for such payment standing to the credit of the relevant Issuer Accounts) and such default continues unremedied for a period of three Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following the service of an Enforcement Notice) the Security Trustee, as the case may be, requiring the same to be remedied; or
- (b) default is made by the Cash Manager in the performance or observance of any of

its other covenants and obligations under the Cash Management Agreement, which in the opinion of the Security Trustee is materially prejudicial to the interests of the Noteholders (at all times having regard to and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) and such default continues unremedied for a period of 30 Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following the service of an Enforcement Notice) the Security Trustee in its absolute discretion, as the case may be, requiring the same to be remedied; or

- (c) an Insolvency Event occurs in respect of the Cash Manager; or
- (d) it becomes unlawful for the Cash Manager to perform its obligations under the Cash Management Agreement or under any other Transaction Document,

then prior to the delivery of an Enforcement Notice, the Issuer (with the written consent of the Security Trustee), or following the delivery of an Enforcement Notice, the Security Trustee, may, at once or at any time thereafter while such default continues, by notice in writing to the Cash Manager (with a copy to the Security Trustee if such notice is delivered by the Issuer), terminate its appointment as Cash Manager under the Cash Management Agreement with effect from a date (not earlier than the date of the notice) specified in such notice. Upon termination of the appointment of the Cash Manager, the Issuer shall use reasonable endeavours to appoint a substitute cash manager that satisfies the conditions set out below.

Any substitute cash manager:

- (a) must agree to enter into an agreement with the Issuer on terms commercially acceptable in the market, pursuant to which the substitute cash manager agrees to assume and perform all material duties and obligations of the Cash Manager under the Cash Management Agreement and the VRR Loan Agreement;
- (b) must be a party that the Credit Rating Agencies have previously confirmed by whatever means such Credit Rating Agencies consider appropriate (provided that the Issuer is permitted to and does confirm in writing (including by e-mail) to the Security Trustee that such confirmation has been obtained) the appointment of which will not cause the then current ratings of the Rated Notes to be adversely affected; and
- (c) will be subject to the prior written approval of the Security Trustee.

### **Resignation of the Cash Manager**

The Cash Manager may resign without reason or liability incurred by reason of such resignation (unless such liability arises as a result of its own gross negligence, wilful default or fraud or that of its officers, directors or employees) for costs on giving not less than 60 days' written notice (or such shorter time as may be agreed between the Cash Manager, the Issuer, the Servicers and the Security Trustee) of its resignation to the Issuer, the Servicers and the Security Trustee, provided that:

- (a) a substitute cash manager shall be appointed, such appointment to be effective not



later than the date of such termination;

- (b) such substitute cash manager has the requisite cash management experience to perform the functions to be given to it under the Cash Management Agreement and is approved by the Issuer and Security Trustee;
- (c) such substitute cash manager enters into an agreement with the Issuer on terms commercially acceptable in the market, pursuant to which the substitute cash manager agrees to assume and perform all material duties and obligations of the Cash Manager under the Cash Management Agreement and VRR Loan Agreement.

To the extent the Issuer does not appoint a substitute Cash Manager in accordance with the terms of the Cash Management Agreement prior to the termination date specified in the notice delivered by the Cash Manager in accordance the Cash Management Agreement, the Cash Manager may appoint a substitute Cash Manager, provided that such appointment satisfies the provisions of the Cash Management Agreement.

### **Calculations and reconciliation**

In the event that a Servicer has not provided to the Cash Manager all relevant and required Mortgage Reports in respect of a Collection Period (each such period, a “**Determination Period**”), then the Cash Manager may use the Mortgage Reports in respect of the three most recent Collection Periods provided by each Servicer (or, where there are no Mortgage Reports for at least three previous Collection Periods, any previous Mortgage Reports as provided by each Servicer) for the purposes of calculating the amounts available to the Issuer to make payments in accordance with Schedule 5 (*Determinations and Reconciliation*) to the Cash Management Agreement and as set out in this Section, for the purposes of complying with its obligations hereunder. The Cash Manager shall make such estimations on the basis of information available to it at such time and shall not be liable (in the absence of gross negligence, fraud and wilful default) for the accuracy of such estimations.

In respect of any Notes Calculation Period the Cash Manager shall on the Notes Calculation Date immediately preceding the Notes Payment Date:

- (A) determine the Interest Determination Ratio (as defined below) by reference to the three most recent Mortgage Calculation Periods in respect of which the Mortgage Reports from each Servicer are available (or, where there are not at least three previous Mortgage Reports provided by each Servicer, any previous Mortgage Reports of such Servicer);
- (B) calculate the Revenue Funds for such Determination Period as the product of (i) the Interest Determination Ratio and (ii) all collections received by the Issuer during such Determination Period (the “**Calculated Revenue Funds**”); and
- (C) calculate the Principal Funds for such Determination Period as the product of (i) one *minus* the Interest Determination Ratio; and (ii) all collections received by the Issuer during such Determination Period (the “**Calculated Principal Funds**”).

Following the end of any Mortgage Calculation Period, upon receipt by the Cash Manager of the Mortgage Report in respect of such Mortgage Calculation Period, the Cash Manager

shall reconcile the calculations made in accordance with this Section to the actual collections set out in the Mortgage Reports by allocating the Reconciliation Amount (as defined below) as follows:

- (A) if the Reconciliation Amount is a positive number, the Cash Manager shall on the immediately following Notes Payment Date apply an amount equal to the lesser of (i) the absolute value of the Reconciliation Amount and (ii) the amount standing to the credit of the Revenue Ledger, as Available Principal Funds (with a corresponding debit of the Revenue Ledger); and
- (B) if the Reconciliation Amount is a negative number, the Cash Manager shall on the immediately following Notes Payment Date apply an amount equal to the lesser of (i) the absolute value of the Reconciliation Amount and (ii) the amount standing to the credit of the Redemption Ledger, as Available Revenue Funds (with a corresponding debit of the Redemption Ledger),

provided that the Cash Manager shall apply such Reconciliation Amount in determining Available Revenue Funds and Available Principal Funds for such Collection Period in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Security Trustee of such Reconciliation Amount.

For the purpose of this Section:

**“Interest Determination Ratio”** means: (i) the aggregate Revenue Funds calculated in the three preceding Mortgage Reports provided by each Servicer (or, where there are not at least three previous Mortgage Reports provided by each Servicer, any previous Mortgage Reports of such Servicer) divided by (ii) the aggregate of all Revenue Funds and all Principal Funds calculated in such Mortgage Reports; and

**“Reconciliation Amount”** means: in respect of any Mortgage Calculation Period (a) the actual Principal Funds as determined in accordance with the available Mortgage Reports, less (b) the Calculated Principal Funds in respect of such Collection Period, plus (c) any Reconciliation Amount not applied in previous Collection Periods.

## 5.8 Issuer Services

In the Cash Management Agreement, the Issuer Administrator will agree to provide certain administration services to the Issuer. The Issuer Administrator will, amongst others:

- (A) make or procure that a third party makes all filings, give all notices, including without limitation, in connection with the Notes and make all registrations and other notifications required in the day to day operation of the business of the Issuer;
- (B) keep general books of account and records of the Issuer, provide accounting services, supervising and assisting in the preparation of interim statements and final accounts, supervising and assisting in the preparation of tax returns;
- (C) on behalf of the Issuer procure the compliance with the European Commission's Market Abuse Directive (Directive 2014/57/EU), the Market Abuse Regulation ((EU) No. 596/2014) and the Netherlands legislation implementing this Directive, including without limitation:

- (1) maintaining a list of persons that act on behalf of or for the account of the Issuer and who, on a regular basis, have access to inside information in respect of the Issuer;
  - (2) organising the assessment and disclosure of inside information, if any, on behalf of the Issuer; and
  - (3) do such other acts and things necessary for such compliance, insofar as the Issuer Administrator having used its reasonable endeavours is able to do so,
- all the above subject to the condition that the Issuer shall at all times remain legally responsible and liable for such compliance;
- (D) do all acts and things required to be performed by the Issuer in connection with the Swap Agreement and the Issuer Account Agreement;
  - (E) assist the Issuer by doing such acts and things (other than being liable for the payment of principal or interest on any Note, or for making any determination or calculation in relation to any Note or Priority of Payments) that are required to be done by the Issuer pursuant to the Conditions;
  - (F) monitor the legal disclosure requirements of the Issuer;
  - (G) on behalf of the Issuer claim payment to which the Issuer is entitled under the Transaction Documents and the Notes if the conditions for payment thereunder are met, provided that the Issuer Administrator can only be held to claim such payments under the Swap Agreement or in accordance with the Priorities of Payment upon notification by the Cash Manager (to the extent that the Cash Manager is under the obligation to make such calculations under the Cash Management Agreement);
  - (H) upload, on behalf of the Issuer, the Transparency Investor Reports, the Investor Reports and the Data Tapes upon receipt from the Reporting Website or any other relevant party to the Reporting Website, in accordance with the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation;
  - (I) provide, on or prior to each Interest Determination Date, information to the Reporting Website (or an entity appointed in replacement thereof) in relation to the relevant fields (as described in the Cash Management Agreement), to enable the Reporting Website to complete the report in the form of Annex 14 of the Article 7 EU Technical Standards and the Article 7 UK Technical Standards on behalf of the Issuer;
  - (J) provide, on or prior to each Interest Determination Date, information to the Reporting Website (or an entity appointed in replacement thereof) falling under Article 7(1)(f) or Article 7(1)(g) of the EU Securitisation Regulation or Article 7(1)(f) or Article 7(1)(g) of the UK Securitisation Regulation if they become aware, or are made aware, of any such information, to enable the Reporting Website to complete the report in the form of the Article 7 EU Technical Standards and the Article 7 UK Technical Standards on behalf of the Issuer;
  - (K) upload, on behalf of the Issuer and Retention Holder, any Inside Information and Significant Event Reports upon receipt from the relevant Servicer, Cash Manager

or any other relevant parties, to the Reporting Website or such other website or securitisation repository selected by the Issuer, and any reporting will be charged on a time spent basis and assumed that assistance will be provided by the relevant Servicer;

- (L) upon the Cash Manager's request, supply the Cash Manager with any information required by the Cash Manager to enable it to fulfil its obligations under Clause 10.3 of the Cash Management Agreement;
- (M) do all such acts and things that are required to be done by the Issuer pursuant to the Conditions and the Transaction Documents (to the extent not delegated to other parties); and
- (N) notify or procure that a third party notify the Noteholders, on behalf of the Issuer, of any material amendment to Transaction Documents without delay, subject to Dutch and European Union law governing the protection of confidentiality of information and the processing of personal data, unless such confidential information is anonymised or aggregated.

## 5.9 Description of the VRR Loan

The Issuer will create the vertical risk retention loan (the "**VRR Loan**") on the Closing Date. As at the Closing Date, the principal amount of the VRR Loan (the "**VRR Principal Amount**") will be equal to EUR 18,233,842.11, being no less than 5 per cent. of (100/95) of the aggregate principal amount of the Notes.

The provider of the VRR Loan (the "**VRR Lender**") will be entitled to receive the Pre-Enforcement Revenue VRR Share, the Pre-Enforcement Principal VRR Share and the Post-Enforcement VRR Share in accordance with the relevant Priority of Payments and the VRR Proportion of any other amounts payable to Noteholders not otherwise captured above and such amounts shall be applied as VRR Payment Amounts.

### Status and Security

The obligations of the Issuer in respect of the VRR Loan constitutes direct, secured and limited recourse obligations of the Issuer.

As security for its obligations under, *inter alia*, the VRR Loan, the Issuer has granted the Security in favour of the Security Trustee on behalf of itself, the VRR Lender and the other Secured Creditors.

### Transfer

The VRR Lender may not transfer or assign its interest in the VRR Loan without first obtaining the prior written consent of the Issuer and following the procedures in the VRR Loan Agreement.

### VRR Payment Amounts

The Issuer will pay to the VRR Lender, on each Notes Payment Date or such other date that distributions are made to the Noteholders the VRR Proportion of all amounts paid to Noteholders (collectively, the "**VRR Payment Amounts**"). Such amounts payable in

respect of the VRR Loan shall consist of the VRR Pre-Enforcement Revenue Payment Amount, the VRR Pre-Enforcement Principal Payment Amount, the VRR Post-Enforcement Payment Amount, the VRR Post-Closing Principal Reserve Amount, the VRR Class R Post-Closing Reserve Amount and the VRR Other Payment Amount, as applicable.

The VRR Lender shall cease to be entitled to any VRR Payment Amounts from the date of redemption in full (or extinguishment) of all (but not some only) of the Notes. On the date of redemption in full (or extinguishment) of all (but not some only) of the Notes and after the distribution of any monies to the Noteholders on such date, the VRR Loan shall be cancelled.

### **Final Repayment of the VRR Loan**

The Issuer shall repay to the VRR Lender the outstanding VRR Principal Amount in full (together with any VRR Other Payment Amounts then payable) on the date of redemption in full (or extinguishment) of all (but not some only) of the Notes. The Issuer may not repay the outstanding VRR Principal Amount in whole or in part prior to such date except as provided in the VRR Loan Agreement.

### **Mandatory repayment of the VRR Loan**

Unless the outstanding VRR Principal Amount has been previously repaid in full and cancelled, the Issuer shall repay to the VRR Lender the outstanding VRR Principal Amount:

- (a) on the first Notes Payment Date in the event there is a redemption of the Notes, in an amount equal to the VRR Post-Closing Principal Reserve Amount received on such date;
- (b) on each date on which there is a redemption of the Notes, in accordance with the Priority of Payments, in an amount equal to the aggregate of:
  - (i) the VRR Pre-Enforcement Principal Payment Amounts received on such date; and
  - (ii) any VRR Post-Enforcement Payment Amounts representing principal plus any accrued but unpaid VRR Pre-Enforcement Revenue Payment amounts received on such date; and
- (c) on any date on which there is a redemption of the Notes other than in accordance with the Priority of Payments, in an amount equal to the VRR Proportion of any principal amount of the Notes redeemed on such date including (A) on the first Notes Payment Date in April 2022 in an amount equal to the VRR Proportion of the First Class S1 and S2 Payment and (B) on the Notes Payment Date on which all other Classes of Notes have been redeemed in full in an amount equal to the VRR Proportion of the Final Class S1 and S2 Payment,

(the amounts in paragraphs (a), (b) and (c) above being “**VRR Principal Payment Amounts**”) together with any VRR Other Payment Amount payable on such date.

### **Optional repayment for tax and other reasons**

If the conditions set out in Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*) or Condition 6(e) (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option*) are satisfied, on the date on which the Notes are redeemed, the Issuer shall repay to the VRR Lender the outstanding VRR Principal Amount in full together with any other VRR Other Payment Amount payable on such date.

### **Regulatory Change Event**

Under the terms of the Trust Agreement, the VRR Lender will have the right to acquire all Mortgage Receivables comprising the Portfolio of the Issuer in the portfolio upon the occurrence of a Regulatory Change Event (subject to the Portfolio Option Holder's right to exercise the Portfolio Purchase Option, and the VRR Lender Right to Match).

### **VRR Principal Amount**

On any date of determination following the Closing Date, the VRR Principal Amount shall be equal to the VRR Principal Amount on the Closing Date less the aggregate amount of principal repayment made to the VRR Lender in respect of the VRR Loan since the Closing Date. The Cash Manager shall keep a record of the VRR Principal Amount.

### **Taxation**

All VRR Payment Amounts payable by or on behalf of the Issuer are required to be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**VRR Loan Taxes**"), unless the Issuer is required by applicable law in any jurisdiction to make any payment in respect of the VRR Loan subject to any such withholding or deduction. In that event, the Issuer shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. The Issuer shall not be obliged to make any additional payments to the VRR Lender in respect of such withholding or deduction on account of VRR Loan Taxes.

### **Events of Default**

Upon the service of an Enforcement Notice on the Issuer in accordance with the Conditions of the Notes (see Condition 11 (*Enforcement, Limited Recourse and Non-Petition*)), the Issuer shall be required to repay to the VRR Lender the VRR Principal Amount in full together with all other VRR Payment Amounts due in accordance with the Priority of Payments.

The VRR Lender will have no separate ability to accelerate amounts owed in respect of the VRR Loan.

### **Enforcement**

The Security Trustee may, at any time, at its discretion and without notice, take such action under or in connection with any of the Transaction Documents as it may think fit (including, without limitation, taking any action under or in connection with any of the Transaction Documents or, after the occurrence of an Event of Default, to take steps to enforce the security constituted by the Pledge Agreements), subject to the terms of the Trust Agreement and the Conditions of the Notes.

The VRR Lender will have no separate ability to direct the Security Trustee in relation to the enforcement of the Security.

### **Limit on VRR Lender action, limited recourse and non-petition**

The VRR Lender is not entitled to proceed directly against the Issuer or any other Secured Creditor or any other party to any of the Transaction Documents to seek to enforce the Security or to enforce the performance of any of the provisions of the Transaction Documents and/or to take proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, except if the Security Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing, provided that the VRR Lender shall not be entitled to petition or to take any action or other steps or proceedings to procure the winding-up, administration, dissolution, court protection, examinership, reorganisation, receivership, liquidation, bankruptcy or other insolvency proceeding of the Issuer or for the appointment of a bankruptcy trustee or any other insolvency official in respect of the Issuer or any of its revenues or assets. Any proceeds received by the VRR Lender pursuant to any such proceedings brought by the VRR Lender shall be paid promptly following receipt thereof to the Security Trustee for application pursuant to the Trust Agreement.

Notwithstanding any other provision of the Trust Agreement, the VRR Loan Agreement or any provision of any Transaction Document, all obligations of the Issuer to the VRR Lender are limited in recourse to the Pledged Assets. If on enforcement or realisation of the Pledged Assets and distribution of its proceeds in accordance with the applicable Priority of Payments there are insufficient amounts available to pay in full amounts outstanding under the VRR Loan, the Notes or the Transaction Documents, none of the VRR Lender, the Security Trustee or the other Secured Creditors may take any further steps against the Issuer in respect of any such amounts and such amounts shall be deemed to be discharged in full and all claims against the Issuer in respect of payment of such amounts will be extinguished and discharged.

Subject to the Security Trustee's rights and powers under the Pledge Agreements, none of the Security Trustee, the VRR Lender or the other Secured Creditors will be entitled to petition or take any action or other steps or legal proceedings for the winding-up, dissolution, court protection, examinership, reorganisation, receivership, liquidation, bankruptcy or insolvency of the Issuer or for the appointment of an administrator, manager, receiver, receiver manager, examiner, administrative receiver, trustee, liquidator, examiner, sequestrator or similar officer in respect of the Issuer or any of its revenues or assets, provided that the Security Trustee may prove or lodge a claim in the liquidation of the Issuer initiated by another non-affiliated party and provided further that the Security Trustee may take proceedings to obtain a declaration or similar judgment or order as to the obligations and liabilities of the Issuer under the Pledge Agreements or the other Transaction Documents.

### **Modification and Waiver**

For so long as the VRR Loan is outstanding, the Security Trustee is required to have regard to the interests of the Noteholders (and at all times have regard to and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) as regards all rights, powers, trusts, authorities, duties and discretions of the Security Trustee (except where expressly provided otherwise in the Trust Agreement and the Conditions of the Notes). Save in

respect of a Basic Terms Modification, the VRR Entrenched Rights, the Class S Entrenched Rights, the Class R Entrenched Rights and the Swap Counterparty Entrenched Rights, if, in the opinion of the Security Trustee, there is a conflict between one or more classes of Notes, on the one hand, and the interests of the VRR Lender, on the other hand, the Security Trustee shall have regard only to the interests of the relevant affected Class of Notes ranking in priority to other relevant Classes of Notes in the Pre-Enforcement Revenue Priority of Payments (but shall at all times have regard to and subject always to the Class R Entrenched Rights, the Class S Entrenched Rights, the VRR Entrenched Rights and the Swap Counterparty Entrenched Rights) and not to the interests of the VRR Lender, save where the VRR Entrenched Rights are affected (in which case the Security Trustee will have regard to the interests of the VRR Lender).

Any Ordinary Resolution or Extraordinary Resolution passed by any Class of Noteholders will be binding on the VRR Lender (other than any resolutions in respect of a VRR Entrenched Right) if passed in accordance with the Conditions, provided that no Extraordinary Resolution (or Ordinary Resolution) may authorise or sanction any modification or waiver which affects any VRR Entrenched Rights, unless the VRR Lender has consented to such modification or waiver.

**“VRR Entrenched Rights”** means any of the following:

- (a) any modification or waiver which affects the rights of the VRR Lender which, if made, would be adverse to the VRR Loan where a corresponding modification or waiver was not simultaneously made to or in respect of the other Classes of Notes on an equivalent basis;
- (b) any modification or waiver which affects the VRR Lender’s entitlement to 5 per cent. of the Net Available Revenue Funds, Net Available Principal Funds, Net Post-Enforcement Available Funds, Net Post-Closing Principal Reserve Amounts and Net Class R Post-Closing Reserve Amounts, as applicable;
- (c) any modification or waiver which affects the capital treatment of the VRR Lender’s interest in the Portfolio or the VRR Loan, as determined by way of an opinion of a reputable accountancy firm chosen by the VRR Lender (such opinion to be provided within 30 days of the VRR Lender being provided with final drafts of all documents effecting or relating to such modification or waiver);
- (d) any modification or waiver which puts the VRR Lender in breach of its obligations under the EU Securitisation Regulation, the Transaction Documents in connection with the UK Securitisation Regulation or the U.S. Credit Risk Retention Requirements, as determined by way of an opinion of a reputable law firm chosen by the VRR Lender (such opinion to be provided within 30 days of the VRR Lender being provided with final drafts of all documents effecting or related to such modification or waiver);
- (e) any modification or waiver which adversely affects the position of the VRR Lender in relation to derecognition of the Portfolio under ASC 860 or non-consolidation of the Issuer under ASC 810, as determined by way of an opinion of a reputable accountancy firm chosen by the VRR Lender (such opinion to be provided within 30 days of the VRR Lender being provided with final drafts of all documents effecting or related to such modification or waiver);



- (f) any modification to the Portfolio Purchase Option Purchase Price;
- (g) any modification to the Regulatory Change Option Purchase Price;
- (h) any modification of the VRR Lender Right to Match; or
- (i) a modification to this definition of “VRR Entrenched Rights”.

**Governing Law and Submission to Jurisdiction**

The VRR Loan Agreement will be governed by, and shall be construed in accordance with, English law and subject to the jurisdiction of the English courts.

## 6. **PORTFOLIO INFORMATION**

### 6.1 **Stratification Tables**

#### **Stratification Tables**

The numerical information set out below<sup>1</sup> has been provided by the Seller as at the Portfolio Reference Date in respect of a pool of mortgage loans (excluding the Post-Closing Mortgage Loans) (the “**Provisional Mortgage Portfolio**”) as at the Portfolio Reference Date. Therefore, not all of the information set out below in relation to the Portfolio may necessarily correspond to the details of the Mortgage Receivables as at the Closing Date. Furthermore, after the Closing Date, the Portfolio will change from time to time as a result of the repayment, prepayment, amendment and repurchase of Mortgage Receivables and purchase of the Post-Closing Mortgage Receivables.

The Post-Closing Mortgage Receivables that will be purchased on the Post-Closing Mortgage Receivables Purchase Date will not be selected from the Provisional Mortgage Portfolio.

The Mortgage Loans have been selected in accordance with the criteria set forth in the Mortgage Receivables Purchase Agreement and the Mortgage Receivables resulting from such Mortgage Loans will be sold and assigned to the Issuer without undue delay.

---

<sup>1</sup> Weighted Average is calculated using Current Balance.

## Key Highlights – Full Pool<sup>2</sup>

Summary Characteristics	
No. of Loans	1,076
No. of Loan Parts	1,406
No. of Borrowers	1,491
No. of Properties	1,559
Current Balance (€)	314,045,912
Average Original Loan Balance (€)	293,062
Average Current Loan Balance (€)	291,864
Largest Loan Balance (€)	1,953,000
Weighted Average Original LTV (%)	72.68
Weighted Average Current LTV (%)	72.46
Weighted Average Interest Rate (%)	3.52
Weighted Average Revision Margin (%)	3.98
Weighted Average Term to Maturity (Years)	34.19
Weighted Average Seasoning (Months)	3.99
Weighted Average Remaining Fixed Period (Months)	59.09
Interest Only by Balance (%)	53.09
Repayment by Balance (%)	46.91
Remortgage by Balance (%)	65.79
Fixed Rate Product (%)	98.47
Green Products by Balance (%)	14.60
1st Lien (%)	100.00
Company Borrower (%)	11.74
Bankruptcy/IVA by Balance (%)	0.00
No. of Loans on Payment Holidays	0.00
Buy To Let by Balance (%)	100.00
Weighted Average ICR (x)	2.11
Weighted Average DSCR (x)	1.84

<sup>2</sup> Stratification tables are based on Mortgage Loans, Loan Parts or both, as applicable.

## Key Highlights – Community Portfolio

Summary Characteristics	
No. of Loans	159
No. of Loan Parts	164
No. of Borrowers	219
No. of Properties	246
Current Balance (€)	52,484,748
Average Original Loan Balance (€)	331,154
Average Current Loan Balance (€)	330,093
Largest Loan Balance (€)	1,953,000
Weighted Average Original LTV (%)	71.99
Weighted Average Current LTV (%)	71.76
Weighted Average Interest Rate (%)	3.56
Weighted Average Revision Margin (%)	3.96
Weighted Average Term to Maturity (Years)	34.24
Weighted Average Seasoning (Months)	4.37
Weighted Average Remaining Fixed Period (Months)	53.04
Interest Only by Balance (%)	42.09
Repayment by Balance (%)	57.91
Remortgage by Balance (%)	65.48
Fixed Rate Product (%)	100.00
Green Products by Loan Balance (%)	0.44
1st Lien (%)	100.00
Company Borrower (%)	16.76
Bankruptcy/IVA by Balance (%)	0.00
No. of Loans on Payment Holidays	0.00
Buy To Let by Balance (%)	100.00
Weighted Average ICR (x)	2.12
Weighted Average DSCR (x)	1.79

## Key Highlights – DMS Portfolio

Summary Characteristics	
No. of Loans	591
No. of Loan Parts	833
No. of Borrowers	797
No. of Properties	886
Current Balance (€)	174,962,694
Average Original Loan Balance (€)	297,428
Average Current Loan Balance (€)	296,045
Largest Loan Balance (€)	1,687,000
Weighted Average Original LTV (%)	73.13
Weighted Average Current LTV (%)	72.94
Weighted Average Interest Rate (%)	3.50
Weighted Average Revision Margin (%)	3.99
Weighted Average Term to Maturity (Years)	34.40
Weighted Average Seasoning (Months)	3.77
Weighted Average Remaining Fixed Period (Months)	59.26
Interest Only by Balance (%)	60.60
Repayment by Balance (%)	39.40
Remortgage by Balance (%)	66.62
Fixed Rate Product (%)	100.00
Green Products by Loan Balance (%)	18.55
1st Lien (%)	100.00
Company Borrower (%)	12.46
Bankruptcy/IVA by Balance (%)	0.00
No. of Loans on Payment Holidays	0.00
Buy To Let by Balance (%)	100.00
Weighted Average ICR (x)	2.10
Weighted Average DSCR (x)	1.88

## Key Highlights – DNL Portfolio

### Summary Characteristics

No. of Loans	326
No. of Loan Parts	409
No. of Borrowers	475
No. of Properties	427
Current Balance (€)	86,598,470
Average Original Loan Balance (€)	266,569
Average Current Loan Balance (€)	265,639
Largest Loan Balance (€)	1,291,649
Weighted Average Original LTV (%)	72.21
Weighted Average Current LTV (%)	71.92
Weighted Average Interest Rate (%)	3.55
Weighted Average Revision Margin (%)	3.99
Weighted Average Term to Maturity (Years)	33.73
Weighted Average Seasoning (Months)	4.20
Weighted Average Remaining Fixed Period (Months)	62.61
Interest Only by Balance (%)	44.60
Repayment by Balance (%)	55.40
Remortgage by Balance (%)	64.30
Fixed Rate Product (%)	94.44
Green Products by Loan Balance (%)	15.20
1st Lien (%)	100.00
Company Borrower (%)	7.24
Bankruptcy/IVA by Balance (%)	0.00
No. of Loans on Payment Holidays	0.00
Buy To Let by Balance (%)	100.00
Weighted Average ICR (x)	2.12
Weighted Average DSCR (x)	1.79

### Mortgage Loan Stratification Tables – Full Pool

#### **Original Loan to Value (“Original LTV”) and Current Loan to Value (“Current LTV”) as at the Portfolio Reference Date**

The following table shows the Original LTV and Current LTV of the Portfolio as at the Portfolio Reference Date.

<b>Original LTV (%)</b>	<b>Loan Current Balance</b>	<b>% Current Balance</b>	<b>No of Loans</b>	<b>% of Loans</b>	<b>No of Loan Parts</b>	<b>% of Loan Parts</b>
0.01 to 10.00	0	0.00	0	0.00	0	0.00
10.01 to 20.00	0	0.00	0	0.00	0	0.00
20.01 to 30.00	104,000	0.03	1	0.09	1	0.07
30.01 to 40.00	1,350,000	0.43	6	0.56	6	0.43
40.01 to 50.00	8,483,019	2.70	35	3.25	35	2.49
50.01 to 60.00	25,668,411	8.17	81	7.53	85	6.05
60.01 to 70.00	93,416,604	29.75	293	27.23	305	21.69
70.01 to 80.00	185,023,878	58.92	660	61.34	974	69.27
80.01 to 90.00	0	0.00	0.00	0.00	0	0.00
90.01 to 100.00	0	0.00	0.00	0.00	0	0.00
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		72.68				
Minimum		25.06				
Maximum		80.00				

<b>Current LTV (%)</b>	<b>Loan Current Balance</b>	<b>% Current Balance</b>	<b>No of Loans</b>	<b>% of Loans</b>	<b>No of Loan Parts</b>	<b>% of Loan Parts</b>
0.01 to 10.00	0	0.00	0	0.00	0	0.00
10.01 to 20.00	0	0.00	0	0.00	0	0.00
20.01 to 30.00	104,000	0.03	1	0.09	1	0.07
30.01 to 40.00	1,350,000	0.43	6	0.56	6	0.43
40.01 to 50.00	8,755,930	2.79	36	3.35	36	2.56
50.01 to 60.00	25,703,937	8.18	82	7.62	86	6.12
60.01 to 70.00	93,447,748	29.76	293	27.23	306	21.76
70.01 to 80.00	184,684,297	58.81	658	61.15	971	69.06
80.01 to 90.00	0	0.00	0	0.00	0	0.00
90.01 to 100.00	0	0.00	0	0.00	0	0.00
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		72.46				
Minimum		25.06				
Maximum		80.00				

The weighted average Current LTV as at the Portfolio Reference date of the Loans is 72.46 per cent.

### Original Principal Balance and Current Principal Balance as at the Portfolio Reference Date

The following table shows the Original Principal Balance and the Current Principal Balance as at the Portfolio Reference Date

Original Balance (€)	Loan Current Balance	% Current Balance	Loan Part Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
0 to 25,000	0	0.00	479,944	0.15	0	0.00	23	1.64
25,001 to 50,000	0	0.00	4,902,308	1.56	0	0.00	129	9.17
50,001 to 100,000	2,471,265	0.79	13,684,587	4.36	25	2.32	180	12.80
100,001 to 150,000	25,992,212	8.28	36,029,605	11.47	203	18.87	282	20.06
150,001 to 200,000	43,424,584	13.83	45,254,885	14.41	249	23.14	263	18.71
200,001 to 250,000	40,991,669	13.05	34,058,974	10.85	185	17.19	154	10.95
250,001 to 500,000	91,020,848	28.98	84,683,646	26.97	269	25.00	251	17.85
500,001 to 750,000	58,239,798	18.54	48,485,005	15.44	98	9.11	81	5.76
750,001 to 1,000,000	19,219,372	6.12	21,802,976	6.94	22	2.04	25	1.78
>= 1,000,001	32,686,162	10.41	24,663,984	7.85	25	2.32	18	1.28
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Average		293,062.29		224,278.11				
Minimum		91,000.00		11,000.00				
Maximum		1,953,000.00		1,953,000.00				

Current Balance (€)	Loan Current Balance	% Current Balance	Loan Part Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
0 to 25,000	0	0.00	479,944	0.15	0	0.00	23	1.64
25,001 to 50,000	0	0.00	4,902,308	1.56	0	0.00	129	9.17
50,001 to 100,000	2,471,265	0.79	13,684,587	4.36	25	2.32	180	12.80
100,001 to 150,000	26,142,019	8.32	36,329,114	11.57	204	18.96	284	20.20
150,001 to 200,000	43,655,392	13.90	45,136,375	14.37	250	23.23	262	18.63
200,001 to 250,000	40,860,800	13.01	34,600,271	11.02	184	17.10	156	11.10
250,001 to 500,000	91,267,946	29.06	84,458,191	26.89	269	25.00	249	17.71
500,001 to 750,000	58,488,987	18.62	48,734,194	15.52	98	9.11	81	5.76
750,001 to 1,000,000	18,473,341	5.88	21,056,944	6.71	21	1.95	24	1.71
>= 1,000,001	32,686,162	10.41	24,663,984	7.85	25	2.32	18	1.28
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Average		291,864.23		223,361.25				
Minimum		91,000.00		11,000.00				
Maximum		1,953,000.00		1,953,000.00				



**Seasoning as at the Portfolio Reference Date**

The following table shows the range of the numbers of months since the completion dates of the Mortgage Loans as at the Portfolio Reference Date.

Seasoning (Months)	Loan Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
0.00 to 2.99	112,063,801	35.68	374	34.76	499	35.49
3.00 to 5.99	124,753,018	39.72	427	39.68	570	40.54
6.00 to 8.99	76,342,813	24.31	274	25.46	336	23.90
9.00 to 11.99	886,279	0.28	1	0.09	1	0.07
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		3.99				
Minimum		0.07				
Maximum		9.40				

The weighted average seasoning as at the Portfolio Reference Date of the Mortgage Loans is 3.99 months.

**Fixed Rate Revision Year**

The following table shows the distribution of Loans by the fixed rate revision year as at the Portfolio Reference Date.

Fixed Rate Revision Year	Loan Part Current Balance	% Current Balance	No of Loan Parts	% of Loan Parts
2021	0	0.00	0	0.00
2022	10,291,586	3.28	50	3.56
2023	9,366,483	2.98	42	2.99
2024	65,204,844	20.76	303	21.55
2025	0	0.00	0	0.00
2026	128,795,286	41.01	585	41.61
2027	0	0.00	0	0.00
2028	67,028,083	21.34	287	20.41
2029	0	0.00	0	0.00
2030	0	0.00	0	0.00
2031	28,543,036	9.09	117	8.32
N/A (Floating for Life)	4,816,594	1.53	22	1.56
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>

**Remaining Term as at the Portfolio Reference Date**

The following table shows range of the number of years until the maturity dates of the Mortgage Loans as at the Portfolio Reference Date.

Remaining Time To Maturity (Years)	Loan Current Balance	% Current Balance	Loan Part Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
5.01 to 10.00	742,500	0.24	782,660	0.25	2	0.19	3	0.21
10.01 to 15.00	175,000	0.06	175,000	0.06	1	0.09	1	0.07
15.01 to 20.00	1,935,944	0.62	1,935,944	0.62	11	1.02	11	0.78
20.01 to 25.00	1,435,559	0.46	1,435,559	0.46	7	0.65	9	0.64
25.01 to 30.00	10,651,588	3.39	10,611,428	3.38	47	4.37	58	4.13
30.01 to 35.00	299,105,322	95.24	299,105,322	95.24	1,008	93.68	1324	94.17
35.01 to 40.00	0	0.00	0	0.00	0	0.00	0	0.00
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		34.19		34.19				
Minimum		6.72		6.72				

Maximum	35.00	35.00
---------	-------	-------

### Interest Rates

The following table shows the range of Interest Rates for the Mortgage Loans as at the Portfolio Reference Date.

Interest Rate (%)	Loan Part Current Balance	% Current Balance	No of Loan Parts	% of Loan Parts
0 to 2.50	235,000	0.07	2	0.14
2.51 to 3.00	16,000,908	5.10	57	4.05
3.01 to 3.50	144,659,474	46.06	507	36.06
3.51 to 4.00	136,278,332	43.39	753	53.56
4.01 to 4.50	16,872,198	5.37	87	6.19
4.51 to 5.00	0	0.00	0	0
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		3.52		
Minimum		2.45		
Maximum		4.25		

Revision Margin (%)	Loan Part Current Balance	% Current Balance	No of Loan Parts	% of Loan Parts
3.01 to 3.50	0	0.00	0	0.00
3.51 to 4.00	188,894,704	60.15	662	47.08
4.01 to 4.50	125,151,208	39.85	744	52.92
4.51 to 5.00	0	0.00	0	0.00
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		3.98		
Minimum		3.60		
Maximum		4.25		

### Interest Rate Type

The following table shows the interest rate type of the Mortgage Loans as at the Portfolio Reference Date.

Interest Product Type (Reversionary Rate Index)	Loan Part Current Balance	% Current Balance	No of Loan Parts	% of Loan Parts
3-month EURIBOR	314,045,912	100.00	1,406	100.00
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>

### Arrears

The following table shows the distribution of Mortgage Loans by number of months in arrears as at the Portfolio Reference Date.

Arrears (Months)	Loan Current Balance	% Current Balance	No of Loans	% of Loans
<= 0.00	314,045,912	100.00	1,076	100.00
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>
Weighted Average		0.00		
Minimum		0.00		

Maximum

0.00

**Loan Purpose**

The following table shows the loan purpose of the Mortgage Loans as at the Portfolio Reference Date.

Loan Purpose	Loan Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
Purchase	79,003,369	25.16	364	33.83	505	35.92
Re-mortgage	206,609,046	65.79	647	60.13	813	57.82
Mixed	28,433,496	9.05	65	6.04	88	6.26
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>

**Originator**

The following table shows the distribution of Mortgage Loans by Originator as at the Portfolio Reference Date.

Originator	Loan Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
Casaron	52,484,748	16.71	159	14.78	164	11.66
De Netherlandse	86,598,470	27.58	326	30.30	409	29.09
Nestr	174,962,694	55.71	591	54.93	833	59.25
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>

**Borrower type**

The following table shows the type of borrower of the Mortgage Loans as at the Portfolio Reference Date.

Borrower Type	Loan Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
Company	36,860,295	11.74	113	10.50	144	10.24
Person	277,185,617	88.26	963	89.50	1262	89.76
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>

**ICR**

The following table shows the range of the ICR of the Mortgage Loans as at the Portfolio Reference Date.

ICR (x)	Loan Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
1.01 to 1.25	0	0.00	0	0.00	0	0.00
1.26 to 1.50	11,152,510	3.55	20	1.86	28	1.99
1.51 to 2.00	154,576,929	49.22	492	45.72	708	50.36
2.01 to 2.50	86,533,121	27.55	329	30.58	417	29.66
2.51 to 3.00	37,664,893	11.99	142	13.20	155	11.02
3.01 to 3.50	16,880,659	5.38	61	5.67	66	4.69
3.51 to 4.00	3,856,785	1.23	14	1.30	14	1.00
4.01 >=	3,381,015	1.08	18	1.67	18	1.28
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		2.11				
Minimum		1.29				
Maximum		6.76				

**DSCR**

The following table shows the range of the DSCR of the Mortgage Loans as at the Portfolio Reference Date.

DSCR (x)	Loan Current Balance	% Current Balance	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
1.01 to 1.25	37,744,005	12.02	120	11.15	158	11.24
1.26 to 1.50	82,081,986	26.14	278	25.84	437	31.08
1.51 to 2.00	95,484,662	30.40	329	30.58	448	31.86
2.01 to 2.50	51,723,114	16.47	175	16.26	185	13.16
2.51 to 3.00	28,280,106	9.01	104	9.67	108	7.68
3.01 to 3.50	12,389,870	3.95	43	4.00	43	3.06
3.51 to 4.00	3,243,667	1.03	11	1.02	11	0.78
4.01 >=	3,098,500	0.99	16	1.49	16	1.14
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>
Weighted Average		1.84				
Minimum		1.10				
Maximum		6.76				

**Property Stratification Tables<sup>3</sup>****Ownership type**

\*Current Balance derived based on weight of property value

The following table shows the ownership type of the properties secured by the Mortgage Loans as at the Portfolio Reference Date.

Ownership Type	Loan Current Balance	% Current Balance	No of Properties	% of Properties	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
Non-owner-occupied/buy-to-let	314,045,912	100.00	1,559	100.00	1,076	100.00	1,406	100.00
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,559</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>

**Properties per Mortgage Loan**

The following table shows the number of properties per Mortgage Loan as at the Portfolio Reference Date.

Number of Properties per Loan	Loan Current Balance	% Current Balance	No of Properties	% of Properties	No of Loans	% of Loans	No of Loan Parts	% of Loan Parts
1	195,098,466	62.12	829	53.18	829	77.04	1,090	77.52
2	46,776,065	14.89	274	17.58	137	12.73	180	12.80
3	33,808,203	10.77	183	11.74	61	5.67	78	5.55
4	10,570,216	3.37	76	4.87	19	1.77	22	1.56
>=5	27,792,962	8.85	197	12.64	30	2.79	36	2.56
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,559</b>	<b>100.00</b>	<b>1,076</b>	<b>100.00</b>	<b>1,406</b>	<b>100.00</b>

<sup>3</sup> Current Balance derived based on weight of property value.

**Property Type**

The following table shows the types of properties secured by the Mortgage Loans as at the Portfolio Reference Date.

Property Type	Loan Current Balance	% Current Balance	No of Properties	% of Properties
House	117,355,510	37.37	516	33.10
Flat	182,831,072	58.22	1,007	64.59
Residential with commercial element	13,859,329	4.41	36	2.31
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,559</b>	<b>100.00</b>

**Geographic Region**

The following table shows the distribution of geographic region of Properties securing the Mortgage Loans throughout the Netherlands as at the Portfolio Reference Date. No Properties are situated outside the Netherlands.

Regions	Loan Current Balance	% Current Balance	No of Properties	% of Properties
Drenthe	5,329,528	1.70	40	2.57
Flevoland	13,551,711	4.32	68	4.36
Friesland (NL)	13,334,137	4.25	90	5.77
Gelderland	23,919,955	7.62	106	6.80
Groningen	13,794,544	4.39	72	4.62
Limburg (NL)	12,770,948	4.07	86	5.52
Noord-Brabant	37,057,872	11.80	175	11.23
Noord-Holland	70,865,934	22.57	268	17.19
Overijssel	9,440,871	3.01	49	3.14
Utrecht	15,199,751	4.84	64	4.11
Zeeland	3,792,323	1.21	25	1.60
Zuid-Holland	94,988,339	30.25	516	33.10
<b>Total:</b>	<b>314,045,912</b>	<b>100.00</b>	<b>1,559</b>	<b>100.00</b>

## Weighted average life

The weighted average lives of the Notes will be influenced by, among other things, the actual rates of repayment and prepayment of the Mortgage Loans. The weighted average lives of the Notes cannot be stated, as the actual rates of repayment and prepayment of the Mortgage Loans and a number of other relevant factors are unknown.

However, calculations of the possible weighted average lives of the Notes can be made based on certain assumptions. The model used for the Mortgage Loans represents an assumed CPR de-annualized for each month relative to the then principal balance of a pool of mortgage loans outstanding at the beginning of such month. CPR does not purport to be either a historical description of the prepayment experience of any pool of mortgage loans or a prediction of the expected rate of prepayment of any mortgage loans, including the Mortgage Loans.

The following tables were prepared based on the characteristics of the Mortgage Loans in the Provisional Mortgage Portfolio and the following additional assumptions:

- (a) the Portfolio Option Holder exercises the Portfolio Purchase Option and the Portfolio Purchase Option Completion Date occurs on the First Optional Redemption Date, in the first scenario and as set out in the table headed "Assuming the occurrence of the Portfolio Purchase Option with the Portfolio Purchase Option Completion Date occurring on the First Optional Redemption Date" below, or the Portfolio Purchase Option is not exercised on or after the First Optional Redemption Date, in the second scenario and as set out in the table headed "Assuming no occurrence of the Portfolio Purchase Option" below;
- (b) the Mortgage Loans are fully performing and there are no arrears or enforcements;
- (c) no Enforcement Notice has been served on the Issuer and no Event of Default has occurred;
- (d) there are no undrawn Construction Deposits released to the Issuer to be applied as Available Principal Funds;
- (e) there are no breach of representation and warranties;
- (f) there is no debit balance on any of the sub-ledgers of the Principal Deficiency Ledgers on any Notes Payment Date;
- (g) there is no revenue shortfall;
- (h) there is no principal applied as revenue;
- (i) on the Closing Date, the Class A Notes represent 87.75 per cent., the Class B Notes represent 5.75 per cent., the Class C Notes represent 3.25 per cent., the Class D Notes represent 2.25 per cent., the Class E Notes represent 1.00 per cent. of 95 per cent. of the Portfolio;
- (j) the amortisation of any Annuity Mortgage Loan is calculated as an annuity loan on a 30/360 basis, and the interest on any Loan is calculated on a 30/360 basis;

- (k) all Mortgage Loans which are not Annuity Mortgage Loans are assumed to be Interest-Only Mortgage Loans;
- (l) there is a EURIBOR rate of -0.562 per cent. for all Mortgage Loans;
- (m) the weighted average lives are calculated on a 30/360 basis;
- (n) The Closing Date is 17 January 2022, the first Notes Payment Date is 17 April 2022 and each Notes Payment Date thereafter will occur on the 17 July, October, January and April each year, subject to business days adjustments;
- (o) The First Optional Redemption Date is the Notes Payment Date falling in January 2027;
- (p) the other fees and expenses of the Issuer are equal to zero;
- (q) the Portfolio as at the Closing Date is identical to the Provisional Mortgage Portfolio as at the Portfolio Reference Date;
- (r) no Mortgage Loan is subject to a payment holiday;
- (s) on the Closing Date, the Liquidity Reserve Fund Balance will be an amount equal to 0.75 per cent of (100/95) of the Principal Amount Outstanding of the Class A Notes on the Closing Date;
- (t) prior to the Class A Redemption Date, on any Notes Payment Date up to (and including) the First Optional Redemption Date, Available Principal Funds will be applied to increase the Liquidity Reserve Fund Balance to an amount equal to 1.25 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes (following application of the Net Post Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments);
- (u) on or following the Class A Redemption Date, amounts standing to the credit of the Liquidity Reserve Fund will be applied as Available Principal Funds;
- (v) no Post-Closing Mortgage Receivables will be purchased prior to the Final Post-Closing Mortgage Receivables Purchase Date;
- (w) no Revenue Excess Amounts are applied as Available Principal Funds;
- (x) there are no Authorised Investments; and
- (y) for the purposes of the Pricing CPR columns in the table below, the assumed CPR is:
  - 10 per cent. for the 30 months from the Cut-off Date;
  - 18 per cent. for the next 13 months;
  - 13 per cent. for the next 11 months;
  - 32 per cent. for the next 15 months;

- 19 per cent. for the next 8 months;
- 35 per cent. for the next 15 months;
- 24 per cent. for the next 21 months;
- 38 per cent. for the next 17 months; and
- 30 per cent. thereafter.

The actual characteristics and performance of the Mortgage Loans are likely to differ from the assumptions.

The following tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, it is not expected that the Mortgage Loans will prepay at a constant rate until maturity, that all of the Mortgage Loans will prepay at the same rate or that there will be no defaults or delinquencies on the Mortgage Loans.

<b>Assuming the occurrence of the Portfolio Purchase Option with the Portfolio Purchase Option Completion Date occurring on the First Optional Redemption Date</b>						
	<b>Pricing</b>	<b>0%</b>	<b>5%</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>
A	3.52	4.92	4.27	3.69	3.18	2.73
B	5.00	5.00	5.00	5.00	5.00	5.00
C	5.00	5.00	5.00	5.00	5.00	5.00
D	5.00	5.00	5.00	5.00	5.00	5.00
E	5.00	5.00	5.00	5.00	5.00	5.00

<b>Assuming no occurrence of the Portfolio Purchase Option</b>						
	<b>Pricing</b>	<b>0%</b>	<b>5%</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>
A	4.02	26.89	11.25	6.18	4.16	3.09
B	9.30	35.00	32.56	19.81	13.47	10.01
C	10.67	35.00	34.67	24.51	16.84	12.55
D	12.47	35.00	34.83	29.62	20.73	15.51
E	14.85	35.00	35.00	34.24	25.49	19.19



## 6.2 Description of Mortgage Loans

The Mortgage Loans (or in case of Mortgage Loans consisting of more than one Loan Part (*leningdeel*), the aggregate of such Loan Parts) are secured by a first-ranking mortgage right (*hypotheekrecht*), evidenced by notarial mortgage deeds. The mortgage rights secure the relevant Mortgage Loans and are vested over non-owner occupied residential and mixed-use properties situated in the Netherlands. The Mortgage Loans and the mortgage rights securing the liabilities arising from them are governed by Dutch law. Most of the Mortgage Loans have a fixed rate of interest. The terms and conditions of each Mortgage Loan provide that the interest rate applicable to that Mortgage Loan shall be reset from time to time. The Mortgage Loans have characteristics that demonstrate the capacity to produce funds to service any payments due and payable under the Notes and the VRR Loan.

### Mortgage Loan Types

The Mortgage Loans may consist of any of the following types of redemption:

- (a) Interest-only Mortgage Loans (*aflossingsvrije hypotheken*);
- (b) Annuity Mortgage Loans (*annuïteitenhypotheken*); or
- (c) combinations of Interest-only Mortgage Loan Parts (*aflossingsvrije leningdelen*) and Annuity Mortgage Loans (*annuïtaire leningsdelen*).

The mortgage rights securing the Mortgage Loans may be vested on a long lease (*erfpacht*) provided that the landowner is either a municipality or a building society (semi-governmental body). A long lease will, among other things, end as a result of expiration of the long lease term (in the case of a lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease if the leaseholder has not paid the remuneration due for a period exceeding two consecutive years or seriously breaches (*in ernstige mate tekortschiet*) other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the mortgage right will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder on the landowner for such compensation. The amount of compensation will, among other things, be determined by the conditions of the long lease and may be less than the market value of the long lease.

### Description of Mortgage Loan Types

Interest-only Mortgage Loans (*aflossingsvrije hypotheken*) and Interest-only Mortgage Loan Parts (*aflossingsvrije leningdelen*): A portion of the Mortgage Loans (or Loan Parts) will be in the form of Interest-only Mortgage Loans, as can be derived from the stratification tables in Section 6.1 (*Stratification Tables*). Interest-only Mortgage Loans from which Mortgage Receivables result may have been granted up to an amount equal to 75 per cent. of the appraised market value (of the property if let, unless the value of the property if not let, is lower) of the Mortgaged Asset at origination. If the mortgage amount at origination date is higher than 75 per cent. LTV, an Interest-only Mortgage Loan is also allowed. In that case, the maximum Interest-only Mortgage Loan is 30 per cent. of the principal, the remainder must be repaid on an annuity basis over a maximum term of 35 years. Under an Interest-only Mortgage Loan, the Borrower is not obliged to pay principal towards redemption of the relevant Mortgage Loan until the maturity of such Mortgage Loan.

Interest is payable monthly and is calculated based on the outstanding balance of the Mortgage Loan (or Loan Part).

Annuity Mortgage Loans (or Loan Parts) (*annuïteitenhypotheken*): A portion of the Mortgage Loans (or Loan Parts) will be in the form of Annuity Mortgage Loans, as can be derived from the stratification tables in Section 6.1 (*Stratification Tables*). Under an Annuity Mortgage Loan, the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that such Mortgage Loan will be fully redeemed after a loan duration of 35 years or at the end of its term, as the case may be. Pursuant to the terms and conditions of the Mortgage Loans, a Borrower may request to switch from an Annuity Mortgage Loan to an Interest-only Mortgage Loan if the LTV ratio of the Mortgaged Asset becomes equal to 75 per cent. or less. Such a switch does not occur automatically and in order to determine the LTV an up-to-date full mortgage valuation is required, which is paid for by the Borrower.

Most of the Mortgage Loans initially carry a fixed rate of interest, a limited number of Mortgage Loans initially carry a floating rate of interest. The terms and conditions of the Mortgage Loans provide that after the end of the first fixed interest rate period, the fixed interest rate automatically switches to a floating interest rate unless the relevant Originator and the relevant Borrower agree to a new fixed interest rate applicable at that time for the chosen fixed rate period, in which case the current Mortgage Loan will be settled and a new Mortgage Loan will need to be granted. See Section 7.5 (*Interest rate reset in respect of Mortgage Receivables*).

### **Construction deposits**

Pursuant to the Mortgage Conditions of the Mortgage Loans originated by DNL, DMS and Community, in respect of certain Mortgage Loans, the Borrower has the right to request that part of the Mortgage Loan will be applied towards refurbishment of, or improvements to, the relevant Mortgaged Asset. The Construction Deposits are withheld by the relevant Originator and placed on an account with the relevant Collection Foundation and will be paid if certain conditions are met. The purchase price for the relevant Mortgage Receivable is based on its outstanding principal amount plus the relevant amount of the Construction Deposit standing to the credit of the relevant Collection Foundation and not yet drawn by the relevant Borrower. In that case the Borrower has placed part of the monies drawn down under the Mortgage Loan on deposit with the Seller, and the Seller has committed to pay out such deposits to or on behalf of the relevant Borrowers in order to enable them to pay for construction of, or improvements to, the relevant Mortgaged Asset, provided certain conditions are met (such mortgages are called construction mortgages (*bouwhypotheken*)). The aggregate amount of the deposits placed with the Seller in connection with these construction mortgages may not exceed the lower of (i) EUR 75,000.00 and (ii) 20 per cent. of either the purchase price of the property or the market value of the property prior to the relevant construction works have started, and needs to be paid out in full within six (6) months from the start date of the relevant Mortgage Loan (unless otherwise agreed). After such period the remaining amount of the deposit will be set off against the relevant Mortgage Receivable up to the amount of such deposit.

### 6.3 Origination and Servicing

The information set out in this Section 6.3 (*Origination and Servicing*) sets out the origination and servicing processes as at the date of this Prospectus.

#### **Mortgage Receivables acquired by the Seller**

The Seller is not the originator or original lender in respect of the Mortgage Loans in the Portfolio. The Seller purchased the Mortgage Receivables from (i) the DMS Original Seller in respect of Mortgage Loans originated by the DMS Originator, (ii) the DNL Original Seller in respect of Mortgage Loans originated by the DNL Originator and (iii) the Community Original Seller in respect of Mortgage Loans originated by the Community Originator, and the Seller will sell them to the Issuer. The Seller conducted due diligence in respect of the Mortgage Loans in the Portfolio, including speaking to management, reviewing underwriting and servicing policies, and procuring legal due diligence reports from law firms, asset due diligence reports from a risk management consultancy, and reports from financial auditors, to satisfy itself that the criteria applied by the Original Sellers in the credit-granting for the Mortgage Loans were sound and well-defined and based on clearly established processes for approving, amending, renewing and financing those credits and that the Original Sellers had effective systems in place to apply those criteria and processes to ensure that such credit-granting was based on a thorough assessment of the Borrowers' creditworthiness. However, the Seller and the Retention Holder cannot give, from a factual point of view, assurance that the lending criteria of the relevant original lender in respect of the Mortgage Loans were always applied consistently at the time of origination of the Mortgage Loans or that different criteria were not applied.

#### *The DNL Originator*

#### **Introduction**

The following is a description of some of the characteristics of the Mortgage Loans originated by the DNL Originator comprised in the Portfolio including details of mortgage loan types and selected statistical information.

Unless otherwise indicated, the description that follows relates to types of mortgage loans that could be sold to the Issuer as part of the Portfolio as at the Closing Date and formed part of the Provisional Mortgage Portfolio as at the Portfolio Reference Date.

#### **Origination of the Portfolio**

The Portfolio comprises Mortgage Loans originated by, *inter alia*, the DNL Originator.

#### **Security**

All of the Mortgages originated by the DNL Originator are secured by first ranking legal mortgages over a freehold residential or leasehold (*erfpacht*) property in the Netherlands and a first ranking pledge on the rental payments and other revenues (such as insurance proceeds) associated to the properties financed by the DNL Originator.

For corporate entity borrowers a limited personal guarantee is provided by the ultimate beneficial owners(s) of a legal entity Borrower. Personal guarantee amounts of all

guarantors must equal or exceed the loan amount. The amounts of individual guarantees are distributed over the ultimate beneficial owner(s) at the discretion of the DNL Originator.

### **Characteristics of the Mortgage Loans originated by the DNL Originator**

Most of the Mortgage Loans originated by the DNL Originator initially carry a fixed rate of interest, and a certain number of Mortgage Loans originated by the DNL Originator initially carry a floating rate of interest. The interest rate of the Mortgage Loans that initially carry a fixed interest rate automatically switch to a floating interest rate after the end of the first fixed interest rate period unless the DNL Originator and the relevant Borrower agree to a new fixed interest rate applicable at that time for the chosen fixed rate period, in which case the current Mortgage Loan will be settled and a new Mortgage Loan will need to be granted.

Investors should note, in this regard, that, if for any reason it is not possible to determine the relevant tracked rate (i.e. EURIBOR) applicable to any Mortgage Loan, (a) the DNL Originator's mortgage terms and conditions provide that it may be replaced by such other rate as the DNL Originator reasonably decides is a comparable rate at that time, subject to notifying Borrowers accordingly; (b) the DNL Originator's mortgage terms and conditions provide that it may be replaced by an available benchmark interest rate in the Netherlands for determining floating interest rates at that time, as notified to the Borrowers; and (c) the DNL Originator's mortgage terms and conditions provide that it will be replaced by such other available rate of interest as the DNL Originator reasonably decides is a comparable floating interest rate at that time, as notified to the Borrowers.

### **Repayment terms**

Borrowers typically make payments of interest on, and repay principal of, their Mortgage Loans using one of the following methods:

- (a) annuity: the Borrower makes monthly payments of both interest and principal so that, at the end of the mortgage term, the Borrower will have repaid the full amount of the principal of the Mortgage Loan (an **"Annuity Mortgage Loan"**);
- (b) interest only: the Borrower makes monthly payments of interest but not of principal; at the end of the mortgage term, the entire principal amount of the Mortgage Loan is still outstanding and the Borrower must repay that amount in one lump sum or by way of regular payments (an **"Interest-Only Loan"**). Interest-Only Loans are only acceptable where the LTV is less than 75%. If the mortgage amount at origination date is higher than 75 per cent. LTV, an Interest-only Mortgage Loan is also allowed. In that case, the maximum Interest-only Mortgage Loan is 30 per cent. of the principal, the remainder must be repaid on an annuity basis over a maximum term of 35 years.

Pursuant to the terms and conditions of the Mortgage Loans, a Borrower may request to switch from an Annuity Mortgage Loan to an Interest-only Mortgage Loan if the LTV ratio of the Mortgaged Asset becomes equal to 75 per cent. or less. Such a switch does not occur automatically and in order to determine the LTV an up-to-date full mortgage valuation is required, which is paid for by the Borrower (satisfactory to the DNL Originator and the valuer is instructed by the DNL Originator).

## **Further advances, porting and product switches**

No further advance, flexible redrawing, product switch or porting has been offered in respect of any of the Mortgage Loans and the DNL Originator is not permitted to agree to a further advance, a flexible redrawing, a product switch or porting in respect of the Mortgage Loans.

## **Exception Loans**

There are, in total and therefore aggregately in relation to the DMS Originator, the DNL Originator and the Community Originator, twelve (12) Mortgage Loans in the Provisional Mortgage Portfolio as at the Portfolio Reference Date with respect to which certain elements of the lending criteria of the relevant Originator (usually related to COVID-19 specific lending criteria, the relevant rental agreements or the relevant secured property's characteristics) were not met as at the date of origination of each such Mortgage Loan (together, the "**Exception Loans**"). Exception Loans are permitted to be originated if certain additional approvals were obtained by the DNL Originator in connection with such Mortgage Loan. The Exception Loans included in the Provisional Mortgage Portfolio as at the Portfolio Reference Date represented, in total, no more than approximately 1.17 per cent. of the aggregate Current Balance of Mortgage Loans in the Provisional Mortgage Portfolio.

## **The DNL Originator's Lending criteria**

The following is a summary of aspects of the lending criteria (the "**DNL Originator Lending Criteria**") that the DNL Originator agreed to apply in respect of the Mortgage Loans (other than the Exception Loans) originated by it.

### **Description of "BTL-Loans"**

Mortgages to finance buy to let residential real estate, mixed residential/commercial properties or portfolios that are situated in the Netherlands.

Non-Consumer: These mortgage products and borrowers must be determined to be 'Non-Consumer' mortgage loans according to Dutch law.

### **Asset type securing the Mortgages**

Residential properties or portfolios of residential properties for rental purposes. These properties include both regulated Properties and non-regulated Properties (i.e. those properties which are on either side of the monthly rent threshold of € 752,33 and/or the 145 point threshold). The property can be purely residential or mixed use (part residential and part commercial use). Where the property financed by the DNL Originator is mixed use further requirements apply to the property's LTV and affordability.

A Property is required to be located in the Netherlands and not located in a municipality that is excluded by the DNL Originator. The excluded municipalities include earthquake sensitive locations.

## **Borrower**

The Borrower is required to be a professional as the DNL Originator is not licensed to provide Mortgage Loans to consumers. A Borrower is required to reside in the Netherlands. Any Borrower must be at least 18 years of age prior to completion of the Mortgage Loan. In case of Dutch legal entities, the DNL Originator requires that all ultimate beneficial owners are Dutch residents. the DNL Originator does not finance expats or Dutch nationals living abroad. Borrowers are to meet the DNL Originator's satisfactory Customer Due Diligence and Know Your Client research.

For legal entities, the structure must be transparent and comprehensible. If applicable, incorporation deeds and articles of association should be investigated and be acceptable. The (beneficial) owners and persons with authority to decide and act should be verifiable and identifiable.

## **Borrowers Credit History**

The DNL Originator request a statement of the registered loans from the Credit Registration Agency ("**BKR**") for each applicant. The DNL Originator requires a 5 year clean credit with the BKR. An application is declined by originator in case:

- (a) The employer's declaration or payslip shows that a wage garnishment or wage assignment applies; or
- (b) The BKR assessment shows:
  - (i) a code of 1 to 5; or
  - (ii) a debt settlement is still current; or
  - (iii) an A registration.

No bankruptcy or secured loan defaults in the last 60 months are accepted under any circumstance.

Private individuals, directors and shareholders of corporate entities are underwritten under the same rules and standards inclusive of underlying credit searches as outlined above.

## **Maximum Mortgage Loan amount**

The maximum loan amount for loans provided by the DNL Originator is €2 million per loan with a 75% LTV, except for certain temporary measures that have been taken as a result of COVID-19. The maximum loan amount is determined on actual aggregate lending per borrower. The maximum actual aggregate outstanding lending per borrower is €5 million.

## **Minimal Mortgage Loan amount**

The minimal loan amount for loans provided by the DNL Originator is €100,000.

## **Loan purpose**

In general applications to acquire a property or refinance an existing mortgage will be considered, provided that the application is concerned with Buy-to-Let rental property.

The secured property must be habitable and rentable from the outset, and be let within 3 months of drawdown. Where the property is not let at the outset the borrower must provide the DNL Originator with a copy of the tenancy agreement within 3 months of drawdown.

## **Maximum Mortgage term**

The maximum legal loan duration for loans provided by the DNL Originator is 35 years. Borrowers are allowed to request shorter legal loan durations. The loan legal duration plus the age of borrower must be equal to or less than 95 years at application. The minimum loan legal duration is 5 years.

## **Property Valuation**

A valuation on behalf of the DNL Originator and instructed by the DNL Originator is required in the underwriting process. The valuation is valid for maximum of 6 months from the date of inspection.

The DNL Originator requires a full physical valuation (inspection) including internal photos and comparable for both rental income and the property value.

The DNL Originator requires that upon the moment of giving out the binding offer a maximum of six months have lapsed since the date of inspection of the property based on which the valuation report was drafted.

There has been no revaluation of the properties for the purpose of the issue of the Notes. Any original valuations quoted in this Prospectus are as at the date of the original initial Mortgage Loan origination.

## **Affordability**

Interest Coverage Ratio (ICR): is based on the interest only mortgage payment.

Debt Service Coverage Ratio (DSCR): is based on the contractual mortgage payment i.e. capital and interest if the mortgage is amortising or interest only if the mortgage is non-amortising.

## **The DNL Originator Minimum Affordability Requirements**

The DNL Originator requires that the following affordability ratios must be met:

- (a) Minimum 110% DSCR - calculated from the gross residential rental income generated from the proposed security divided by the contractual mortgage payment; and
- (b) Minimum 150% ICR of which at least 125% must come from the gross residential rental income generated from the proposed security as an absolute minimum i.e. the 'self-financing' element. Other residential and / or commercial property related

income can be included in order to achieve the 150% ICR, if required (subject to the minimum 'self-financing' ICR floor of 125% being met).

Where the interest fixing period is less than 5 years, DSCR/ICRs are calculated based on a stressed rate that equals the price grid for the 5 year fixed product (at the equivalent LTV). Where the interest fixing period is equal to or greater than 5 years, DSCR/ICRs are calculated based on the individual product pay rate.

## **LTV**

The maximum LTV for loans provided by the DNL Originator is 80%. The maximum LTV for mixed usage properties is 75%. The maximum LTV for loans provided by the DNL Originator above €1.5 million is 75%.

## **Purchase Application**

The loan amount is based on the lower of the valuation or the purchase price. The LTV is based on the loan amount divided by the market value in rented state. The only exception to the above is where the applicant can demonstrate improvement works or activities to the DNL Originator's satisfaction.

## **Re-mortgage Application**

At least one applicant must have been the registered owner of the property to be re-mortgaged for a minimum of six months prior to the application date. Subject to meeting the minimum 6 months registered ownership requirement the LTV for re-mortgages is based on the valuation.

## **Fixed interest rate periods and floating rate periods**

Most of the Mortgage Loans originated by the DNL Originator initially carry a fixed rate of interest, and some of the Mortgage Loans originated by the DNL Originator initially carry a floating rate of interest. Fixed interest rates are offered by the DNL Originator for 1, 2, 3, 5, 7, and 10 years interest fixed duration.

At the end of the fixed rate period the loan will switch to a EURIBOR (or a replacement index in the event of discontinuation of EURIBOR) plus a fixed margin for the remainder of the term. Following draw down of the loan the margin cannot be changed.

## **Annual Redemption**

Annual redemption is calculated such that the outstanding balance of the loan must be zero (0) at the end of its term. The loan will continue to amortise unless the DNL Originator receives a request from the borrower to switch to interest only and they are able to evidence, via a new valuation, that the LTV is no higher than 75%.

## **Early Redemption and Prepayment**

A maximum of 10% of the original principal amount of the loan can be prepaid every calendar year without penalty. The DNL Originator allows for full redemption of the Mortgage Loan without an early repayment fee in the following scenarios:



- (a) At the expiry of the fixed interest period;
- (b) Within 12 months of the death of the debtor;
- (c) In case of a sale of the Mortgaged Asset by the Borrower after the first twelve (12) months of the term of the Mortgage Loan; or
- (d) Where the secured property has been damaged to the point it is no longer habitable e.g. through fire or being demolished.

### **Early Redemption Penalty**

Other than in case of the scenarios in relation to early redemption as described above, an early repayment fee is due by the Borrower in case of a redemption before the end of the interest fixed period. The penalty is based on the outstanding loan amount *minus* any penalty free sum that has not already been used in the relevant calendar year. The penalty interest is charged on the net sum that is repaid. The penalty interest is determined by calculating the difference between the interest the Borrower pays and the interest the Lender would charge for the remainder of the applicable fixed rate period. A minimum penalty is charged of 1.5% of the current outstanding principal under the Mortgage Loan (less any penalty free sum). For certain Mortgage Loans, in case of early repayment within the first twelve (12) months of the term of the Mortgage Loan, a penalty is charged of 5% of the prepaid amount *minus* any free prepayment.

For floating rate Mortgage Loans an early redemption fee applies in case of early redemption in the first 36 months of the term of the Mortgage Loan. In the first twelve (12) months of the term of the Mortgage Loan, a penalty is charged of 5.0% of the prepaid amount *minus* any free prepayment). Within 13 to 24 months of the term of the Mortgage Loan, a penalty is charged of 2.0% of the prepaid amount *minus* any free prepayment (2.0% for certain Mortgage Loans). Within 25 to 36 months of the term of the Mortgage Loan, a penalty is charged of 1.5% of the prepaid amount *minus* any free prepayment. The penalty is based on the outstanding loan amount *minus* any penalty free sum that has not already been used in the relevant calendar year. The penalty interest is charged on the net sum that is repaid.

## *The DMS Originator*

### **Introduction**

The following is a description of some of the characteristics of the Mortgage Loans originated by the DMS Originator comprised in the Portfolio including details of mortgage loan types and selected statistical information.

Unless otherwise indicated, the description that follows relates to types of mortgage loans that could be sold to the Issuer as part of the Portfolio as at the Closing Date and formed part of the Provisional Mortgage Portfolio as at the Portfolio Reference Date.

### **Origination of the Portfolio**

The Portfolio comprises Mortgage Loans originated by, *inter alia*, the DMS Originator.

### **Security**

All of the Mortgages originated by the DMS Originator are secured by first ranking legal mortgages over a freehold residential or leasehold (*erfpacht*) property in the Netherlands and a first ranking pledge on the rental payments and other revenues (such as insurance proceeds) associated to the properties financed by the DMS Originator.

For corporate entity borrowers a limited personal guarantee is provided by the ultimate beneficial owners(s) of a legal entity Borrower. Personal guarantee amounts of all guarantors must equal or exceed the loan amount. The amounts of individual guarantees are distributed over the ultimate beneficial owner(s) at the discretion of the DMS Originator.

### **Characteristics of the Mortgage Loans originated by the DMS Originator**

The Mortgage Loans originated by the DMS Originator initially carry a fixed rate of interest. The interest rate of the Mortgage Loans that initially carry a fixed rate of interest automatically switch to a floating interest rate after the end of the first fixed interest rate period unless the DMS Originator and the relevant Borrower agree to a new fixed interest rate applicable at that time for the chosen fixed rate period, in which case the current Mortgage Loan will be settled and a new Mortgage Loan will need to be granted.

Investors should note, in this regard, that, if for any reason it is not possible to determine the relevant tracked rate (i.e. EURIBOR) applicable to any Loan, (a) the DMS Originator's mortgage terms and conditions provide that it may be replaced by such other rate as the DMS Originator reasonably decides is a comparable rate at that time, subject to notifying Borrowers accordingly; (b) the DMS Originator's mortgage terms and conditions provide that it may be replaced by an available benchmark interest rate in the Netherlands for determining floating interest rates at that time, as notified to the Borrowers; and (c) the DMS Originator's mortgage terms and conditions provide that it will be replaced by such other available rate of interest as the DMS Originator reasonably decides is a comparable floating interest rate at that time, as notified to the Borrowers.

### **Repayment terms**

Borrowers typically make payments of interest on, and repay principal of, their Loans using one of the following methods:

- (a) annuity: the Borrower makes monthly payments of both interest and principal so that, at the end of the mortgage term, the Borrower will have repaid the full amount of the principal of the Loan (an **“Annuity Mortgage Loan”**);
- (b) interest only: the Borrower makes monthly payments of interest but not of principal; at the end of the mortgage term, the entire principal amount of the Mortgage Loan is still outstanding and the Borrower must repay that amount in one lump sum or by way of regular payments (an **“Interest-Only Loan”**). Interest-Only Loans are only acceptable where the LTV is less than 75%.

At the end of the initial interest period in which a fixed rate of interest applies, Borrowers under Loans originated by the DMS Originator, may request a switch to interest-only in case the Loan-To-Value of the financed property is under 75%. The request is required to be supported by a valuation report (satisfactory to the DMS Originator and the valuer is instructed by the DMS Originator).

### **Further advances, porting and product switches**

No further advance, flexible redrawing, product switch or porting has been offered in respect of any of the Mortgage Loans originated by the DMS Originator and the DMS Originator is not permitted to agree to a further advance, a flexible redrawing, a product switch or porting in respect of the Mortgage Loans originated by the DMS Originator.

### **Exception Loans**

There are, in total and therefore aggregately in relation to the DMS Originator, the DNL Originator and the Community Originator, twelve (12) Mortgage Loans in the Provisional Mortgage Portfolio as at the Portfolio Reference Date with respect to which certain elements of the lending criteria of the relevant Originator (usually related to COVID-19 specific lending criteria, the relevant rental agreements or the relevant secured property's characteristics) were not met as at the date of origination of each such Mortgage Loan (together, the **“Exception Loans”**). Exception Loans are permitted to be originated if certain additional approvals were obtained by the DMS Originator in connection with such Mortgage Loan. The Exception Loans included in the Provisional Mortgage Portfolio as at the Portfolio Reference Date represented, in total, no more than approximately 1.17 per cent. of the aggregate Current Balance of Loans in the Provisional Mortgage Portfolio.

### **The DMS Originator's Lending criteria**

The following is a summary of aspects of the lending criteria (the **“DMS Originator Lending Criteria”**) that the DMS Originator agreed to apply in respect of the Mortgage Loans (other than the Exception Loans) originated by it.

### **Description of “BTL-Loans”**

Mortgages to finance buy to let residential real estate, mixed residential/ commercial properties or portfolios that are situated in the Netherlands.

Non-Consumer: These mortgage products and borrowers must be determined to be 'Non-Consumer' mortgage loans according to Dutch law.

## **Asset type securing the Mortgages**

Residential properties or portfolios of residential properties for rental purposes. These properties include both regulated properties and non-regulated properties (i.e. those properties which are on either side of the monthly rent threshold of € 752,33 and/or the 145 point threshold). The property can be purely residential or mixed use (part residential and part commercial use). Where the property financed by the DMS Originator is mixed use further requirements apply to the property's LTV and affordability.

A Property is required to be located in the Netherlands and not located in a municipality that is excluded by the DMS Originator. The excluded municipalities include earthquake sensitive locations.

The DMS Originator offers two mixed use products. The first allows the commercial real estate ("**CRE**") part to account for up to 20% of the value of the combined property. Any rental income from the CRE part is ignored for the purposes of ICR and DSCR calculations. The second product was launched in September 2021 and allows the CRE part to account for up to 49.99% of the combined property. Subject to the CRE property not being affected by COVID-19 (DMS maintain a list of COVID-19 affected sectors) then 50% of the CRE rental income can be used (in addition to the residential income) for the purposes of affordability. The ICR and DSCR thresholds are 175% and 120% for this product. No such loans are included in the Provisional Mortgage Portfolio.

## **Borrower**

The Borrower is required to be a professional as the DMS Originator is not licensed to provide Mortgage Loans to consumers. A Borrower is required to reside in the Netherlands. Any Borrower must be at least 21 years of age prior to completion of the Mortgage Loan. In case of Dutch legal entities, the DMS Originator requires that all ultimate beneficial owners are Dutch residents. Borrowers are to meet the DMS Originator's satisfactory Customer Due Diligence and Know Your Client research. For legal entities, the structure must be transparent and comprehensible. If applicable, incorporation deeds and articles of association should be investigated and be acceptable. The (beneficial) owners and persons with authority to decide and act should be verifiable and identifiable.

The DMS Originator finances Dutch nationals living in Germany or Belgium. Borrowers are subject to a credit search in both their country of residence and the Netherlands. The product is targeted at established property investors (they must own at least 3 properties) and have a minimum income of €40,000, a Dutch bank account and be able to provide a Dutch income tax return. The LTV is restricted to 70% and the maximum loan advance is €750,000. Four (4) of such loan(s) are included in the Provisional Mortgage Portfolio for an amount of €1,730,000.

## **Borrowers Credit History**

The DMS Originator request a statement of the registered loans from the Credit Registration Agency ("**BKR**") for each applicant. The DMS Originator requires a 5 year clean credit with the BKR. An application is declined by originator in case:

- (a) The employer's declaration or payslip shows that a wage garnishment or wage assignment applies; or

- (b) The BKR assessment shows:
  - (i) a code of 1 to 5; or
  - (ii) a debt settlement is still current; or
  - (iii) an A registration.

No bankruptcy or secured loan defaults in the last 60 months are accepted under any circumstance.

Private individuals, directors and shareholders of corporate entities are underwritten under the same rules and standards inclusive of underlying credit searches as outlined above.

### **Maximum Loan amount**

The maximum loan amount for loans provided by the DMS Originator is €2 million per loan with a 75% LTV. The maximum loan amount for loans provided by the DMS Originator is €1.5 million per loan with an 80% LTV. The maximum loan amount is determined on actual aggregate lending per borrower. The maximum actual aggregate outstanding lending per borrower is €5 million.

### **Minimal Loan amount**

The minimal loan amount for loans provided by the DMS Originator is €100,000.

### **Loan purpose**

In general applications to acquire a property or refinance an existing mortgage will be considered, provided that the application is concerned with Buy-to-Let rental property.

The secured property must be habitable and rentable from the outset, and be let within six (6) months of drawdown. Where the property is not let at the outset the borrower must provide the DMS Originator with a copy of the tenancy agreement within six (6) months of drawdown.

### **Maximum Mortgage term**

The maximum legal loan duration for loans provided by the DMS Originator is 35 years. Borrowers are allowed to request shorter legal loan durations. The loan legal duration plus the age of borrower must be equal to or less than 95 years at application. The minimum loan legal duration is 5 years.

### **Property Valuation**

A valuation on behalf of the DMS Originator and instructed by the DMS Originator is required in the underwriting process. The valuation is valid for maximum of 6 months from the date of inspection.

The DMS Originator requires a full physical valuation (inspection) including internal photos and comparables for both rental income and the property value.

The DMS Originator requires that upon the drawdown of a loan a maximum of six months have lapsed since the date of inspection of the property based on which the valuation report was drafted.

There has been no revaluation of the properties for the purpose of the issue of the Notes. Any original valuations quoted in this Prospectus are as at the date of the original initial Mortgage Loan origination.

### **Affordability**

Interest Coverage Ratio (ICR): is based on the interest only mortgage payment.

Debt Service Coverage Ratio (DSCR): is based on the contractual mortgage payment i.e. capital and interest if the mortgage is amortising or interest only if the mortgage is non-amortising.

### **The DMS Originator Minimum Affordability Requirements**

The DMS Originator requires that the following affordability ratios must be met at the time of origination:

- (a) Minimum 110% DS-R - calculated from the gross residential rental income (taking into account the lowest of the market rent and actual rent in case a property is rented out and if regulated, the lowest of the regulated rent and the actual rent in case a property is rented out) generated from the proposed security divided by the contractual mortgage payment; and
- (b) Minimum 150% ICR of which at least 125% must come from the gross residential rental income (taking into account the lowest of the market rent and actual rent in case a property is rented out and if regulated, the lowest of the regulated rent and the actual rent in case a property is rented out) generated from the proposed security as an absolute minimum i.e. the 'self-financing' element. Other residential and / or commercial property related income can be included in order to achieve the 150% ICR, if required (subject to the minimum 'self-financing' ICR floor of 125% being met).

Where the interest fixing period is less than 5 years, DSCR/ICRs are calculated based on a stressed rate that equals the price grid for the 5 year fixed product (at the equivalent LTV). Where the interest fixing period is equal to or greater than 5 years, DSCR/ICRs are calculated based on the individual product pay rate (unless the interest rate for the fixed interest rate is higher).

### **LTV**

The maximum LTV for loans provided by the DMS Originator is 80%. The maximum LTV for mixed usage properties is 75%. The LTV for loans provided by the DMS Originator above €1.5 mm the maximum LTV is 75%.

### **Purchase Application**

The loan amount is based on the lower of the valuation or the purchase price (of the property if let). The LTV is based on the loan amount divided by the market value in rented

state. The only exception to the above is where the applicant can demonstrate improvement works or activities to the DMS Originator's satisfaction.

### **Fixed Rate Interest Rate periods**

The DMS Originator does not offer floating interest rates other than at the end of the interest fixed period. Fixed interest rates are offered by the DMS Originator for 2, 3, 5, 7, and 10 years interest fixed duration.

At the end of the fixed rate period the loan will switch to a EURIBOR (or a replacement index in the event of discontinuation of EURIBOR) plus a fixed margin for the remainder of the term. Following draw down of the loan the margin cannot be changed.

### **Floating Rate Products**

Floating rate products are not offered by the DMS Originator.

### **Annual Redemption**

Redemption is always calculated such that the loan amortises over a 35 year term. The loan always amortises over 35 years even if the actual loan term is lower than 35 years. The loan will continue to amortise unless the DMS Originator receives a request from the borrower to switch to interest only and they are able to evidence, via a new valuation, that the LTV is no higher than 75%.

### **Early Redemption and Prepayment**

A maximum of 10% of the original principal amount of the loan can be prepaid every calendar year without penalty. The DMS Originator allows for full redemption of the Mortgage Loan without an early repayment fee in the following scenarios:

- (a) At the expiry of the fixed interest period;
- (b) Within 12 months of the death of the debtor;
- (c) If the secured property is sold after the first twelve (12) months of the term of the Mortgage Loan; or
- (d) Where the secured property has been damaged to the point it is no longer habitable e.g. through fire or being demolished.

### **Early Redemption Penalty**

Other than in case of the scenarios in relation to early redemption as described above, an early repayment fee is due by the Borrower in case of a redemption before the end of the interest fixed period. The penalty is based on the repaid amount *minus* any penalty free sum that has not already been used in the relevant calendar year. The penalty interest is charged on the net sum that is repaid. The penalty interest is determined by calculating the difference between the interest the Borrower pays and the interest the Lender would charge for the remainder of the applicable fixed rate period. A minimum penalty is charged of 1,5% of the repaid amount *minus* any penalty free sum. For certain Mortgage Loans, in

case of an early repayment within the first twelve (12) months of the term of the Mortgage Loan, a penalty is charged of 5% of the repaid amount *minus* any penalty free sum.



## *The Community Originator*

### **Introduction**

The following is a description of some of the characteristics of the Mortgage Loans originated by the Community Originator comprised in the Portfolio including details of mortgage loan types and selected statistical information.

Unless otherwise indicated, the description that follows relates to types of mortgage loans that could be sold to the Issuer as part of the Portfolio as at the Closing Date and formed part of the Provisional Mortgage Portfolio as at the Portfolio Reference Date.

### **Origination of the Portfolio**

The Portfolio comprises Mortgage Loans originated by, *inter alia*, the Community Originator.

### **Security**

All of the Mortgages originated by the Community Originator are secured by first ranking legal mortgages over a freehold residential or leasehold (*erfpacht*) property in the Netherlands and a first ranking pledge on the rental payments and other revenues (such as insurance proceeds) associated to the properties financed by the Community Originator.

For corporate entity borrowers a limited personal guarantee is provided by the ultimate beneficial owners(s) of a legal entity Borrower. Personal guarantee amounts of all guarantors must equal or exceed the loan amount. The amounts of individual guarantees are distributed over the ultimate beneficial owner(s) at the discretion of the Community Originator.

### **Characteristics of the Mortgage Loans originated by the Community Originator**

The Mortgage Loans originated by the Community Originator initially carry a fixed rate of interest. The interest rate of the Mortgage Loans that initially carry a fixed rate of interest automatically switch to a floating interest rate after the end of the first fixed interest rate period unless the Community Originator and the relevant Borrower agree to a new fixed interest rate applicable at that time for the chosen fixed rate period, in which case the current Mortgage Loan will be settled and a new Mortgage Loan will need to be granted.

Investors should note, in this regard, that, if for any reason it is not possible to determine the relevant tracked rate (i.e. EURIBOR) applicable to any Loan, (a) the Community Originator's mortgage terms and conditions provide that it may be replaced by such other rate as the Community Originator reasonably decides is a comparable rate at that time, subject to notifying Borrowers accordingly; (b) the Community Originator's mortgage terms and conditions provide that it may be replaced by an available benchmark interest rate in the Netherlands for determining floating interest rates at that time, as notified to the Borrowers; and (c) the Community Originator's mortgage terms and conditions provide that it will be replaced by such other available rate of interest as the Community Originator reasonably decides is a comparable floating interest rate at that time, as notified to the Borrowers.

## Repayment terms

Borrowers typically make payments of interest on, and repay principal of, their Loans using one of the following methods:

- (a) annuity: the Borrower makes monthly payments of both interest and principal so that, at the end of the mortgage term, the Borrower will have repaid the full amount of the principal of the Mortgage Loan (a “**Annuity Mortgage Loan**”);
- (b) interest only: the Borrower makes monthly payments of interest but not of principal; at the end of the mortgage term, the entire principal amount of the Mortgage Loan is still outstanding and the Borrower must repay that amount in one lump sum or by way of regular payments (an “**Interest-Only Loan**”). Interest-Only Loans are only acceptable where the LTV is less than 75% already at the time of origination.

After the initial interest period in which a fixed rate of interest applies has ended or if the LTV in relation to the Mortgage Loan is 75% or lower, a Borrower of a Mortgage Loan originated by the Community Originator may request to switch from an Annuity Mortgage Loan to an Interest-Only Loan. Such a switch does not occur automatically and in order to determine the LTV, an up-to-date full mortgage valuation is required, which is paid for by the Borrower (satisfactory to the Community Originator and the valuer is instructed by the Community Originator).

## Further advances, porting and product switches

No further advance, flexible redrawing, product switch or porting has been offered in respect of any of the Mortgage Loans and the Community Originator is not permitted to agree to a further advance, a flexible redrawing, a product switch or porting in respect of the Mortgage Loans.

## Exception Loans

There are, in total and therefore aggregately in relation to the DMS Originator, the DNL Originator and the Community Originator, twelve (12) Mortgage Loans in the Provisional Mortgage Portfolio as at the Portfolio Reference Date with respect to which certain elements of the lending criteria of the relevant Originator (usually related to COVID-19 specific lending criteria, the relevant rental agreements or the relevant secured property's characteristics) were not met as at the date of origination of each such Mortgage Loan (together, the “**Exception Loans**”). Exception Loans are permitted to be originated if certain additional approvals were obtained by the Community Originator in connection with such Mortgage Loan. The Exception Loans included in the Provisional Mortgage Portfolio as at the Portfolio Reference Date represented, in total, no more than approximately 1.17 per cent. of the aggregate Current Balance of Loans in the Provisional Mortgage Portfolio.

## The Community Originator's Lending criteria

The following is a summary of aspects of the lending criteria (the “**Community Originator Lending Criteria**”) that the Community Originator agreed to apply in respect of the Mortgage Loans (other than the Exception Loans) originated by it.

## Description of “BTL-Loans”

Mortgages to finance buy to let residential real estate, mixed residential/ commercial properties or portfolios that are situated in the Netherlands.

Non-Consumer: These mortgage products and borrowers must be determined to be 'Non-Consumer' mortgage loans according to Dutch law.

### **Asset type securing the Mortgages**

Residential properties or portfolios of residential properties for rental purposes. These properties include both regulated Properties and non-regulated Properties (i.e. those properties which are on either side of the monthly rent threshold of € 752,33 and/or the 145 point threshold). The property can be purely residential or mixed use (part residential and part commercial use). Where the property financed by the Community Originator is mixed use, further requirements apply to the property's LTV and affordability.

A Property is required to be located in the Netherlands and not located in an municipality that is excluded by the Community Originator. The excluded municipalities include earthquake sensitive locations.

### **Borrower**

The Borrower is required to be a professional as the Community Originator is not licensed to provide Mortgage Loans to consumers. A Borrower is required to reside in the Netherlands. Any Borrower must be at least 18 years of age prior to completion of the Mortgage Loan. If a Borrower is younger than 21 years of age, the Community Originator requests a personal guarantee from a person older than 21 years of age. In case of Dutch legal entities, the Community Originator requires that all ultimate beneficial owners are Dutch residents. The Community Originator does not finance expats or Dutch nationals living abroad. Borrowers are to meet the Community Originator's satisfactory Customer Due Diligence and Know Your Client research.

For legal entities, the structure must be transparent and comprehensible. If applicable, incorporation deeds and articles of association should be investigated and be acceptable. The (beneficial) owners and persons with authority to decide and act must be verifiable and identifiable.

### **Borrowers Credit History**

The Community Originator receives directly from the Credit Registration Agency ("**BKR**") a statement on each applicant. The Community Originator requires a 5 year clean credit with the BKR. An application is declined by the Community Originator in case the BKR assessment shows:

- (a) a code of 1 or 2 which is not remedied in an evidenced way; or
- (b) a code of 3 to 5; or
- (c) a debt settlement is still current; or
- (d) an A registration which is not remedied in an evidenced way;
- (e) any negative HY, RH or RN registration.

No bankruptcy or secured loan defaults in the last 60 months are accepted under any circumstance.

Private individuals, directors and shareholders of corporate entities are underwritten under the same rules and standards inclusive of underlying credit searches as outlined above.

### **Identification fraud**

The Community Originator checks whether identification documents are listed in the database of stolen or missing passports, identification cards, etc. This database is managed by *Stichting Fraudebestrijding Hypotheken* (“**SFH**”). The Community Originator has direct access to this database.

### **Maximum Loan amount**

The maximum loan amount for loans provided by the Community Originator is €2 million per loan, provided the loan has up to 75% LTV. The maximum loan amount for loans provided by the Community Originator is €1.5 million per loan in case the LTV is higher than 75%.

Identical or related borrowers are consolidated into one single borrower unit (“**SBU**”). The maximum loan amount for any SBU is € 5 million.

### **Minimal Loan amount**

The minimal loan amount for loans provided by the Community Originator is € 100,000, in exceptional cases € 95,000.

### **Loan purpose**

In general applications to acquire a property or refinance an existing mortgage will be considered, provided that the application is concerned with Buy-to-Let rental property. The purpose of a loan can be refinancing an existing loan or financing a purchase of a property.

The securing property must be habitable and rentable at the time of drawdown, and be let within six (6) months of drawdown. Where the property is not let at drawdown, the borrower must provide the Community Originator with a copy of the rental agreement within six (6) months of drawdown.

### **Maximum Mortgage term**

The maximum legal loan duration for loans provided by the Community Originator is 35 years. Borrowers are allowed to request shorter legal loan durations. The loan legal duration plus the age of borrower must be equal to or less than 95 years at application. The minimum loan legal duration is 5 years.

### **Property Valuation**

A valuation on behalf of the Community Originator and instructed by the Community Originator is required in the underwriting process. The valuation is valid for maximum of 6 months from the date of inspection.

The Community Originator requires a full physical valuation (inspection) including internal photos and comparables for both rental income and the property value.

The Community Originator requires that upon the drawdown of a loan a maximum of six months has lapsed since the date of inspection of the property based on which the valuation report was drafted.

There has been no revaluation of the properties for the purpose of the issue of the Notes. Any original valuations quoted in this Prospectus are as at the date of the original initial Mortgage Loan origination.

### **Affordability**

Interest Coverage Ratio (ICR): is based on the interest only mortgage payment.

Debt Service Coverage Ratio (DSCR): is based on the contractual mortgage payment i.e. capital and interest if the mortgage is amortising or interest only if the mortgage is non-amortising.

### **The Community Originator Minimum Affordability Requirements**

The Community Originator requires that the following affordability ratios must be met at the time of origination:

- (a) Minimum 110% DSCR - calculated from the gross residential rental income generated from the proposed security divided by the contractual mortgage payment; and
- (b) Minimum 150% ICR of which at least 125% must come from the gross residential rental income generated from the proposed security as an absolute minimum i.e. the 'self-financing' element. Other residential and / or commercial property related income can be included in order to achieve the 150% ICR, if required (subject to the minimum 'self-financing' ICR floor of 125% being met).

Where the interest fixing period is less than 5 years, DSCR/ICRs are calculated based on a "**Stressed Rate**". Such Stressed Rate is the higher of the contractual interest rate and the interest rate for a 5 year fixing period (at the equivalent LTV).

### **LTV**

The maximum LTV for loans provided by the Community Originator is 80%. The maximum LTV for mixed use properties is 75%. The maximum LTV for loans above €1.5 million is 75%.

### **Purchase Financing**

A loan application is deemed a purchase financing if the date of the purchase is less than 6 months before the time of credit approval. In such case, the LTV is based on the loan amount divided by the lower of market value in rented state and purchase price. In case light refurbishment is planned or ongoing, the market value in current state, i.e. before improvements, is used. In case light refurbishment has been completed after purchase,

the Community Originator can decide to refer to market value in rented state only, if the purchase price is no longer relevant.

### **Refinancing**

A loan application is deemed a Refinancing if there was no change in ownership within the last 6 months before credit approval. In such case the LTV is based on the loan amount divided by the market value in rented state. In case light refurbishment is planned or ongoing, the market value in current state, i.e. before improvements, is used.

### **Fixed Rate Interest rate periods**

The Community Originator does not offer floating interest rates other than at the end of the interest fixed period. Fixed interest rates are offered by the Community Originator for 1, 2, 3, 5, 7, and 10 years interest fixed duration.

At the end of the fixed rate period the loan will switch to a EURIBOR (or a replacement index in the event of discontinuation of EURIBOR) plus a fixed margin for the remainder of the term. Following draw down of the loan the margin cannot be changed.

### **Floating Rate Products**

Floating rate products are not offered by the Community Originator.

### **Annual Redemption**

Redemption is always calculated such that the loan amortises to zero over a 35 year term. Redemption is calculated such that loan amortises over 35 years, even in cases when the actual loan term is lower than 35 years.

### **Free Prepayment**

A maximum of 10% of the original principal amount of the loan can be prepaid every calendar year without penalty. The Community Originator allows for full redemption of the Mortgage Loan without an early repayment fee in the following scenarios:

- (a) At the expiry of the fixed interest period;
- (b) Within 12 months of the death of the debtor;
- (c) If the secured property is sold after 12 months since the start of the Mortgage Loan;  
or
- (d) Where the secured property has been damaged to the point it is no longer habitable  
e.g. through fire or being demolished.

### **Early Redemption Penalty**

Other than in case of the free prepayment described above, an early repayment fee is due by the Borrower in case of a redemption before the end of the interest fixed period. The penalty is based on the prepaid amount *minus* any free prepayment. The penalty interest is determined by calculating the difference between the interest the Borrower pays and the

interest the Lender would charge for the remainder of the applicable fixed rate period. A minimum penalty is charged of 1,5% of the prepaid amount *minus* any free prepayment. For certain Mortgage Loans, in case of early repayment within the first twelve (12) months of the term of the Mortgage Loan, a penalty is charged of 5% of the prepaid amount *minus* any free prepayment.

## 6.4 Dutch Residential Mortgage Market

This Section 6.4 is derived from the overview which is available at the website of the Dutch Securitisation Association (<https://www.dutchsecuritisation.nl/documentation-archive>) regarding the Dutch residential mortgage market over the period until September 2021. The Issuer believes that this source is reliable and as far as the Issuer is aware and is able to ascertain from the Dutch Securitisation Association, no facts have been omitted which would render the information in this Section 6.4 inaccurate or misleading.

The Dutch residential mortgage debt stock is relatively sizeable, especially when compared to other European countries. Since the 1990s, the mortgage debt stock of Dutch households has grown considerably, mainly on the back of mortgage lending on the basis of two incomes in a household, the introduction of tax-efficient product structures such as mortgage loans with deferred principal repayment vehicles and interest-only mortgage loans, financial deregulation and increased competition among originators. Moreover, Loan-to-Value (LTV) ratios have been relatively high, as the Dutch tax system implicitly discouraged amortisation, due to the tax deductibility of mortgage interest payments. After a brief decline between 2012 and 2015, mortgage debt reached a new peak of EUR 755 billion in Q2 2021<sup>4</sup>. This represents a rise of EUR 17.7 billion compared to Q2 2020.

### Tax system

The Dutch tax system plays an important role in the Dutch mortgage market, as it allows for almost full deductibility of mortgage interest payments from taxable income. This tax system has been around for a very long time, but financial innovation has resulted in a greater leverage of this tax benefit. From the 1990s onwards until 2001, this tax deductibility was unconditional. In 2001 and 2004, several conditions have been introduced to limit the usage of tax deductibility, including a restriction of tax deductibility to (mortgage interest payments for) the borrower's primary residence and a limited duration of the deductibility of 30 years.

A further reform of the tax system was enforced on 1 January 2013. Since this date, all new mortgage loans have to be repaid in full in 30 years, at least on an annuity basis, in order to be eligible for tax relief (linear mortgage loans are also eligible). The tax benefits on mortgage loans, of which the underlying property was bought before 1 January 2013, have remained unchanged and are grandfathered, even in case of refinancing and relocation. As such, new mortgage originations still include older loan products, including interest-only. However, any additional loan on top of the borrower's grandfathered product structure, has to meet the mandatory full redemption standards to allow for tax deductibility.

Another reform imposed in 2013 to reduce the tax deductibility is to lower the maximum deduction percentage. This used to be equal to the highest marginal tax bracket (52 percent), but since 2014 the maximum deduction has been gradually reduced (during the 2014 - 2019 period), by 0.5 %-point per annum. As from 1 January 2020, the maximum deduction percentage is decreased by 3.0%-point per annum until it will ultimately be equal to 37.05 percent in 2023. For 2021, the highest tax rate against which the mortgage interest may be deducted is 43 per cent.

---

<sup>4</sup> Statistics Netherlands, household data.



There are several housing-related taxes which are linked to the fiscal appraisal value (“WOZ”) of the house, both imposed on national and local level. Moreover, a transfer tax of 2% is due when a house changes hands. From 2021, house buyers younger than 35 years will no longer pay any transfer tax (from 1 April, this exemption will only apply to houses sold for 400,000 euros or less). The exemption can only be applied once and the policy is initially in place for a period of 5 years. A transfer tax of 8 per cent is due upon transfer of houses which are not owner-occupied.

Although these taxes partially unwind the benefits of tax deductibility of interest payments, and several restrictions to this tax deductibility have been applied, tax relief on mortgage loans is still substantial.

## **Loan products**

The Dutch residential mortgage market is characterised by a wide range of mortgage loan products. In general, three types of mortgage loans can be distinguished.

Firstly, the “classical” Dutch mortgage product is an annuity loan. Annuity mortgage loans used to be the norm until the beginning of the 1990s, but they have returned as the most popular mortgage product in recent years. Reason for this return of annuity mortgage loans is the tax system. Since 2013, tax deductibility of interest payments on new loans is conditional on full amortisation of the loan within 30 years, for which only (full) annuity and linear mortgage loans qualify.

Secondly, there is a relatively big presence of interest-only mortgage loans in the Dutch market. Full interest-only mortgage loans were popular in the late nineties and in the early years of this century. Mortgage loans including an interest-only loan part were the norm until 2013, and even today, grandfathering of older tax benefits still results in a considerable amount of interest-only loan origination.

Thirdly, there is still a big stock of mortgage products including deferred principal repayment vehicles. In such products, capital is accumulated over time (in a tax-friendly manner) in a linked account in order to take care of a bullet principal repayment at maturity of the loan. The principal repayment vehicle is either an insurance product or a bank savings account. The latter structure has been allowed from 2008 and was very popular until 2013. Mortgage loan products with insurance-linked principal repayment vehicles used to be the norm prior to 2008 and there is a wide range of products present in this segment of the market. Most structures combine a life-insurance product with capital accumulation and can be relatively complex. In general, however, the capital accumulation either occurs through a savings-like product (with guaranteed returns), or an investment-based product (with non-guaranteed returns).

A typical Dutch mortgage loan consists of multiple loan parts, e.g. a bank savings loan part that is combined with an interest-only loan part. Newer mortgage loans, in particular those for first-time buyers after 2013, are full annuity and often consists of only one loan part. Nonetheless, tax grandfathering of older mortgage loan product structures still results in the origination of mortgage loans including multiple loan parts.

Most interest rates on Dutch mortgage loans are not fixed for the full duration of the loan, but they are typically fixed for a period between 5 and 15 years. Rate term fixings differ by vintage, however. More recently, there has been a bias to longer term fixings (10-20 years). Most borrowers remain subject to interest rate risk, but compared to countries in which

floating rates are the norm, Dutch mortgage borrowers are relatively well-insulated against interest rate fluctuations.

### **Underwriting criteria**

Most of the Dutch underwriting standards follow from special underwriting legislation (*“Tijdelijke regeling hypothecair krediet”*). This law has been present since 2013 and strictly regulates maximum LTV and Loan-to-Income (LTI) ratios. The current maximum LTV is 100% (including all costs such as stamp duties). The new government coalition has indicated not to lower the maximum LTV further. LTI limits are set according to a fixed table including references to gross income of the borrower and mortgage interest rates. This table is updated annually by the consumer budget advisory organisation “NIBUD” and ensures that income after (gross) mortgage servicing costs is still sufficient to cover normal costs of living.

Prior to the underwriting legislation, the underwriting criteria followed from the Code of Conduct for Mortgage Lending, which is the industry standard. This code, which limits the risk of over crediting, has been tightened several times in the past decade. The 2007 version of the code included a major overhaul and resulted in tighter lending standards, but deviation in this version was still possible under the “explain” clause<sup>5</sup>. In 2011, another revised and stricter version of the Code of Conduct was introduced. Moreover, adherence to the “comply” option was increasingly mandated by the Financial Markets Authority (AFM). Although the Code of Conduct is currently largely overruled by the underwriting legislation, it is still in force. The major restriction it currently regulates, in addition to the criteria in the underwriting legislation, is the cap of interest-only loan parts to 50% of the market value of the residence. This cap was introduced in 2011 and is in principle applicable to all new mortgage contracts. A mortgage lender may however diverge from the cap limitation if certain conditions have been met.

### **Recent developments in the Dutch housing market**

The Dutch housing market has recovered substantially since the second half of 2013. Important factors are among others the economic recovery, high consumer confidence and decreasing mortgage rates. Due to the Corona pandemic consumer confidence has deteriorated significantly in April/May 2020 but since June 2020 confidence has rebounded.

Existing house prices (PBK-index) in July 2021 were 16.3 % higher than in July 2020. The price increases in the last couple of months have been the highest seen for the PBK index in the last 20 years. In absolute Euro terms, the price increases over the previous months are probably the highest in the history of the Dutch housing market with the estimated year-over-year increase for July some €55,000. The average house price level was 36.7% above the previous peak of 2008.

In the first half of 2021, a total of 119,414 houses exchanged hands, an increase of 12.1% compared to H1 2020 but this was predominantly driven by a record high Q1 transaction volume of 66,627. In Q2 home sales dropped by 3.9% year-over-year and in July, home sales totalled 19,043, down 16.4% year-over-year. The jump in the first quarter seemed to be caused by the transfer tax exemption for households below the age of 35 which entered

---

<sup>5</sup> Under the “explain” clause it is in exceptional cases possible to deviate from the loan-to-income and loan-to-value rules set forth in the Code of Conduct.

into force on January 1st 2021. Young buyers postponed the transfer of ownership of newly bought properties until after 1st of January 2021 whilst specifically for homes with a sales price of EUR 400,000 or more, the transfer date was brought forward to achieve the deadline of 1st of April 2021.

The Dutch housing market is still faced with a persistent housing shortage, historically low mortgage rates, the home equity held by subsequent homebuyers moving house, high rents and currently a favourable economic backdrop. These factors combined explain why the housing market continues to surge ahead.

### **Forced sales**

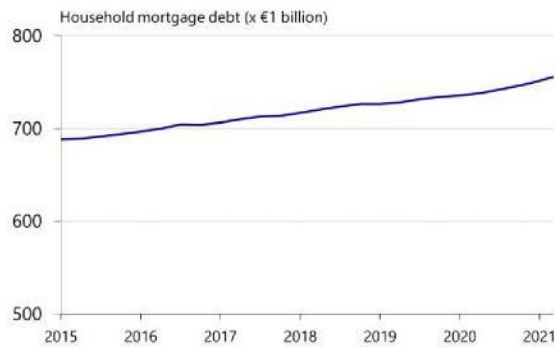
Compared to other jurisdictions, performance statistics of Dutch mortgage loans show relatively low arrears and loss rates<sup>6</sup>. The most important reason for default is relationship termination, although the increase in unemployment following the economic downturn in recent years is increasingly also a reason for payment problems. The ultimate attempt to loss recovery to a defaulted mortgage borrower is the forced sale of the underlying property.

For a long time, mortgage servicers opted to perform this forced sale by an auction process. The advantage of this auction process is the high speed of execution, but the drawback is a discount on the selling price. The Land Registry recorded 85 forced sales by auction in Q2 2022 (0.16% of total number of sales).

---

<sup>6</sup> Comparison of S&P RMBS index delinquency data.

**Chart 1: Total mortgage debt**



Source: Statistics Netherlands, Rabobank

**Chart 2: Sales**



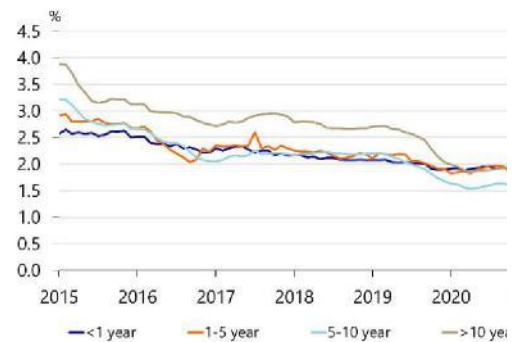
Source: Dutch Land Registry (Kadaster), Statistics Netherlands (CBS)

**Chart 3: Price index development**



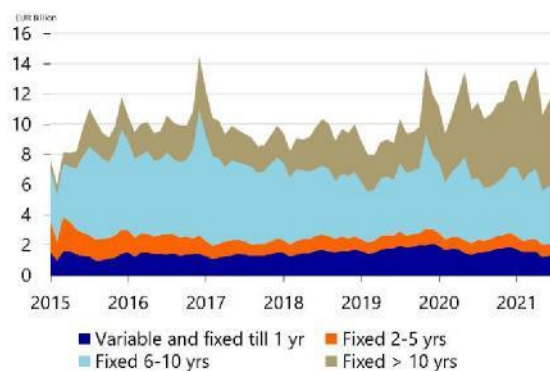
Source: Statistics Netherlands, Rabobank

**Chart 4: Interest rate on new mortgage loans**



Source: Dutch Central Bank

**Chart 5: New mortgages by interest type**



Source: Dutch Central Bank

**Chart 6: Confidence**



Source: Statistics Netherlands (CBS), OTB TU Delft And VEH

## 7. **PORTFOLIO DOCUMENTATION**

### 7.1 **Purchase and Sale**

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

On the Closing Date:

- (i) under the DMS Mortgage Receivables Purchase Agreement, the DMS Original Seller will sell and assign and the Seller will purchase and accept assignment of the Completion Mortgage Receivables in the Portfolio originated by DMS;
- (ii) under the Ivy Mortgage Receivables Purchase Agreement, the DNL Original Seller will sell and assign and the Seller will purchase and accept assignment of the Completion Mortgage Receivables in the Portfolio originated by DNL; and
- (iii) under the Community Mortgage Receivables Purchase Agreement, the Community Original Seller will sell and assign and the Seller will purchase and accept assignment of the Completion Mortgage Receivables in the Portfolio originated by Community.

On a single date from (and including) the Closing Date to (and including) the Final Mortgage Receivables Purchase Date, to be agreed between the Seller and the Issuer (the “**Post-Closing Mortgage Receivables Purchase Date**”), and provided that the Post-Closing Mortgage Receivables Purchase Conditions are satisfied:

- (i) under the DMS Mortgage Receivables Purchase Agreement, the DMS Original Seller may sell and assign and the Seller may purchase and accept assignment of the Post-Closing Mortgage Receivables in the Portfolio originated by DMS;
- (ii) under the Ivy Mortgage Receivables Purchase Agreement, the DNL Original Seller may sell and assign and the Seller may purchase and accept assignment of the Post-Closing Mortgage Receivables in the Portfolio originated by DNL; and
- (iii) under the Community Mortgage Receivables Purchase Agreement, the Community Original Seller may sell and assign and the Seller may purchase and accept assignment of the Post-Closing Mortgage Receivables in the Portfolio originated by Community.

Following the sale and assignment of the Mortgage Receivables to the Seller, as set out above, under the Mortgage Receivables Purchase Agreement, the Issuer will (i) on the Closing Date, purchase and accept the assignment of the Completion Mortgage Receivables from the Seller by means of a registered deed of assignment as a result of which legal title to the Mortgage Receivables is transferred to the Issuer, and (ii) on the Post-Closing Mortgage Receivables Purchase Date, purchase and accept the assignment of the relevant Post-Closing Mortgage Receivables from the Seller by means of a registered deed of assignment as a result of which legal title to the Post-Closing Mortgage Receivables is transferred to the Issuer. The assignment of the Mortgage Receivables from the Seller to the Issuer will not be notified to the Borrowers, except that notification of the assignment of the Mortgage Receivables may be made upon the occurrence of any of the Issuer Assignment Notification Events (see paragraph *Assignment Notification Events* below). Until such notification the Borrowers will only be entitled to validly pay (*bevrijdend*

*betalen*) to the Seller. The Seller and the Issuer have agreed, under the Mortgage Receivables Purchase Agreement, that the Issuer will be entitled to all proceeds in respect of the Mortgage Receivables from and including the Cut-off Date.

Any purchase of a Post-Closing Mortgage Receivable by the Issuer will be subject to (amongst other things) satisfaction of the following conditions on the Post-Closing Mortgage Receivables Purchase Date (the “**Post-Closing Mortgage Receivables Purchase Conditions**”):

- (a) the conditions precedent for sale of the relevant Post-Closing Mortgage Receivable to the Seller under the relevant Original Sellers Mortgage Receivables Purchase Agreement having been satisfied;
- (b) no Enforcement Notice having been served on the Issuer;
- (c) no Event of Default under (and as defined in) Condition 10 (*Events of Default*) having occurred and having been notified to the Security Trustee;
- (d) the relevant Mortgage Receivable results from a Post-Closing Mortgage Loan;
- (e) the Post-Closing Mortgage Receivable (and the Mortgage Loan relating thereto and their Related Security) satisfies the Loan Warranties as at the Post-Closing Mortgage Receivables Purchase Date; and
- (f) the Issuer and the Swap Counterparty have adjusted the Swap Agreement by increasing the notional amount in respect of each Notes Payment Date falling on or after the Post-Closing Mortgage Receivables Purchase Date, as set out in the Swap Notional Amount Schedule, by the amount of the Current Balance of the Post-Closing Mortgage Loan that is forecast by the Seller to be outstanding on each such Notes Payment Date assuming a constant prepayment rate of zero, provided that, as a result of such adjustment, no other changes will be made to the Swap Agreement (and, in particular, the Swap Fixed Rate will remain unchanged) and the Issuer or the Swap Counterparty, as applicable, will be obliged to make the payment of the MTM Adjustment Amount (if any) to the other party.

### **Closing Date Purchase Price and Post-Closing Mortgage Receivables Purchase Price**

The purchase price in respect of the purchase and assignment of the Completion Mortgage Receivables shall be an amount equal to the aggregate of (a) on the Closing Date, the net issuance proceeds of the Notes and the VRR Loan less fees and expenses and the initial liquidity reserve amount and the Aggregate Closing Reserve Amount, (b) on the Closing Date, if applicable, the addition of any amount received from the Swap Counterparty for entering into the Swap Agreement, and (c) on the earlier of the Post-Closing Mortgage Receivables Purchase Date and the Final Post-Closing Mortgage Receivables Purchase Date, the Additional Purchase Price Amount (if any) (the “**Closing Date Purchase Price**”), which shall be payable by the Issuer to the Seller.

The purchase price for the Post-Closing Mortgage Receivables shall consist of an amount equal to the following: (a) the Aggregate Closing Reserve Amount *multiplied by* the Post-Closing Mortgage Receivables Proportion; *plus* (b) if any MTM Adjustment Amount is payable by the Swap Counterparty, then such amount; or *minus* (c) if any MTM Adjustment Amount is payable by the Issuer to the Swap Counterparty, then such amount (but only deductible from the amount calculated in item (a) of this definition and not against any

amounts to be released from the Post-Closing Reserve Ledgers to be applied in accordance with the Priorities of Payments) (the **"Post-Closing Mortgage Receivables Purchase Price"**).

For the avoidance of doubt, any MTM Adjustment Amount received by the Issuer from the Swap Counterparty shall not form part of the Available Revenue Funds or Available Principal Funds and shall instead form part of the Post-Closing Mortgage Receivables Purchase Price.

For further information, please see Section 4.5 (*Use of proceeds*).

## **Post-Closing Reserve Ledgers**

### **Funding and absence of Post-Closing Mortgage Receivables**

As at the date hereof, all Mortgage Loans have received their first payment and the Mortgage Receivables resulting therefrom will be sold and assigned by the Seller to the Issuer on the Closing Date. As such, there will be no Post-Closing Mortgage Receivables on the Closing Date, and the Issuer will therefore credit:

- (A) to the post-closing principal reserve (the **"Post-Closing Principal Reserve"**), an amount equal to zero (the **"Closing Principal Reserve Amount"**) and record as a credit to the post-closing principal reserve ledger of the Issuer Transaction Account (the **"Post-Closing Principal Reserve Ledger"**);
- (B) to the post-closing revenue reserve (the **"Post-Closing Revenue Reserve"**), an amount equal to zero (the **"Closing Revenue Reserve Amount"**) and record as a credit to the post-closing revenue reserve ledger of the Issuer Transaction Account (the **"Post-Closing Revenue Reserve Ledger"**);
- (C) to the Class R post-closing reserve (the **"Class R Post-Closing Reserve"** and, together with the Post-Closing Principal Reserve and the Post-Closing Revenue Reserve, the **"Post-Closing Reserves"**), an amount equal to zero (the **"Closing Class R Reserve Amount"**) and, together with the Closing Principal Reserve Amount and the Closing Revenue Reserve Amount, the **"Aggregate Closing Reserve Amount"**) and record as a credit to the Class R post-closing reserve ledger of the Issuer Transaction Account (the **"Class R Post-Closing Reserve Ledger"** and, together with the Post-Closing Principal Reserve Ledger and the Post-Closing Revenue Reserve Ledger, the **"Post-Closing Reserve Ledgers"**).

### **Application for the purchase of Post-Closing Mortgage Receivables**

The Issuer will only be entitled to apply amounts (if any) standing to the credit of the Post-Closing Reserve Ledgers to purchase Post-Closing Mortgage Receivables on the Post-Closing Mortgage Receivables Purchase Date, in accordance with the Mortgage Receivables Purchase Agreement and subject to satisfaction of the Post-Closing Mortgage Receivables Purchase Conditions.

The Issuer will fund part of the Post-Closing Mortgage Receivables Purchase Price by debiting, on the Post-Closing Mortgage Receivables Purchase Date:

- (A) the Post-Closing Principal Reserve Ledger in an amount equal to the Closing Principal Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion;
- (B) the Post-Closing Revenue Reserve Ledger in an amount equal to the Closing Revenue Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion; and
- (C) the Class R Post-Closing Reserve Ledger in an amount equal to the Closing Class R Reserve Amount multiplied by the Post-Closing Mortgage Receivables Proportion.

**Release of any amounts standing to the credit of the Post-Closing Reserves not used to purchase Post-Closing Mortgage Receivables**

*(A) Post-Closing Principal Reserve Ledger*

On the first Notes Payment Date, any outstanding amounts standing to the credit of the Post-Closing Principal Reserve Ledger on the first Notes Payment Date (taking into account any debits made to that ledger on the Post-Closing Mortgage Receivables Purchase Date) (the “**Net Post-Closing Principal Reserve Amounts**”) will be applied, prior to the application of any amounts to the Priority of Payments:

- (A) in an amount up to 95 per cent. of the Net Post-Closing Principal Reserve Amounts (the “**Pre-Enforcement Post-Closing Principal Note Share**”), simultaneously with the payments under item (B) below, *pro rata* and *pari passu* in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes); and
- (B) in an amount up to 5 per cent. of the Net Post-Closing Principal Reserve Amounts (the “**Pre-Enforcement Post-Closing Principal VRR Share**”), simultaneously with the payment under item (A) above, to make a payment *pro rata* and *pari passu* to the VRR Lender in redemption of the VRR Loan in an amount equal to the VRR Proportion of the aggregate amounts paid in redemption of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes) under item (A) above (the “**VRR Post-Closing Principal Reserve Amount**”),

(the “**Post-Closing Principal Pro Rata Payments**”).

*(B) Post-Closing Revenue Reserve Ledger*

On the first Notes Payment Date, any outstanding amounts standing to the credit of the Post-Closing Revenue Reserve Ledger on the first Notes Payment Date (taking into account any debits made to that ledger on the Post-Closing Mortgage Receivables Purchase Date) (the “**Net Post-Closing Revenue Reserve Amounts**”) will be applied as Available Revenue Funds in accordance with the Pre-Enforcement Revenue Priority of Payments.

*(C) Class R Post-Closing Reserve Ledger*

On the first Notes Payment Date, any outstanding amounts standing to the credit of the Class R Post-Closing Reserve Ledger on the first Notes Payment Date (taking into account any debits made to that ledger on the Post-Closing Mortgage Receivables Purchase Date)



(the “**Net Class R Post-Closing Reserve Amounts**”) will be applied and prior to the application of any amounts to the Priority of Payments:

- (A) in an amount up to 95 per cent. of the Net Class R Post-Closing Reserve Amounts (the “**Class R Pre-Enforcement Post-Closing Note Share**”), simultaneously with the payments under item (B) below, *pro rata* to the Class R Noteholder; and
- (B) in an amount up to 5 per cent. of the Net Class R Post-Closing Reserve Amounts (the “**Class R Pre-Enforcement Post-Closing VRR Share**”), simultaneously with the payment under item (A) above, to make a payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of the aggregate amounts paid to the Class R Noteholder under item (A) above (the “**VRR Class R Post-Closing Reserve Amount**”).

**Release of any amounts standing to the credit of the Post-Closing Reserves following the service of an Enforcement Notice**

Following the service of an Enforcement Notice:

- (A) any outstanding amounts standing to the credit of the Post-Closing Principal Reserve Ledger will be applied as Available Principal Funds;
- (B) any outstanding amounts standing to the credit of the Post-Closing Revenue Reserve Ledger will be applied as Available Revenue Funds; and
- (C) any outstanding amounts standing to the credit of the Class R Post-Closing Reserve Ledger shall be applied:
  - (i) in an amount up to the Class R Pre-Enforcement Post-Closing Note Share simultaneously with the payments under item (ii) below, *pro rata* to the Class R Noteholder; and
  - (ii) in an amount up to the Class R Pre-Enforcement Post-Closing VRR Share, simultaneously with the payment under item (i) above, to make payment *pro rata* and *pari passu* to the VRR Lender in an amount equal to the VRR Proportion of the aggregate amounts paid to the Class R Noteholder under item (i) above,

**Seller’s indemnity obligation in relation to the Mortgage Loans and Mortgaged Assets**

Upon a breach of a representation or warranty in respect of a Mortgage Receivable which is not capable of remedy or, if capable of remedy, has not been remedied within the agreed grace period, the Seller shall be required to make an indemnity payment to the Issuer and the Security Trustee (on behalf of the Secured Creditors) in respect of all Liabilities relating to the breach of Loan Warranty.

The Seller shall only be liable under the Mortgage Receivables Purchase Agreement to pass on to the Issuer and the Security Trustee (on behalf of the Secured Creditors) any warranty payment amounts received by the Seller from any of the Original Sellers, as the case may be, to the extent the Seller has received such warranty payment amounts from the relevant Original Seller (such amount to be deposited directly in the relevant Issuer Account).

## **Exercise of the Portfolio Purchase Option or Regulatory Change Option, Optional Redemption for Taxation or Other Reasons**

### **Portfolio Purchase Option**

Pursuant to the Trust Agreement the Portfolio Option Holder has an option (the “**Portfolio Purchase Option**”) to require the Issuer to sell and transfer to the Portfolio Option Holder or its nominee the ownership of the Mortgage Receivables in the Portfolio (the “**Portfolio Purchase Option Mortgage Receivables**”), subject to the terms of the Trust Agreement.

The Portfolio Option Holder may exercise the Portfolio Purchase Option to effect an early redemption of the Notes (other than the Class R Notes) following the First Optional Redemption Date and pursuant to Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*) or Condition 6(e) (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option*) provided that any election to exercise the Portfolio Purchase Option in these circumstances must be notified to the Security Trustee within 20 Business Days of such event. No such early redemption may take place within such 20 Business Day period or until the Portfolio Option Holder has confirmed whether it will exercise the Portfolio Purchase Option.

The exercise of the Portfolio Purchase Option will also be subject to the transferee of the Mortgage Receivables demonstrating to the VRR Lender, the Servicers and the Seller that it has (only in case required) all required licences and authorisations.

In addition, upon exercise of the Portfolio Purchase Option, the VRR Lender shall have the right (but not the obligation) to purchase 5 per cent. of the Portfolio (randomly selected by an audit firm or other suitably qualified independent third party) for a price equal to 5 per cent. of Portfolio Purchase Option Purchase Price.

The Portfolio Purchase Option may be exercised by giving notice to the Issuer with a copy to the Security Trustee, the Cash Manager and the Credit Rating Agencies (if applicable) no less than 30 Business Days prior to the Portfolio Sale Completion Date. The Portfolio Purchase Option may be exercised on or following the First Optional Redemption Date for effect on a Business Day specified in the notice of exercise delivered to the Issuer.

### **Portfolio Purchase Option Purchase Price**

The purchase price for the Portfolio under the Portfolio Purchase Option shall be the Portfolio Purchase Option Purchase Price.

The Portfolio Option Holder or its nominee (and the VRR Lender exercising the VRR Lender Right to Match) will be required to deposit or give irrevocable payment instructions to deposit the full amount (or portion thereof in the case of a person exercising the VRR Lender Right to Match) of the Portfolio Purchase Option Purchase Price in the Issuer Transaction Account on or before the date upon which the sale of the Portfolio completes (or such later date as agreed with the Security Trustee) or take such other action agreed with the Security Trustee. The Portfolio Purchase Option Purchase Price must be paid prior to the completion of transfer of the Portfolio Purchase Option Mortgage Receivables. The full amount of the Portfolio Purchase Option Purchase Price together with amounts standing to the credit of the Issuer Accounts (including the balance of the Liquidity Reserve Fund but excluding (i) Purchaser Receipts and (ii) Swap Collateral to the extent that such Swap Collateral is required to be transferred to the Swap Counterparty) *minus* an amount

equal to 0.75 per cent. of the Principal Amount Outstanding of the Class A Notes on the first Notes Payment Date (following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments) *plus* any termination amount payable to the Issuer under the Interest Rate Swap will, on the Portfolio Purchase Option Completion Date, be applied in accordance with the Post-Enforcement Priority of Payments.

The Portfolio Option Holder and the VRR Lender (where it is exercising the VRR Lender Right to Match) may set off any amounts or any accrued amounts owing (or due to be owed to it when a completion of the transactions under the Portfolio Purchase Option occurs) to it from the Issuer on the Notes Payment Date on which the exercise of the Portfolio Purchase Option is completed against the Portfolio Purchase Option Purchase Price. Where a person wishes to set-off amounts owed under Notes, the same must be delivered to the Issuer for cancellation or cancelled in the clearing systems. For the avoidance of doubt, where any amount in respect of the Notes is set off, any equivalent amount payable to the VRR Lender in respect of the VRR Proportion of such amount shall not be capable of set-off and must be paid in cash in full (unless the VRR Lender elects to set off such entitlement in respect of its purchase pursuant to the VRR Lender Right to Match). Any person (or its affiliates) exercising set off rights must evidence to the satisfaction of the Security Trustee that it holds the required amount of the Principal Amount Outstanding under the Class R Notes or the VRR Loan (as applicable) and that it waives such entitlement to payments under the Class R Note or VRR Loan (as applicable) pursuant to such set-off arrangement.

**“Portfolio Purchase Option Purchase Price”** means as at the date of determination an amount equal to the greater of:

- (a) the sum of:
  - (i) the aggregate Principal Amount Outstanding of the Investor Notes and an amount equal to the VRR Proportion of the aggregate Principal Amount Outstanding of the Investor Notes as at the Portfolio Purchase Option Completion Date prior to the application of Available Revenue Funds and Available Principal Funds in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments on the Notes Payment Date falling on the Portfolio Purchase Option Completion Date; plus
  - (ii) accrued and unpaid interest on the Investor Notes and an amount equal to the VRR Proportion of the accrued and unpaid interest on the Investor Notes and other non-principal amounts due in respect of the Class R Notes and an amount equal to the VRR Proportion of such non-principal amounts as at the Portfolio Purchase Option Completion Date; plus
  - (iii) the Class S1 Payment and the Class S1 Payment Early Repayment Amount (if any) due on the Class S1 Note and the Class S2 Payment due on the Class S2 Note and an amount equal to the VRR Proportion of amounts payable as Class S1 Payment and the Class S1 Payment Early Repayment Amount (if any) due on the Class S1 Note and the Class S2 Payment due on the Class S2 Note as at the Portfolio Purchase Option Completion Date; plus

- (iv) any fees, costs, amounts and expenses of the Issuer payable senior to the Residual Notes in the Pre-Enforcement Revenue Priority of Payments as at the Portfolio Purchase Option Completion Date (including any amounts and market value payable in relation to termination of the Swap Agreement); *minus*
  - (v) Portfolio Purchase Option Available Funds,
- (the “**Base Portfolio Purchase Option Purchase Price**”); and
- (b) the sum of:
- (i) the current value of the principal balance of all of the Mortgage Loans in the Portfolio as at the end of the Collection Period prior to the Portfolio Purchase Option Completion Date; plus
  - (ii) any fees, costs, amounts and expenses of the Issuer payable senior to the Residual Notes in the Pre-Enforcement Revenue Priority of Payments as at the Portfolio Purchase Option Completion Date (including any amounts and market value payable in relation to termination of the Swap Agreement),
- (the “**Portfolio Purchase Option Current Value Purchase Price**”).

For the avoidance of doubt, projected future payments are not discounted for the purposes of these calculations.

Where:

“**Portfolio Sale Completion Date**” means the date upon which a sale of the Portfolio occurs pursuant to the Portfolio Purchase Option.

“**Portfolio Purchase Option Available Funds**” means amounts standing to the credit of the Issuer Accounts (including the Liquidity Reserve Fund but excluding (i) Swap Collateral to the extent that such Swap Collateral is required to be transferred to the Swap Counterparty, (ii) any amounts standing to the credit of the Class S1/S2 Ledger and (iii) an amount equal to the Initial Liquidity Reserve Target) as at the end of the Collection Period prior to the Portfolio Purchase Option Completion Date (following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments) *plus* any termination amount payable to the Issuer under the Interest Rate Swap. Revenue Funds and Principal Funds received by the Issuer after such date shall, for the purposes of the Trust Agreement, be “**Purchaser Receipts**” and for the avoidance of doubt shall not be distributed in accordance with the Post-Enforcement Priority of Payments on the Portfolio Purchase Option Completion Date.

“**Portfolio Purchase Option Completion Date**” means the Notes Payment Date falling on the same day as or, not more than 5 days after, the Portfolio Sale Completion Date.

The Portfolio Purchase Option Current Value Purchase Price shall be determined by the Portfolio Option Holder calculating such price in consultation with the Cash Manager and the VRR Lender and giving notice of it to the VRR Lender. If the Portfolio Option Holder and the VRR Lender cannot agree on a Portfolio Purchase Option Current Value Purchase Price they may together appoint an independent third party valuer who shall, following

consultation with such parties, propose an alternative Portfolio Purchase Option Current Value Purchase Price.

On exercise of the VRR Lender Right to Match, the VRR Lender shall pay a price equal to 5 per cent. of the Portfolio Purchase Option Purchase Price.

**“Portfolio Option Holder”** means the holder or holders of more than fifty per cent. (50%) of the Class R Notes (or any entity or entities representing more than fifty per cent. (50%) of the Class R Notes).

### **Redemption of Notes**

On any Notes Payment Date on which all conditions to completion of the Portfolio Purchase Option will have been satisfied, the Portfolio Purchase Option Purchase Price together with amounts standing to the credit of the Issuer Accounts (including the balance of the Liquidity Reserve Fund but excluding (i) Purchaser Receipts and (ii) Swap Collateral to the extent that such Swap Collateral is required to be transferred to the Swap Counterparty) *minus* an amount equal to 0.75 per cent. of the Principal Amount Outstanding of the Class A Notes on the first Notes Payment Date (following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments) *plus* any termination amount payable to the Issuer under the Interest Rate Swap will be applied in accordance with the Post-Enforcement Priority of Payments and will result in the Investor Notes being redeemed in full. Any funds remaining after the payment in full of all items ranking prior to such payments will be paid to the Class R Noteholders and the VRR Lender in accordance with the Post-Enforcement Priority of Payments.

**“Exercise Notice”** means a notice to be delivered by the Portfolio Option Holder, as applicable, in accordance with the Trust Agreement to exercise the Portfolio Purchase Option.

### **Optional Redemption for Tax and other Reasons**

The Issuer may redeem all the Investor Notes at their respective Principal Amount Outstanding together with any interest accrued (and unpaid) thereon up to (but excluding) the date of redemption pursuant to Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*) (subject to the Portfolio Option Holder's right to exercise the Portfolio Purchase Option, and the VRR Lender Right to Match).

### **Optional Redemption in the event of a Regulatory Change Event**

The VRR Lender (or its delegate) shall have the right (but not any obligation) to acquire or re-acquire all Mortgage Receivables comprising the Portfolio upon the occurrence of a Regulatory Change Event in accordance with the terms of Condition 6(e) (*Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option*) (subject to the Portfolio Option Holder's right to exercise the Portfolio Purchase Option, and the VRR Lender Right to Match). The price payable by or on behalf of the VRR Lender to the Issuer to acquire the entire Portfolio from the Issuer shall be a price equal to the Regulatory Change Option Purchase Price.

An exercise of a purchase right in respect of all Mortgage Receivables comprising the Portfolio following a Regulatory Change Event is referred to as the Regulatory Change Option.

Following exercise of the Regulatory Change Option, the Issuer will give not more than forty (40) nor less than five (5) Business Days' notice to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*) and the Security Trustee stating that the Notes (other than the Class R Notes) will be redeemed on the Notes Payment Date immediately following the exercise of such option by the Seller.

The VRR Lender or its nominee will be required to deposit or give irrevocable payment instructions to deposit the full amount of the Regulatory Change Option Purchase Price in the Issuer Transaction Account on the date of sale being no later than the day falling two (2) Business Days immediately preceding the Notes Payment Date on which the exercise of such option is completed or take such other action agreed with the Security Trustee.

### **Assignment Notification Events**

(A) If:

- (1) a default is made by or on behalf of the relevant Originator, Original Seller, Collection Foundation or the Seller in the payment on the due date of any amount due and payable to the Issuer (or in respect of any amount which is ultimately payable to the Issuer, or to which the Issuer is ultimately entitled, through one or more other Transaction Parties (including any back-to-back indemnity claims for breaches of representations and warranties));
- (2) the relevant Servicer, Original Seller, Collection Foundation or the Seller fails duly to perform or comply with any the Transaction Documents to which it is a party and such failure, if capable of being remedied, is not remedied within twenty (20) Business Days after notice thereof has been given by the Issuer or the Security Trustee to the relevant Transaction Party;
- (3) the security created over the Mortgage Receivables under or pursuant to the Pledge Agreements or any material part of that security is, in the reasonable opinion of the Security Trustee, in jeopardy;
- (4) the Issuer is required by any law, regulation or regulatory directive to give notice of the assignment of the Mortgage Receivables;
- (5) the relevant Original Seller or the Seller becoming entitled under the terms of their contractual relationship with the relevant Originator, respectively the relevant Original Seller, to give notice of the assignment of the relevant Mortgage Receivables to them;
- (6) any representation, warranty or statement made or deemed to be made by the Servicer, Original Seller or Seller under any of the Transaction Documents, other than those relating to the Mortgage Loans and the Mortgage Receivables, or in any notice or other document, certificate or statement delivered by it pursuant thereto proves to have been, and continues to be after the expiration of any applicable grace period provided for in any Transaction Document, untrue or incorrect in any material respect;

- (7) the relevant Originator, Servicer, Original Seller or Seller has taken any corporate action or any steps have been taken or legal proceedings have been instituted by any of them or against any of them for their entering into suspension of payments for their bankruptcy or other analogous proceedings, including any application for their bankruptcy or suspension of payments or any of them being declared bankrupt or granted a suspension of payments or any other steps have been taken under any other or analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer to any of them or of any or all of their assets;
- (8) the relevant Originator, Servicer, Original Seller, Collection Foundation, Collection Foundation Security Trustee or Seller has taken any corporate action or steps have been taken or legal proceedings been instituted against any of them for their dissolution, liquidation or legal merger or legal demerger or conversion into a foreign entity or different legal form (other than, in the case of the Seller, when giving effect to a solvent reorganisation) or any of their assets have been placed under administration proceedings;
- (9) it has become unlawful for the relevant Originator, Servicer, Original Seller or the Seller to perform all or a material part of its obligations under the Transaction Documents or any Originator Asset Purchase Agreement;
- (10) a Pledge Notification Event has occurred;
- (11) any of the events specified as such in Condition 10 (*Events of Default*) has occurred and is continuing; or
- (12) any Collection Foundation or any Collection Foundation Security Trustee has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its entering into suspension of payments (*surseance van betaling*) or for bankruptcy (*faillissement*) or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer to it or any or all of its assets,

(any event which is or may become (with the lapse of time and/or the giving of notice and/or the making of any determination) one of these events, an “**Issuer Assignment Notification Event**”) then:

- (a) the Seller, on behalf of the Issuer, shall forthwith notify or ensure that the relevant Borrowers, Mortgage Guarantors and any other relevant parties indicated by the Issuer and/or the Security Trustee are notified of the assignments to the Issuer (and any previous assignments) in the form to be determined by the Issuer and the Security Trustee or, at their option, any of the Issuer and the Security Trustee shall be entitled to make such notifications itself, for which purpose the Seller herewith grants an irrevocable power of attorney to the Issuer and the Security Trustee to make such notifications;
- (b) the Seller shall, if so requested by the Security Trustee, procure that appropriate entries are made in the Land Registry relating to the assignment, also on behalf of the Security Trustee, or, at its option, the Issuer or the Security Trustee shall be entitled to make such entries

itself, for which entries the Seller herewith grants irrevocable power of attorney to the Issuer and the Security Trustee; and

- (c) the Issuer or the Security Trustee shall instruct the Deposit Agent to release the Escrow List of Loans to the Security Trustee (such actions as described under paragraphs (a) to (c) (inclusive) together, the “**Assignment Actions**”).
- (B) Upon the occurrence of an Issuer Assignment Notification Event, the Security Trustee shall, after having notified the Credit Rating Agencies, be entitled to deliver a notice to the Seller (copied to the Issuer) instructing the Seller not to undertake the Assignment Actions or to take any actions other than the Assignment Actions (an “**Assignment Notification Stop Instruction**”).
- (C) All costs relating to the Assignment Actions will be for the account of the Seller (provided it can claim such costs against the relevant Original Seller) or, upon failure of the Seller, the Issuer.

### **No active portfolio management on a discretionary basis**

The Portfolio is not subject to any active portfolio management on a discretionary basis and the Seller does not have any discretionary rights to repurchase all or part of the Mortgage Receivables owned by the Issuer.

A retransfer of Mortgage Receivables by the Issuer shall only occur:

- (A) in the circumstances pre-defined in the Mortgage Receivables Purchase Agreement as set out in Section 7.1 (*Purchase and Sale*); and
- (B) upon the exercise of either (i) the optional redemption exercisable by the Issuer in whole for tax or other reasons (including if it becomes unlawful for the Issuer to allow to remain outstanding any of the Notes) on any Notes Payment Date following the date on which there is a change in tax law or other law, as fully set out in Condition 6(c) (*Optional Redemption for Taxation or Other Reasons*); (ii) the Portfolio Purchase Option or (iii) Regulatory Change Option;

Accordingly, based on the Issuer's understanding of the spirit of Article 20(7) of the EU Securitisation Regulation and Article 20(7) of the UK Securitisation Regulation, the Issuer is of the view that the Transaction Documents do not allow for active portfolio management of the Mortgage Receivables comprising the pool on a discretionary basis.

## **7.2 Representations and Warranties**

The Seller represents and warrants to the Issuer and the Security Trustee (i) on the Signing Date and on the Closing Date with respect to the Completion Mortgage Receivables (and the Mortgage Loans relating thereto and their Related Security) sold and assigned or to be sold and assigned by it to the Issuer on the Closing Date, that on the Cut-off Date (and in respect of paragraph (C) below, on the Closing Date), and (ii) on the Post-Closing Mortgage Receivables Purchase Date with respect to the Post-Closing Mortgage Receivables (and the Post-Closing Mortgage Loans relating thereto and their Related Security) sold and assigned or to be sold and assigned by it to the Issuer, that on such Post-Closing Mortgage Receivables Purchase Date:



- (A) the Mortgage Loan Criteria have been met in respect of each Mortgage Loan;
- (B) it has not been notified and is not aware of anything affecting its title to the Mortgage Receivables;
- (C) it has full right and title and the power to dispose of (*beschikkingsbevoegdheid*) the Mortgage Receivables;
- (D) no restrictions on the sale, transfer, assignment and pledging of the Mortgage Receivables are in effect and the Mortgage Receivables are capable of being transferred and assigned in the manner contemplated by the Mortgage Receivables Purchase Agreement and the Deed of Assignment and Pledge;
- (E) the Mortgage Receivables are free and clear of any Security Interest, encumbrances, attachments (*beslagen*) or other limited rights in rem (*beperkte rechten*), other than those intended to be created under or pursuant to the terms of the Transaction Documents in favour of the Security Trustee;
- (F) the Mortgage Receivables have not been transferred, encumbered or attached in advance and it has not agreed to such transfer or encumbrance in advance other than under or pursuant to the Transaction Documents;
- (G) each Mortgage Loan constitutes the entire mortgage loan granted to the relevant Borrower and not merely one or more Loan Parts;
- (H) so far as it is aware, no Borrower is in breach of any obligation under a Mortgage Loan other than in respect of Monthly Payments;
- (I) the notarial mortgage deeds (*minuut*) relating to the Mortgages are kept by a civil law notary at the time of execution of the relevant mortgage deed and it is not aware that the mortgage deeds are not kept by a civil law notary in the Netherlands and are registered or in the process of being registered in the appropriate registers, while scanned copies of such deeds and of the other Title Deeds are held by the relevant Servicer and/or Sub-Contractor;
- (J) neither the relevant Borrower nor the relevant Mortgage Guarantor in respect of a Mortgage Loan holds a savings account, current account or other term deposit with an Originator or Original Seller;
- (K) in the Netherlands, the Mortgage Loans and Mortgage Receivables are not subject to withholding tax;
- (L) no Mortgage Loan has been an Arrears Mortgage Loan for more than thirty (30) days;
- (M) as far as it is aware (having made due and careful enquiries with the relevant Servicer) no Borrower of a Mortgage Loan (i) is deceased, (ii) ceased to exist as a legal person, (iii) or is subject to bankruptcy (*faillissement*), suspension of payments (*surseance van betaling*), debt rescheduling scheme or any other or analogous insolvency proceedings;

- (N) as far as it is aware (having made due and careful enquiries with each Servicer) there is no fraudulent misrepresentation and no fraud has been perpetrated by any Borrower in or in relation to or in connection with the origination or completion of any Mortgage Loan or its Related Security and none of the documents, reports, applications, forms and deeds given, made, drawn up or executed in relation to such origination or completion has been given, made, drawn up or executed in a fraudulent manner;
- (O) neither it, any Original Seller nor as far as it is aware (having made due and careful enquiries) any Originator has taken any proceedings against any Borrower;
- (P) the relevant Mortgage Loan (other than to the extent such Mortgage Loan is an Exception Mortgage Loan and has been notified as such to the Issuer) and its Related Security has been made on the terms set out in the Standard Documentation without any variation thereto, subject to:
  - (1) any modification or variation made pursuant to the relevant Originator's usual administration practices; and
  - (2) any variation made following regular legal and regulatory compliance review; or
  - (3) any variation explicitly permitted under the terms of the relevant Originator Asset Purchase Agreement;
- (Q) each Mortgage Receivable will be, upon offer for registration of the Deed of Assignment and Pledge with the appropriate unit of the Tax Authorities, transferred and/or pledged and such transfer and/or pledge is enforceable against its creditors and is neither prohibited nor invalid, save for applicable laws affecting the rights of creditors generally;
- (R) each Mortgage Receivable is validly existing;
- (S) each Mortgage Loan and its Related Security is governed by Dutch law and, subject to the Legal Reservations, constitutes the legal, valid, binding and enforceable obligations of and Security Interests granted by the Borrower;
- (T) each advance under a Mortgage Loan was made by the relevant Originator for its own account in the ordinary course of the relevant Originator's secured buy-to-let mortgage lending activities in the Netherlands;
- (U) the relevant Originator and the relevant Collection Foundation hold a current direct debit instruction in favour of the relevant Originator and the relevant Collection Foundation; and
- (V) the origination (and the documentation of any Mortgage Loan or any variation of such agreement) fully complies with all the applicable laws and regulations including, without limitation, all applicable requirements of the Wft and any guidance (either published or otherwise known to the respective Originator) by any Competent Authority (in particular, the Dutch Central Bank (*De Nederlandsche Bank*) and the AFM), as in force at the date of making the relevant representation (not taking into account any future changes with retroactive effect); and

- (W) in respect of the Mortgage Loans, the criteria applied by the relevant Originator in the credit-granting were as sound and well-defined as the criteria applied to loans advanced by the relevant Originator but not securitised.

### 7.3 Mortgage Loan Criteria

Each of the Mortgage Loans and Mortgage Receivables will meet the following Mortgage Loan Criteria on (i) the Cut-off Date, or (ii) in respect of the Post-Closing Mortgage Loans, the Post-Closing Mortgage Receivables Purchase Date:

1. the particulars of each Mortgage Loan listed in Schedule 1 (*List of Loans*) or Schedule 2 (*List of Post-Closing Mortgage Loans*) (as the case may be) to the Mortgage Receivables Purchase Agreement are correct and complete other than in respect of any minor non-material deviations;
2. each Mortgage Receivable is validly existing;
3. each Mortgage Loan and its Related Security is governed by Dutch law and, subject to the Legal Reservations, constitutes the legal, valid, binding and enforceable obligations of and Security Interests granted by the Borrower;
4. in respect of each Mortgage Loan, the relevant Mortgage is a valid and subsisting first ranking right of mortgage (*hypotheekrecht eerste in rang*);
5. each Mortgage Loan is secured by a Mortgage on non-owner occupied/buy-to-let residential or mixed used real property in the Netherlands;
6. the Mortgages, are entered into the appropriate mortgage register of the Land Registry and were vested for a maximum amount which is at least equal to the principal amount of the relevant Mortgage Loan at origination plus at least 40 per cent;
7. the notarial Mortgage Deeds (*minuut*) relating to the Mortgages are kept by a civil law notary at the time of execution of the relevant Mortgage Deed and the relevant Originator is not aware that the Mortgage Deeds are not kept by a civil law notary in the Netherlands and are registered or in the process of being registered in the appropriate registers, while scanned copies of such deeds and of the other Title Deeds are held by or on behalf of the relevant Originator;
8. each of the Mortgage Loans has been granted, and each of the Mortgages and Borrower Pledges has been vested, (i) subject to the applicable Mortgage Conditions and (ii) substantially in the form of mortgage deed as scheduled to the relevant Original Sellers Mortgage Receivables Purchase Agreement pursuant to which such Mortgage Receivables have or are intended to have been assigned to the Seller;
9. each Mortgage Loan has a positive outstanding principal amount;
10. the relevant Originator caused to be made on its behalf a valuation of the relevant Property by an independent reputable Mortgage Valuer in accordance with its policies;

11. each Mortgage Loan was originated in, is denominated in and all amounts in respect of such Mortgage Loan and its Related Security are payable only in EUR and may not be changed by the relevant Borrower to any other currency;
12. each right of pledge purported to be created on the Mortgage Receivables under or pursuant to the Transaction Documents constitutes a valid first ranking right of pledge (*pandrecht eerste in rang*);
13. the origination (and the documentation of the relevant Mortgage Loan or any variation of such agreement fully complies) with all the applicable laws and regulations including, without limitation, all applicable requirements of the Wft and any guidance (either published or otherwise known to Seller) by any Competent Authority (in particular, the Dutch Central Bank (*De Nederlandsche Bank*) and the AFM), as in force at the date of making the relevant representation (not taking into account any future changes with retroactive effect);
14. each Mortgage Loan has been granted in accordance with all applicable legal requirements, and (other than to the extent such Mortgage Loan is an Exception Mortgage Loan and has been notified as such to the Issuer) meets the relevant Originator's underwriting policy, including its underwriting criteria at the time of application;
15. with respect to the Mortgage Receivables secured by a mortgage right on a long lease (*erfpacht*):
  - (A) the maturity of the Mortgage Loan is equal to or shorter than the term of the long lease (other than in respect of long lease agreements with municipalities or other semi-public authorities); and
  - (B) the relevant Loan Agreement provides that the principal sum of the Mortgage Loan, including interest, will become immediately due and payable if the long lease terminates;
16. no Borrower has or may acquire a right of set-off during the life of the Mortgage Loan, subject to the reflex effect (*reflexwerking*) of the Dutch law implementation of Directive (93/13/EEC) in respect of professional parties;
17. payments in respect of the Mortgage Receivable by the Borrowers are made in arrear in monthly instalments;
18. none of the Borrowers had, at the date of application for the Mortgage Loan, a negative BKR registration (*BKR coding*) exceeding EUR 500 in the three years immediately preceding the time the final offer for the Mortgage Loan was made;
19. all dealings with each Mortgage Intermediary that dealt with the relevant Originator in relation to a Mortgage Loan and its Related Security (including the origination of a Mortgage Loan) were made in accordance with the relevant broker policies and applicable service level agreements of the relevant Originator as at the date such Mortgage Intermediary had such dealings (or on such other terms to which the relevant Original Seller has given its prior written consent as disclosed to the Issuer);

20. no Mortgage Loan is a Self Certified Loan;
21. the applicable Mortgage Conditions provide that each of the properties on which a Mortgage has been vested to secure the Mortgage Receivable should at the time of origination of the Mortgage Loan, have the benefit of buildings insurance (*opstalverzekering*) satisfactory to the Originator;
22. no restrictions on the sale, transfer, assignment and pledging of the Mortgage Receivables are in effect and the Mortgage Receivables are capable of being pledged, transferred and assigned;
23. no Mortgage Loan has been terminated or frustrated, nor has any event known to the relevant Original Seller occurred which would make any Mortgage Loan subject to force majeure (*overmacht*) or any right of rescission and no right or entitlement of any kind for the non-payment of the full amount of each Mortgage Loan when due has been agreed with the Borrower;
24. other than privacy limitations, each Mortgage Loan is not subject to any contractual confidentiality restrictions which may restrict the ability of the Issuer to acquire or dispose of the same or exercise its rights or discharge its obligations under the Transaction Documents;
25. as far as it is aware (having made due and careful enquiries with each Originator), there are no threatened or pending complaints in relation to any Mortgage Loan or its Related Security from or before any person (including, without limitation, the AFM or any Borrower), in each case that the relevant Originator has not complied with applicable laws or regulations in connection with the Mortgage Loan or its Related Security;
26. neither the relevant Original Seller nor (as far as it is aware, having made due and careful enquiries with the relevant Originator) the relevant Originator has at any time provided a Borrower or Mortgage Guarantor with advice in respect to a Mortgage Loan or its Related Security;
27. the Borrower is either (i) a legal person or entity with its statutory seat (if applicable) and its principal place of business in the Netherlands or (ii) a private individual conducting an enterprise (*werkzaam in de uitoefening van een beroep of bedrijf*) in the Netherlands;
28. the amount of each Mortgage Loan has been fully advanced, released and disbursed to or to the order of the relevant Borrower and no Mortgage Loan contains an obligation on the part of the relevant Originator to make any further advance or pay or repay any amount (including, without limitation, in relation to cashback payments, interest, fees, charges and refunds) to any Borrower;
29. the aggregate amount of all Mortgage Loans (other than the Borrower Limit Exception Mortgage Loans) advanced to a Borrower by an Originator is less than or equal to EUR 5,000,000;
30. in respect of each Mortgage Loan at least one (interest) payment has been received prior to the Closing Date, or, in respect of Post-Closing Mortgage Loans, prior to the Post-Closing Mortgage Receivables Purchase Date;

31. the interest rate on each Mortgage Loan is a fixed rate (other than a Mortgage Loan carrying a floating rate of interest), subject to an interest reset from time to time and with an interest period not exceeding ten (10) years;
32. the terms of each Mortgage Loan provide for interest to accrue and be paid at the rate and at the times as provided by the relevant standard terms comprised in the applicable Mortgage Conditions in so far as such terms are applicable to the relevant type of Mortgage Loan and each such Mortgage Loan does not include and has never included any provisions entitling the relevant Borrower at any time to defer interest; and
33. to the best of its knowledge, none of the Mortgage Loans was marketed and underwritten on the premise that the Borrower or where applicable intermediaries, were aware that the information provided might not be verified by the relevant Originator.

#### **7.4 Servicing Agreements**

On or about the Closing Date, the Issuer will appoint three Servicers and enter into a Servicing Agreement with each of them.

In the Servicing Agreements, each Servicer will agree to provide administration and management services to the Issuer on a day-to-day basis in relation to the Mortgage Loans originated by itself, and the Mortgage Receivables resulting from such Mortgage Loans, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the Mortgage Loans and the Mortgage Receivables, all administrative actions in relation thereto and the implementation of arrears procedures including the enforcement of mortgages (see further Section 6.3 (*Origination and Servicing*)). The Servicer will be obliged to manage the Mortgage Loans and the Mortgage Receivables with the same level of skill, care and diligence as other mortgage loans under its management.

#### **Warranties and undertakings**

Each Servicer warrants and undertakes to the Issuer and the Security Trustee at all times during the term that the relevant Servicing Agreement is in force, that it:

- (A) shall carry out the Mortgage Loan Services with the same level of skill, care, and diligence as would a Reasonable, Prudent Mortgage Servicer (as defined in the Master Definitions Agreement) and in accordance with the Transaction Documents and the key asset documents relating to the relevant Servicer, the servicing, arrears, enforcement and other policies and services specifications set out in the underwriting policies, key lending policies, servicing standards and the standard documentation of the relevant Servicer, as applicable, and that it shall administer the relevant Mortgage Loans and their Related Security as if it were entitled to the relevant Mortgage Receivables comprised in the Portfolio;
- (B) shall notify the Issuer and the Security Trustee upon becoming aware of the occurrence of any event (including any legal proceedings or regulatory action taken against it, and the occurrence of any Force Majeure Events (as defined in the Master Definitions Agreement) that may reasonably be expected to have an adverse impact on its ability to perform the Mortgage Loan Services (and will use

best endeavours to remedy/resolve the same, unless a Force Majeure Event occurs, in which case the clause of the relevant Servicing Agreement that relates to the Force Majeure shall apply);

- (C) shall make all payments required to be made by it to the Issuer on its due date in euro and in immediately available funds without set-off (including, without limitation, in respect of any fees owed to it);
- (D) shall notify the Issuer and the Security Trustee of any Servicer Termination Event under the relevant Servicing Agreement;
- (E) shall waive any security interest that it has, or may in the future have, in any asset of the Issuer (other than its capacity as a Secured Creditor);
- (F) shall not amend, vary, supplement, add to or substitute to the extent that such amendment, variation, supplement, addition or substitution would affect the relevant Mortgage Receivables held by the Issuer:
  - (1) any of its servicing procedures which are relevant for carrying out its servicing standards;
  - (2) its key lending policies or its standard documentation; or
  - (3) any of its servicing procedures which are relevant for carrying out its key lending policies, its servicing standards or its standard documentation,

without the prior written consent of the Issuer, except as required to comply with any applicable law or regulation or if in line with market practice in the Netherlands (in which case the relevant Servicer shall provide a copy of all relevant documentation and information to the Issuer at least ten (10) Business Days prior to the amendment taking effect);

- (G) shall (and shall ensure that the relevant Sub-Contractor shall) at all times have available to it the necessary personnel with the relevant experience and facilities, including computer facilities and relevant software, to enable it to comply with its obligations under the Transaction Documents;
- (H) to the extent practicable, shall comply with any proper directions, orders and instructions which the Issuer and/or (following the delivery of an Enforcement Notice) the Security Trustee may from time to time give to it in accordance with the provisions of the relevant Servicing Agreement and any other Transaction Document and which in any event are not inconsistent with the terms upon which it has been appointed under the relevant Servicing Agreement;
- (I) shall obtain, keep in force and comply with all licences, approvals, authorisations, permissions, exemptions and consents which are necessary in connection with the performance of the Mortgage Loan Services and prepare and submit on a timely basis all necessary applications and requests for any further approval, authorisation, consent, registration or licence required in connection with the performance of the Mortgage Loan Services and including without limitation, any registrations and authorisations and permissions under the Wft;

- (J) shall comply with all applicable regulations in the performance of the Mortgage Loan Services, including without limitation any rules of the Wft and the Dutch Civil Code;
- (K) shall comply with and implement any recommendations in any procedures report agreed between the Issuer and the relevant Servicer;
- (L) shall inform the Issuer as soon as it becomes aware of any development that may reasonably be expected to have an adverse impact on its ability to carry out the Mortgage Loan Services;
- (M) shall at all times comply with and perform all its obligations under the Transaction Documents to which it is a party;
- (N) shall not terminate, repudiate, rescind, discharge any Transaction Documents or agree to vary, novate, amend, modify or waive any provisions of any Transaction Document, save to the extent permitted by the Transaction Document, or with the prior written consent of the Security Trustee;
- (O) shall provide all reasonable co-operation to any Back-Up Servicer Facilitator appointed (including, without limitation, in relation to the appointment of a Successor Servicer);
- (P) shall, upon reasonable notice from the Issuer, from time to time, participate in *ad hoc* telephone or in-person meetings in connection with the relevant Servicing Agreement, the Transaction Documents, and any other agreements relating to the Mortgage Loan Services; and
- (Q) shall permit each of Issuer and the Security Trustee and any other person nominated by any of them, regulators or other authorised agents in reasonable numbers at any time during normal office hours upon reasonable notice and at no charge to the relevant Servicer:
  - (1) to visit its offices;
  - (2) to the extent permitted by law, to examine, make and take away copies of any records, accounts and other information relating to Mortgage Loan Services and books of record and account relating to the administration of Mortgage Loans;
  - (3) to discuss matters relating to its business and activities with any of its directors, agents or employees having knowledge of such matters; and
  - (4) shall provide full co-operation in respect of the same;
- (R) shall take the steps required to ensure that no Automatic Capitalisation occurs in respect of the relevant Mortgage Loans other than in accordance with the applicable Mortgage Conditions and or any legal and regulatory requirements including without limitation any rules of the Wft (if applicable), for which purpose “**Automatic Capitalisation**” means, in respect of a Mortgage Loan, the capitalisation of any amount of interest and/or principal due but unpaid in respect of such Mortgage Loan where:



- (1) the relevant Borrower has not consented to such capitalisation; and
- (2) notwithstanding such capitalisation, the capitalised amount continues to be treated as immediately due and payable.

Furthermore, each Servicer warrants to the Issuer and the Security Trustee that, at all times during the term that the relevant Servicing Agreement is in force, it has obtained and is in compliance with all authorisations, approvals, licences, consents, exemptions or permissions required by any applicable regulations to enable it to lawfully perform its obligations under the relevant Servicing Agreement.

### **Back-up Servicer Facilitator**

Prior to termination of the appointment of the Servicer, the Issuer shall have entered into a replacement servicing agreement with the stand-by servicer within three months or, alternatively, appointed a Successor Servicer to service the Mortgage Loans (originated by that Servicer) on behalf of the Issuer, with effect from the termination of the appointment of the Servicer. The Issuer or (after delivery of an Enforcement Notice) the Security Trustee shall request the Back-Up Servicer Facilitator to, in accordance with the terms of the Servicing Agreements, appoint one of the other Servicers (provided such other Servicer was amongst those appointed by the Issuer on the Closing Date) as the successor servicer on the terms most favourable to the Issuer, provided that such successor servicer enters into an agreement with the Issuer and the Security Trustee on substantially the same terms as the Servicing Agreement of the Servicer whose appointment is to be terminated, and at fees which are consistent with those payable generally at the relevant time for the provision of mortgage loans administration and management services. If there are no remaining Servicers from amongst those appointed by the Issuer on the Closing Date, or none of the remaining Servicers are willing to act on the terms described above, the Back-Up Servicer Facilitator shall, on behalf of the Issuer (prior to the service of an Enforcement Notice) or the Security Trustee (following service of an Enforcement Notice) use reasonable endeavours to identify and select a successor servicer which satisfies the conditions set out in the Servicing Agreements.

### **Termination of appointment**

Each Servicing Agreement may be terminated by the Issuer and/or the Security Trustee, as the case may be, upon the occurrence of certain termination events in respect of that Servicer (subject to the terms of the relevant Servicing Agreement), including but not limited to (i) dissolution (*ontbinding*) or liquidation (*vereffening*) of that Servicer or that Servicer being declared bankrupt (*failliet verklaard*) or granted a suspension of payments (*(voorlopige) surseance van betaling*), (ii) that Servicer undergoes a Change of Control and the new party in control would not meet the KYC standards for a shareholder of a servicing company, (iii) that Servicer is in material and/or persistent breach of the terms of the relevant Servicing Agreement unless remedied in accordance with the relevant Servicing Agreement, (iv) it becomes illegal for the relevant Servicer to perform or comply with its obligations under its Servicing Agreement or (v) a force majeure event prevents the Servicer from performing its obligations for a period of more than two consecutive months.

### **Sub-servicer and stand-by servicer**

Each Servicer appointed BCMGlobal as Sub-Servicer provider to provide mortgage payment transaction services (as described in the sub-servicing agreement that each Servicer has entered into with BCMGlobal). The Issuer and the Security Trustee have consented to the appointment of BCMGlobal as Sub-Servicer. BCMGlobal will provide these mortgage payment transaction services to the relevant Servicer on the terms and subject to the terms and conditions of the relevant Servicing Agreement and the sub-servicing agreement that each Servicer has entered into with BCMGlobal and in accordance with the policies of the relevant Servicer and, to the extent applicable, the lending criteria, the underwriting policy and the standard documentation of the relevant Servicer. For the purpose of the aforementioned, and in relation to BCMGlobal's appointment as sub-servicer pursuant to the Servicing Agreement only, each Servicing Agreement provides that the terms and conditions of the sub-servicing agreement that each Servicer has entered into with BCMGlobal, are expressly incorporated into the Servicing Agreement by reference and shall be binding on the relevant Servicer and BCMGlobal as if set out in full in the relevant Servicing Agreement. In the event of a conflict between provisions of the Servicing Agreement and the sub-servicing agreement, the provisions of the Servicing Agreement prevail. Each Servicer will inform BCMGlobal of any amendment, restatement, supplement, substitution or other variation of the Master Definitions Agreement, its policies, its lending criteria, its underwriting policy and/or its standard documentation, as applicable, (each a "Relevant Change") as soon as possible but no later than three (3) months before such Relevant Change is intended to enter into effect. BCMGlobal shall comply with any Relevant Change subject to the terms of each Servicing Agreement. BCMGlobal shall prepare, submit and have obtained all necessary applications and request for approval, authorisation or licenses required by it to perform its services under the relevant Servicing Agreement. In addition, BCMGlobal shall, when providing its services under the relevant Servicing Agreement, comply with all legal and regulatory requirements applicable to the services it provides under the relevant Servicing Agreement (if any). For the avoidance of doubt, BCMGlobal is not responsible for any obligations of each Servicer as original lender and/or originator. Upon the Issuer no longer holding any Mortgage Receivables, the appointment of BCMGlobal as sub-servicer under the relevant Servicing Agreement automatically terminates. BCMGlobal only has the right to terminate its appointment as sub-servicer by written notice with effect from a date specified in the notice, if (A) a default is made by or on behalf of the relevant servicer in the payment on the due date of any payment due and payable by it under the relevant Servicing Agreement, and such default becomes unremedied for a period of ten (10) Business Days after the earlier of (i) the relevant Servicer becoming aware of such default and (ii) receipt by the relevant Servicer of a notice requiring the same to be remedied; (B) it becomes unlawful for BCMGlobal to perform all or a material part of its obligations under the relevant Servicing Agreement; or (C) BCMGlobal provides the Issuer and the Security Trustee twelve (12) months prior written notice, provided that such termination will only become effective if a suitable replacement with relevant experience has been approved by the Security Trustee to take over the sub-servicing role. BCMGlobal, the relevant Servicer, the Issuer and the Security Trustee agree that they will act in good faith in relation to any proposed appointment of a replacement servicer, and that the consent to the appointment of a replacement servicer will not be unreasonably withheld or delayed. The Servicer shall not, without the prior written consent of the Issuer and the Security Trustee, make any amendment to any sub-servicing agreement including the sub-servicing agreement to the extent this would impact the performance of the servicing of the Community Mortgage Receivables. Such amendments are allowed if they (i) are required by applicable laws, (ii) are necessary, in the opinion of the relevant Servicer, to continue to act as a reasonable, prudent mortgage servicer or (iii) are of a formal, minor or technical nature or made to correct a manifest error, or is made to comply with or is needed as a result of the EU Securitisation Regulation or the UK Securitisation Regulation.

Notwithstanding any sub-contracting or delegation of the performance of its obligations under the Servicing Agreements (including for the avoidance of doubt, the delegation to BCMGlobal as Sub-Servicer), each Servicer shall not be released or discharged from any liability under the relevant Servicing Agreement and shall remain liable for the performance of all of the obligations of such Servicer under the relevant Servicing Agreement, including meeting the servicing standards as set out in the relevant Servicing Agreement, and the performance or non-performance or the manner of performance of any sub-contractor or delegate of any of the sub-contracted or delegated services shall not affect each Servicer's obligations under the relevant Servicing Agreement, and any breach in the performance of the services by such sub-contractor or delegate shall be treated as a breach of the relevant Servicing Agreement by the relevant Servicer. The Issuer or, after an Enforcement Notice the Security Trustee, shall have the right to instruct the Servicer to enforce its rights towards BCMGlobal as Sub-Servicer and towards any sub-contractor under such relevant sub-contract.

The Issuer has appointed BCMGlobal as stand-by servicer in respect of the Mortgage Loans. In its capacity as stand-by servicer, BCMGlobal agrees to provide (i) the Mortgage Loan Services and (ii) the services pursuant to the relevant Receivables Proceeds Distribution Agreement (the "**Payment Services**") following receipt of a notice from the Issuer in relation to occurrence of a termination event. In the event that a termination event occurs (or is reasonably expected to occur) in respect of a Servicer and the Security Trustee consents to termination of the relevant Servicing Agreement, the Issuer may inform BCMGlobal at its sole discretion by written notice thereof. After BCMGlobal has received such written notice, the Issuer and BCMGlobal will as soon as reasonably possible thereafter enter into an agreement with each other on materially the same conditions and fees agreed in the relevant Servicing Agreement. BCMGlobal may not terminate its appointment as Stand-by Servicer unless the Issuer has appointed a substitute replacement primary servicer in respect of the Mortgage Receivables, which appointment is subject to the prior written consent of the Servicer and the Security Trustee.

### **Remuneration and liability of the Servicer**

The Issuer agrees to pay to each relevant Servicer a servicing fee in consideration of the relevant Servicer providing the Mortgage Loan Services, as agreed in the relevant Servicing Agreement.

Each Servicer shall indemnify the Issuer and the Security Trustee on an after-tax basis for any Losses suffered or incurred by them as a result of a breach by the relevant Servicer of the terms and provisions of the relevant Servicing Agreement or the other Transaction Documents to which the relevant Servicer is a party.

Each Servicer shall not be liable for any Losses (whether direct, indirect or consequential):

- (A) arising out of default in payment by any Borrower or other obligor under any Mortgage Loan or Mortgage or any related security, except where such default in payment arises due to the relevant Servicer's or its Sub-Contractor's or delegate's negligence, misconduct, wilful default, fraud, or breach by the Servicer of any obligation in the relevant Servicing Agreement or the Transaction Documents;
- (B) which do not arise due to the relevant Servicer's breach of any obligation in the relevant Servicing Agreement or the Transaction Documents;

- (C) arising from any Claims to the extent they arise out of any act or omission of the Issuer, except where they arise from the relevant Servicer's or its Sub-Contractor's or delegate's negligence, misconduct, wilful default, fraud, or breach by the relevant Servicer of any obligation in the relevant Servicing Agreement or the Transaction Documents; or
- (D) which relate to loss of profits, goodwill, reputation, business opportunity or anticipated saving or for special, punitive or indirect or consequential damages, whether or not the relevant Servicer has been advised of the possibility of such loss.

For the purpose of the paragraphs above, "**Losses**" means all losses, liabilities (including provision for contingent liabilities), fines, damages, costs and expenses including legal fees on a solicitor/client basis and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties or liabilities to third parties.

The liability clauses in the Servicing Agreements shall not exclude or limit liability for claims relating to a failure by a party to the relevant Servicing Agreement to pay over any monies owed to another party to the relevant Servicing Agreement. Furthermore, the Servicing Agreements shall not exclude or limit the liability of any party to the relevant Servicing Agreement: (i) for personal injury or death caused by the negligence of such Party or its personnel, (ii) for fraud, fraudulent misrepresentation, gross negligence or wilful default, or (iii) to the extent not permitted by law.

### **Compliance with the Securitisation Regulations**

In the Servicing Agreements, each Servicer confirms to the Issuer that:

- (A) it has the requisite level of expertise as a servicer to satisfy the requirements under the EU Securitisation Regulation and the UK Securitisation Regulation that are applicable to them as servicer and as such regulations are generally interpreted as at the date of the relevant Servicing Agreement;
- (B) to the best of its knowledge and belief the requirements and information set out in the schedule to the relevant Servicing Agreement containing the servicing management information of the relevant Servicer, and the reports and populated disclosure templates produced by the Reporting Website are sufficient to allow the relevant Servicer to comply with the EU Securitisation Regulation and the UK Securitisation Regulation; and
- (C) it has the ability to produce and deliver (from time to time) the information required of an original lender in the manner and form required under the EU Securitisation Regulation and the UK Securitisation Regulation and the schedule to the relevant Servicing Agreement containing the servicing management information of the relevant Servicer.

To the extent that the Issuer, the Security Trustee or the Seller reasonably determines that any information produced and delivered by the relevant Servicer pursuant to paragraph (B) or the performance or satisfaction of any other requirement of the relevant Servicer under the relevant Servicing Agreement (if any) above does not comply with the requirements under the EU Securitisation Regulation or the UK Securitisation Regulation as in force at the date that such information is provided or such requirement is performed or satisfied,

the Issuer, the Security Trustee or the Seller shall notify the relevant Servicer of such non-compliance, specifying the changes required in order to comply with the requirements under the relevant regulations. The reasonable costs (including, without limitation, any applicable Irrecoverable VAT thereon) incurred by the relevant Servicer in effecting such changes will be reimbursed by the Issuer following receipt of invoice.

Each Servicer shall provide reasonable assistance to the Issuer (as the Reporting Entity), the Cash Manager and, as relevant, the Seller in relation to the information that is required to be provided pursuant to Article 7 of the EU Securitisation Regulation and the information described in Article 7 of the UK Securitisation Regulation.

## **7.5 Interest rate reset in respect of Mortgage Receivables**

### *The types of interest rates applicable to the Mortgage Receivables*

Most of the Mortgage Loans initially carry a fixed rate of interest, a limited number of Mortgage Loans initially carry a floating rate of interest. The terms and conditions of the Mortgage Loans provide that after the end of the first fixed interest rate period, the fixed interest rate automatically switches to a floating interest rate unless the relevant Originator and the relevant Borrower agree to a new fixed interest rate applicable at that time for the chosen fixed rate period, in which case the current Mortgage Loan will be settled and a new Mortgage Loan will need to be granted.

An overview of the fixed rates applicable to the Mortgage Receivables as at the Portfolio Reference Date are included in the tables set out in Section 6.1 (*Stratification Tables*).

### *The interest rate set at origination of each Mortgage Receivable*

The interest rates of the Mortgage Loans relating to the Mortgage Receivables were set at origination by the relevant Originator in accordance with its own procedures and the interest rate policy of the relevant Originator.

8. **GENERAL**

1. The issue of the Notes has been authorised by a resolution of the board of managing directors of the Issuer passed on 17 January 2022.

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin for the Notes (other than the Class R Notes) to be admitted to the Official List and trading on its Regulated Market. Euronext Dublin's Regulated Market is a Regulated Market for the purposes of MiFID II. The Class R Notes will not be listed or admitted to trading on the regulated market of Euronext Dublin. The estimated expenses relating to the admission to trading of the Notes (other than the Class R Notes) are approximately EUR 11,990.

2. The Class A Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546560 and ISIN XS2415465603.
3. The Class B Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546594 and ISIN XS2415465942.
4. The Class C Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546624 and ISIN XS2415466247 .
5. The Class D Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546632 and ISIN XS2415466320.
6. The Class E Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546659 and ISIN XS2415466593.
7. The Class X1 Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546691 and ISIN XS2415466916.
8. The Class X2 Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546713 and ISIN XS2415467138.
9. The Class S1 Note has been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546730 and ISIN XS2415467302.
10. The Class S2 Note has been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546748 and ISIN XS2415467484.
11. The Class R Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 241546764 and ISIN XS2415467641.

12. The addresses of the clearing systems are: Euroclear, 1 Boulevard de Roi Albert II, 1210 Brussels, Belgium and Clearstream, Luxembourg, 42 Avenue J.F. Kennedy, L-1855 Luxembourg.
13. There has been no material adverse change in the financial position or financial prospects of the Issuer since its incorporation on 14 October 2021.
14. There are no legal, arbitration or governmental proceedings and neither the Issuer nor the Shareholder is aware of any such proceedings which may have, or have had, significant effects on the Issuer's or, as the case may be, the Shareholder's financial position or profitability nor, so far as the Issuer and/or the Shareholder is/are aware, are any such proceedings pending or threatened against the Issuer or the Shareholder, respectively, in the previous twelve months.
15. For the term of this Prospectus, and in any event for so long as the Notes are outstanding, copies of the following documents may be inspected at the specified offices of the Security Trustee and the Paying Agent during normal business hours and will be available either in physical form or in electronic form upon email request at [capitalmarkets.ams@vistra.com](mailto:capitalmarkets.ams@vistra.com) and on the website <https://www.euroabs.com/IH.aspx?d=17154> (for the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus):
  - (i) the deed of incorporation of the Issuer, including its articles of association;
  - (ii) the Mortgage Receivables Purchase Agreement;
  - (iii) the Original Sellers Mortgage Receivables Purchase Agreements;
  - (iv) the Paying Agency Agreement;
  - (v) the Trust Agreement;
  - (vi) the Parallel Debt Agreement;
  - (vii) the Issuer Rights Pledge Agreement;
  - (viii) the Issuer Mortgage Receivables Pledge Agreement;
  - (ix) the Servicing Agreements;
  - (x) the VRR Loan Agreement;
  - (xi) the Cash Management Agreement;
  - (xii) the Issuer Account Agreement;
  - (xiii) the Master Definitions Agreement;
  - (xiv) the Swap Agreement;
  - (xv) the Collection Foundation Agreements;
  - (xvi) the Deposit Agreement;

(xvii) the Risk Retention Letter; and

(xviii) the Management Agreements.

16. Copies of the final Transaction Documents (other than the Subscription Agreement), the Prospectus and the articles of association of the Issuer shall be published by the Reporting Website no later than fifteen (15) calendar days after the Closing Date. For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.
17. A copy of the Prospectus (in print) will be available (free of charge) at the registered office of the Issuer, the Security Trustee and the Paying Agent and in electronic form on the Reporting Website and on the website of Euronext Dublin. For the avoidance of doubt, these websites and the contents thereof do not form part of this Prospectus.
18. Any change in the Priorities of Payments which will materially adversely affect the repayment of the securitisation position or any other significant event, such as: (a) any inside information relating to the transaction described in this Prospectus falling under Article 7(1)(f) of the EU Securitisation Regulation and Article 7(1)(f) of the UK Securitisation Regulation, and (b) any information on any significant event such as (i) a material breach of the obligations laid down in the Transaction Documents, including any remedy, waiver or consent subsequently provided in relation to such a breach, (ii) a change in the structural features that can materially impact the performance of the securitisation, (iii) a change in the risk characteristics of the transaction described in this Prospectus or of the Mortgage Receivables that can materially impact the performance of the transaction described in this Prospectus, (iv) if competent authorities have taken remedial or administrative actions and (v) any material amendments to the Transaction Documents shall be made available in accordance with Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation by the Issuer Administrator, on behalf of the Issuer, to Noteholders without delay, subject to Dutch and European Union law governing the protection of confidentiality of information and the processing of personal data in order to avoid potential breaches of such law as well as any confidentiality obligation relating to customer, original lender or debtor information, unless such confidential information is anonymised or aggregated.
19. The Issuer has not yet commenced operations and as of the date of this Prospectus no financial statements have been produced. As long as the Notes (other than the Class R Notes) are listed on the Official List of Euronext Dublin and admitted to trading on Euronext Dublin, the most recent audited annual financial statements of the Issuer will be made available, free of charge from the specified offices of the Security Trustee and of the Paying Agent. The Issuer does not publish interim accounts.
20. **U.S. tax legend:**

The Notes (other than the Temporary Global Notes) will bear a legend to the following effect: 'Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code'.
21. The Issuer, or the Issuer Administrator on its behalf (or through the Securitisation Repository), will provide the following post-issuance transaction information on the transaction described in this Prospectus, which information, once made available, will remain available until the Class A Notes are redeemed in full:



- (a) on each Notes Payments Date, an Investor Report and a Transparency Investor Report, which includes information on the performance of the Mortgage Receivables, including the arrears and the losses, and which can be obtained at the Reporting Website (or any other website as disclosed by the Issuer); and
- (b) loan-by-loan information which information can be obtained (i) prior to the issue date upon request from the Seller and (ii) after the issue date on the Reporting Website, and which will be updated within one month after each Notes Payment Date.

For the avoidance of doubt, these websites and the contents thereof do not form part of this Prospectus. To the extent any technical standards prepared under the EU Securitisation Regulation or UK Securitisation Regulation come into effect after the date of this Prospectus and require such reports to be published in a different manner or on a different website, the Issuer shall comply or the Issuer Administrator on its behalf (or through the Securitisation Repository) shall procure that the Issuer complies with the requirements of such technical standards when publishing such reports.

- 22. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on its regulated market for the purposes of the Prospectus Regulation.
- 23. No content available via website addresses contained in this Prospectus forms part of this Prospectus. Any website referred to in this document has not been scrutinised or approved by the Central Bank of Ireland.
- 24. The administration of the Seller or the Reporting Entity does not contain any information related to the environmental performance of the Mortgaged Assets and no information is publicly available related to the environmental performance of the Mortgaged Assets. As a result thereof the requirements stemming from Article 22(4) of the EU Securitisation Regulation or Article 22(4) of the UK Securitisation Regulation are not applicable.
- 25. The Issuer Administrator will, on behalf of the Issuer, make available to investors, from the issue date until the Notes are redeemed in full, a cash flow model of the transaction described in this Prospectus, via Bloomberg and/or Intex, (which model has been made available to potential investors prior to pricing of the securitisation transaction described herein by the Arrangers).
- 26. The Issuer (or the Issuer Administrator on its behalf) will publish the quarterly Investor Report, Transparency Investor Report and Data Tapes detailing, *inter alia*, certain aggregated loan data in relation to the Portfolio. Such Investor Reports, Transparency Investor Reports and Data Tapes will be published on the Reporting Website (or such other website selected by the Issuer and notified to the Noteholders). Investor Reports, Transparency Investor Reports and Data Tapes will also be made available to the Seller and the Credit Rating Agencies (as applicable). In addition, information on the Mortgage Loans in the Portfolio will be published quarterly on the Reporting Website (or such other website selected by the Issuer and notified to the Noteholders). Other than as outlined above, the Issuer does not intend to provide post-issuance transaction information regarding the Notes or the Mortgage Loans.

27. The (audit) accountants Deloitte Accountants B.V. are registered accountants (*registeraccountants*) for the Issuer and are a member of the Netherlands Institute for Registered Accountants (*NBA*).
28. This Prospectus contains forecasts and estimates which constitute forward-looking statement. Such statements appear in a number of places in this Prospectus. These forward-looking statements can be identified by the use of forward-looking terminology, such as the words “estimates”, “goals”, “targets”, “predicts”, “forecasts”, “aims”, “believes”, “expects”, “may”, “will”, “continues”, “intends”, “plans”, “should”, “could” or “anticipates”, or similar terms. These statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results and performance of the Notes, the Seller or the Dutch (buy-to-let) mortgage loan industry to differ materially from any future results or performance expressed or implied in the forward-looking statements and estimate. These risks, uncertainties and other factors include, among other things: general economic and business conditions in and outside the Netherlands; currency exchange and interest rate fluctuations; government, statutory, regulatory or administrative initiatives affecting the Seller; changes in business strategy, lending practices or customer relationships; and other factors that may be referred to in this Prospectus. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. Some of the most significant of these risks, uncertainties and other factors are discussed under Section 1 (*Risk Factors*), and you are encouraged to consider those factors carefully prior to making an investment decision. The Arranger, the Lead Manager, the Seller and the Security Trustee have not attempted to verify any such statements, nor do they make any representations, express or implied, with respect thereto. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based. These forward-looking statements speak only as of the date of this Prospectus. The Issuer, the Arranger and the Lead Manager expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's, the Arranger's and/or Lead Manager's expectations with regard thereto or any change in events, conditions or circumstances after the date of this Prospectus on which any such statement is based. These statements reflect the Issuer's current views with respect to such matters.
29. Amounts payable under the Notes will be calculated by reference to the Euro Interbank Offered Rate (“**EURIBOR**”) and the interest received on each of the Issuer Accounts (excluding, if applicable, any Swap Collateral Custody Accounts) is determined by reference to the Euro Short-term Rate (“**€STR**”). EURIBOR is provided by the Euro Money Markets Institute (“**EMMI**”). As at the date of this Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the “**BMR**”). €STR is provided by the European Central Bank (the “**ECB**”). As at the date of this Prospectus, the ECB does not appear on the register of administrators and benchmarks established and maintained by ESMA. As far as the Issuer is aware, the ECB, as administrator of €STR is not required to be registered by virtue of Article 2 of the BMR.

## 9. **GLOSSARY OF DEFINED TERMS**

*The defined terms used in this Glossary of Defined Terms, to the extent applicable, conform to the standard published by the Dutch Securitisation Association (See Section 4.4 (Regulatory and Industry Compliance)) (the “**BTL MBS Standard**”). However, certain deviations from the defined terms used in the BTL MBS Standard are denoted in the below as follows:*

- *if the defined term is not included in the BTL MBS Standard definitions list and is an additional definition, by including the symbol ‘+’ in front of the relevant defined term;*
- *if the defined term deviates from the definition as recorded in the BTL MBS Standard definitions list, by including the symbol ‘\*’ in front of the relevant defined term;*
- *if the defined term is not between square brackets in the BTL MBS Standard definitions list and is not used in this Prospectus, by including the symbol ‘N/A’ in front of the relevant defined term.*

*In addition, the principles of interpretation set out in Section 9.2 (Interpretation) of this Glossary of Defined Terms conform to the BTL MBS Standard definitions list. However, certain principles of interpretation may have been added (but not deleted) in deviation of the BTL MBS Standard.*

### 9.1 **Definitions**

Except where the context otherwise requires, the following defined terms used in this Prospectus have the meaning set out below:

+	“ <b>Account Agent</b> ” means Citibank Europe plc, a public limited company incorporated and registered in Ireland with company number 132781 and having its registered office at 1 North Wall Quay, Dublin 1 Ireland, acting through its Agency and Trust business;
+	“ <b>Actual Post-Closing Mortgage Receivables Balance</b> ” means the aggregate Outstanding Principal Amount as of the Cut-off Date of the Post-Closing Mortgage Loans relating to the Post-Closing Mortgage Receivables purchased by the Issuer on the Post-Closing Mortgage Receivables Purchase Date;
+	“ <b>Additional Purchase Price Amount</b> ” means the Liquidity Release Amount;
+	“ <b>Adjustment Spread</b> ” has the meaning ascribed thereto in Condition 13(c);
	“ <b>AFM</b> ” means the Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> );
+	“ <b>Aggregate Closing Reserve Amount</b> ” means the aggregate of the Closing Principal Reserve Amount, the Closing Revenue Reserve Amount and the Closing Class R Reserve Amount;
+	“ <b>Agent Bank</b> ” means Citibank, N.A., London Branch;
N/A	“ <b>All Moneys Mortgage</b> ”;

N/A	<b>“All Moneys Pledge”</b> ;
N/A	<b>“All Moneys Security Rights”</b> ;
+	<b>“Alternative Reference Rate”</b> has the meaning ascribed thereto in Condition 13(c)(II)(G);
	<b>“Annuity Mortgage Loan”</b> means a mortgage loan or part thereof in respect of which the Borrower pays a fixed monthly instalment, made up of an initially high and thereafter decreasing interest portion and an initially low and thereafter increasing principal portion, and calculated in such manner that such mortgage loan will be fully redeemed at its maturity;
N/A	<b>“Annuity Mortgage Receivable”</b> ;
	<b>“Arranger”</b> means Citibank Europe plc, a public limited company registered in the Companies Registration Office in Ireland with its registered address at 1 North Wall Quay, Dublin 1, Ireland;
+	<b>“Arrears Mortgage Loan”</b> means any Mortgage Loan with an MIA Measure of one (1) or more;
+	<b>“Article 7 EU ITS”</b> means 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 (the <b>“2020/1225 ITS”</b> ), including any relevant standstill decisions, guidance and policy statements relating to the application of the 2020/1225 ITS published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission and the applicable successor laws, regulations, rules and other relevant measures (including transitional directions), in each case, as amended, supplemented, superseded or modified from time to time;
+	<b>“Article 7 EU RTS”</b> means 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 (the <b>“2020/1224 RTS”</b> ) including any relevant standstill decisions, guidance and policy statements relating to the application of the 2020/1224 RTS published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission and the applicable successor laws, regulations, rules and other relevant measures (including transitional directions), in each case, as amended, supplemented, superseded or modified from time to time;
+	<b>“Article 7 EU Technical Standards”</b> means the Article 7 EU ITS and the Article 7 EU RTS;
+	<b>“Article 7 UK ITS”</b> means any applicable standstill decisions, laws, regulations, rules, guidance or other implementing measures of the FCA, PRA or other relevant UK regulator (or their successor) relating to the application of the 2020/1225 ITS (as defined in the definition “Article 7 EU ITS”) in the UK including Annex B of the Technical Standards (Specifying the Information and the details of a Securitisation to be made available by the Originator, Sponsor and SPPE) (EU Exit) Instrument 2020 (FCA 2020/80) and the

	applicable successor laws, regulations, rules and other relevant measures (including transitional directions), in each case, as amended, supplemented, superseded or modified from time to time;
+	<p><b>“Article 7 UK RTS”</b> means any applicable standstill decisions, laws, regulations, rules, guidance or other implementing measures of the FCA, PRA or other relevant UK regulator (or their successor) relating to the application of the 2020/1224 RTS (as defined in the definition “Article 7 EU RTS”) in the UK including Annex A of the Technical Standards (Specifying the Information and the details of a Securitisation to be made available by the Originator, Sponsor and SPPE) (EU Exit) Instrument 2020 (FCA 2020/80) and the applicable successor laws, regulations, rules and other relevant measures (including transitional directions), in each case, as amended, supplemented, superseded or modified from time to time;</p>
+	<p><b>“Article 7 UK Technical Standards”</b> means the Article 7 UK ITS and the Article 7 UK RTS;</p>
+	<p><b>“Assignment I”</b> means the sale and transfer under the Originator Asset Purchase Agreements of the legal title to the relevant Mortgage Receivables by each Originator to the relevant Original Seller;</p>
+	<p><b>“Assignment II”</b> means the sale and transfer under the Original Sellers Mortgage Receivables Purchase Agreements of the legal title to the relevant Mortgage Receivables by each Original Sellers to the Seller;</p>
+	<p><b>“Assignment III”</b> means the sale and transfer under the Mortgage Receivables Purchase Agreement of the legal title to the Mortgage Receivables by the Seller to the Issuer;</p>
	<p><b>“Assignment Actions”</b> means any of the actions specified as such in Section 7.1 (<i>Purchase and Sale</i>) of this Prospectus;</p>
	<p><b>“Assignment Notification Stop Instruction”</b> has the meaning specified as such in Section 7.1 (<i>Purchase and Sale</i>) of this Prospectus;</p>
+	<p><b>“Authorised Investments”</b> means:</p> <ul style="list-style-type: none"> <li>(a) euro denominated government securities;</li> <li>(b) investments in money market funds that, at the time of making the investment, have a rating of at least AAAm by S&amp;P and a rating of at least Aaa-mf by Moody's; and</li> <li>(c) euro demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper),</li> </ul> <p>in each case, other than an investment with exposure to asset backed securities credit linked notes, swaps, other derivative instruments or synthetic securities and provided that, in all cases such investments, will only be made such that there is no withholding or deduction for or on account of taxes applicable thereto and such investments:</p> <ul style="list-style-type: none"> <li>(i) have a maturity date on or before the immediately following Notes Payment Date;</li> </ul>

	<p>(ii) may be broken or demanded by the Issuer (with no reduction in the value of such investment and at no cost to the Issuer) on or before the next following Notes Payment Date;</p> <p>(iii) do not include any contractual provisions that would permit a redemption of such authorised investments in an amount less than the amount paid for such investments by the Issuer; and</p> <p>(iv) (other than in the case of paragraph (b) above) are, at the time of making the investment, rated at least (x) P-1 by Moody's and (y) A-1 by S&amp;P (if the time to maturity of such investments at the time of investment is 60 days or less) or A-1+ (if the time to maturity of such investments at the time of investment is greater than 60 days with a maximum maturity of 365 days) and (z) A2 (long-term) by Moody's if the investments have a long-term rating,</p> <p>save that where such investments would result in the recharacterisation of the Notes or any transaction under the Transaction Documents as a "re-securitisation" or a "synthetic securitisation" as defined in the EU Securitisation Regulation and the UK Securitisation Regulation and Article 242(11), respectively, of Regulation (EU) No 575/2013 (as amended and/or supplemented from time to time) and as forms part of the domestic law of the United Kingdom pursuant to section 3 of the EUWA, and as amended or modified from time to time, such investments shall not qualify as "Authorised Investments";</p>
	<p><b>"Available Principal Funds"</b> has the meaning ascribed thereto in Section 5.1 (<i>Available Funds</i>) of this Prospectus;</p>
	<p><b>"Available Revenue Funds"</b> has the meaning ascribed thereto in Section 5.1 (<i>Available Funds</i>) of this Prospectus;</p>
+	<p><b>"Back-up Servicer Facilitator"</b> means Vistra Capital Markets (Netherlands) N.V., or any substitute or successor appointed from time to time;</p>
+	<p><b>"Base Portfolio Purchase Option Purchase Price"</b> has the meaning ascribed thereto in Section 7.1 (<i>Purchase and Sale</i>);</p>
	<p><b>"Basel II"</b> means the capital accord under the title "Basel II: "International Convergence of Capital Measurement and Capital Standards Revised Framework" published on 26 June 2004 by the Basel Committee on Banking Supervision;</p>
	<p><b>"Basel III"</b> means the capital accord amending Basel II under the title "Basel III: a global regulatory framework for more resilient banks and banking systems" published in December 2010 by the Basel Committee on Banking Supervision;</p>
+	<p><b>"Basel IV"</b> means any amendment, replacement or refinement of Basel III known or to be known as such;</p>
*	<p><b>"Basic Terms Modification"</b> has the meaning ascribed thereto in Condition 13(b) (<i>Quorum, Ordinary Resolution, Extraordinary Resolution</i>);</p>

+	<b>"BCMGlobal"</b> means BCMGlobal Netherlands B.V. (formerly known as Link Asset Services (Netherlands) B.V.);
+	<b>"Benchmark Event"</b> has the meaning ascribed thereto in Condition 13(c)(II)(G) ( <i>Alternative Reference Rate</i> );
	<b>"Benchmarks Regulation"</b> means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014;
	<b>"BKR"</b> means Office for Credit Registration ( <i>Bureau Krediet Registratie</i> );
	<b>"Borrower"</b> means the debtor or debtors, including any jointly and severally liable co-debtor or co-debtors, of a Mortgage Loan;
N/A	<b>"Borrower Insurance Pledge"</b> ;
N/A	<b>"Borrower Insurance Proceeds Instruction"</b> ;
+	<b>"Borrower Limit Exception Mortgage Loans"</b> means the Mortgage Loans advanced to up to two (2) Borrowers by the DMS Originator in an aggregate amount of EUR 6,357,267.51 (in relation to which the Mortgage Receivables resulting from such Mortgage Loans in an aggregate amount of EUR 1,277,500.00 are included in the Portfolio);
	<b>"Borrower Pledge"</b> means a right of pledge ( <i>pandrecht</i> ) securing the relevant Mortgage Receivable;
	<b>"BRRD"</b> means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council;
	<b>"BTL MBS Standard"</b> means the residential mortgage-backed securities standard created by the DSA, as amended from time to time;
*	<b>"Business Day"</b> means (i) when used in the definition of Notes Payment Date and in Condition 4(e) ( <i>EURIBOR</i> ), a TARGET 2 Settlement Day, provided that such day is also a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Amsterdam, Dublin, London and Luxembourg, and (ii) in any other case, a day (other than a Saturday or Sunday or a public holiday) on which banks are generally open for business in London and Amsterdam;
+	<b>"Cash Management Agreement"</b> means the cash management agreement between amongst others the Issuer, the Security Trustee and the Cash Manager dated on or about the Signing Date;

+	<b>“Cash Manager”</b> means Citibank, N.A., London Branch;
+	<b>“Calculated Principal Funds”</b> means, in respect of a Determination Period, the product of (A) one <i>minus</i> the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period;
+	<b>“Calculated Revenue Funds”</b> means, in respect of a Determination Period, the product of (A) the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period;
+	<b>“Capped Liquidity Reserve Principal Amounts”</b> means the aggregate of any Liquidity Reserve Principal Amounts on a Notes Payment Date, and all earlier Notes Payment Dates since the Closing Date, up to the Liquidity Reserve Principal Replenishment Amounts;
+	<b>“Central Bank”</b> means the Central Bank of Ireland;
+	<b>“Change of Control”</b> means a change in the Control of any of the Originators following the Signing Date;
	<b>“Class A Notes”</b> means the EUR 287,689,000 Class A mortgage-backed floating rate notes due 2059;
+	<b>“Class A Principal Deficiency Sub-Ledger”</b> means the Principal Deficiency Ledger in respect of the Class A Notes;
+	<b>“Class A Redemption Date”</b> means the Notes Payment Date on which following the application of the Available Principal Funds on such Notes Payment Date, the Class A Notes would be redeemed in full;
	<b>“Class B Notes”</b> means the EUR 18,851,000 Class B mortgage-backed floating rate notes due 2059;
+	<b>“Class B Principal Deficiency Sub-Ledger”</b> means the Principal Deficiency Ledger in respect of the Class B Notes;
	<b>“Class C Notes”</b> means the EUR 10,655,000 Class C mortgage-backed floating rate notes due 2059;
+	<b>“Class C Principal Deficiency Sub-Ledger”</b> means the Principal Deficiency Ledger in respect of the Class C Notes;
	<b>“Class D Notes”</b> means the EUR 7,377,000 Class D mortgage-backed floating rate notes due 2059;
+	<b>“Class D Principal Deficiency Sub-Ledger”</b> means the Principal Deficiency Ledger in respect of the Class D Notes;



	<b>“Class E Notes”</b> means the EUR 3,279,000 Class E mortgage-backed floating rate notes due 2059;
+	<b>“Class E Principal Deficiency Sub-Ledger”</b> means the Principal Deficiency Ledger in respect of the Class E Notes;
+	<b>“Class R Entrenched Rights”</b> means any modification which changes: <ul style="list-style-type: none"> <li>(a) the Trust Agreement;</li> <li>(b) the definition of “Portfolio Option Holder”; or</li> <li>(c) the definition of “Class R Entrenched Right”.</li> </ul>
+	<b>“Class R Notes”</b> means the EUR 2,000,000 Class R Notes due 2059;
+	<b>“Class R Notes Revenue Amount”</b> means (a) on any Notes Payment Date prior to the delivery of an Enforcement Notice, an amount equal to the Available Revenue Funds remaining after all items ranking above item (f)(xviii) of the Pre-Enforcement Revenue Priority of Payments have been paid in full, less in case all Higher Ranking Classes of Notes have been redeemed in full, an amount equal to the aggregate Principal Amount Outstanding of the Class R Notes; and (b) after the delivery of an Enforcement Notice, the amount remaining after all items ranking above item (f)(xvii) of the Post-Enforcement Priority of Payments have been paid in full, less in case all Higher Ranking Classes of Notes have been redeemed in full, an amount equal to the aggregate Principal Amount Outstanding of the Class R Notes;
+	<b>“Class R Post-Closing Reserve”</b> means the reserve established on the Closing Date, which comprises as at the Closing Date the Closing Class R Reserve Amount;
+	<b>“Class R Post-Closing Reserve Ledger”</b> means the ledger maintained by the Cash Manager on behalf of the Issuer which records amounts credited to, and debited from, the Class R Post-Closing Reserve;
+	<b>“Class R Pre-Enforcement Post-Closing Note Share”</b> means 95 per cent. of the Net Class R Post-Closing Reserve Amounts;
+	<b>“Class R Pre-Enforcement Post-Closing VRR Share”</b> means 5 per cent. of the Net Class R Post-Closing Reserve Amounts;
+	<b>“Class S Entrenched Rights”</b> means any modification or waiver which changes:

	<p>(a) the date of payment of amounts due in respect of the Class S1 Note or the Class S2 Note;</p> <p>(b) the method of calculating the amounts payable in respect of the Class S1 Note or the Class S2 Note;</p> <p>(c) the priority of payments of amounts in respect of the Class S1 Note or the Class S2 Note;</p> <p>(d) the ability of the Class S1 Noteholder or Class S2 Noteholder to benefit from the Liquidity Reserve Fund;</p> <p>(e) limb (a) of the definition of “Event of Default”; or</p> <p>(f) the definition of “Class S Entrenched Right”.</p>
+	“ <b>Class S1 Note</b> ” means the EUR 100,000 Class S1 Note due 2059;
+	“ <b>Class S2 Note</b> ” means the EUR 100,000 Class S2 Note due 2059;
+	“ <b>Class S1 Payment Early Repayment Amount</b> ” means on any Early Redemption of the Notes (other than as a result of the exercise of the Regulatory Change Option) or any redemption of the Notes prior to the First Optional Redemption Date (including pursuant to an Event of Default and enforcement), the Class S1 Noteholder shall be entitled to a payment of 0.09 per cent. of the Outstanding Principal Amount of the Mortgage Loans in the Portfolio as at the beginning of the relevant Collection Period relating to the relevant Notes Calculation Date, multiplied by the number of days from the Notes Payment Date on which the redemption occurs to the First Optional Redemption Date (such First Optional Redemption Date being the Notes Payment Date falling in January 2027 as contemplated as at the Closing Date) divided by 360, with the total figure rounded towards the nearest €0.01;
+	<p>“<b>Class S1 Payment</b>” means:</p> <p>(a) on any Notes Payment Date up to the First Optional Redemption Date:</p> <p>(i) 0.09 per cent. of 95 per cent. of the Outstanding Principal Amount of the Mortgage Loans in the Portfolio as at the beginning of the relevant Collection Period relating to the relevant Notes Calculation Date (which, for the avoidance of doubt, on the first Notes Payment Date will include the Actual Post-Closing Mortgage Receivables Balance); multiplied by</p> <p>(ii) the number of days in the relevant Interest Period divided by 360,</p> <p>with the total figure rounded downwards to the nearest €0.01; and</p> <p>(b) from the First Optional Redemption Date, zero;</p>
+	<p>“<b>Class S2 Payment</b>” means:</p> <p>(a) up to the First Optional Redemption Date, zero; and</p>

	<p>(b) on any Notes Payment Date on and from the First Optional Redemption Date:</p> <p>(i) 0.09 per cent. of 95 per cent. of the Outstanding Principal Amount of the Mortgage Loans in the Portfolio as at the beginning of the relevant Collection Periods relating to the relevant Notes Calculation Date (which, for the avoidance of doubt, on the first Notes Payment Date will include the Actual Post-Closing Mortgage Receivables Balance); multiplied by</p> <p>(ii) the number of days in the relevant Interest Period divided by 360,</p> <p>with the total figure rounded downwards to the nearest €0.01;</p>
	<b>“Class X1 Notes”</b> means the EUR 13,114,000 Class X1 notes due 2059;
	<b>“Class X2 Notes”</b> means the EUR 3,278,000 Class X2 notes due 2059;
N/A	<b>“Clean-Up Call Option”</b> ;
+	<b>“Clearing System”</b> means Euroclear and/or Clearstream, Luxembourg and includes in respect of any Note any clearing system on behalf of which such Note is held or which is the holder or (directly or through a nominee) registered owner of a Note, in either case whether alone or jointly with any other Clearing System(s);
	<b>“Clearstream, Luxembourg”</b> means Clearstream Banking, société anonyme;
	<b>“Closing Date”</b> means 21 January 2022 or such later date as may be agreed between the Issuer, the Arranger and the Lead Manager;
+	<b>“Closing Date Purchase Price”</b> means an amount equal to the aggregate of (a) on the Closing Date, the net issuance proceeds of the Notes and the VRR Loan less fees and expenses and the initial liquidity reserve amount and the Aggregate Closing Reserve Amount, (b) on the Closing Date, if applicable, the addition of any amount received from the Swap Counterparty for entering into the Swap Agreement, and (c) on the earlier of the Post-Closing Mortgage Receivables Purchase Date and the Final Post-Closing Mortgage Receivables Purchase Date, the Additional Purchase Price Amount (if any);
+	<b>“Closing Principal Reserve Amount”</b> means zero;
+	<b>“Closing Revenue Reserve Amount”</b> means zero;
+	<b>“CMS”</b> means at any time the monthly mortgage instalment then due under a Mortgage Loan, without regard for any discounted or additional payment arrangements agreed with the relevant Borrower;
	<b>“Code”</b> means U.S. Internal Revenue Code of 1986;
*	<b>“Code of Conduct for Mortgage Lending”</b> means the Mortgage Code of Conduct ( <i>Gedragsscode Hypothecaire Financieringen</i> ) introduced in January 2007 by the Dutch Association of Banks ( <i>Nederlandse Vereniging van Banken</i> );

	<b>“Collection Foundations”</b> means each of the DMS Collection Foundation, the DNL Collection Foundation and the Community Collection Foundation;
	<b>“Collection Foundation Accounts”</b> means the bank accounts of each Collection Foundation with the Collection Foundation Account Provider;
	<b>“Collection Foundation Account Pledge Agreements”</b> means the Community Collection Foundation Account Pledge Agreement, the DMS Collection Foundation Account Pledge Agreement, and the DNL Collection Foundation Account Pledge Agreement;
	<b>“Collection Foundation Account Provider”</b> means ABN AMRO Bank N.V., a public company with limited liability ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Gustav Mahlerplein 10, 1082 PP Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 34334259.;
+	<b>“Collection Foundation Account Provider Requisite Credit Rating”</b> means a rating of:  (i) a long-term, unsecured, unguaranteed and unsubordinated debt rating of at least BBB by S&P; (ii) a long-term bank deposit rating of at least Baa3 by Moody’s; or (iii) such other ratings that are consistent with the then current rating methodology of the relevant Credit Rating Agency in respect of the then current ratings of the Rated Notes;
+	<b>“Collection Foundation Administrator”</b> means Vistra B.V. or any substitute or successor appointed from time to time;
+	<b>“Collection Foundation Agreements”</b> means the Collection Foundation Account Pledge Agreements and the Receivables Proceeds Distribution Agreements and any accession notices in relation thereto;
+	<b>“Collection Foundation Security Trustees”</b> means the Community Collection Foundation Security Trustee and the DNL Collection Foundation Security Trustee;
+	<b>“Collection Period”</b> means, in relation to each Interest Period, each period from (and including) the first day in the calendar month three months before the Notes Payment Date to (and including) the last day of the calendar month before the Notes Payment Date, except that, in respect of the first such period, any entitlement for Secured Creditors to receive collections shall apply from the Cut-off Date only;
	<b>“Common Depositary”</b> means the common depositary for Euroclear and Clearstream, Luxembourg;
+	<b>“Community”</b> means Community Hypotheken B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Parijsboulevard 143B, 3541 CS Utrecht, the Netherlands and registered with the

	Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 65050258;
+	<b>“Community Collection Foundation”</b> means Stichting Community Hypotheken Ontvangsten, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 75373742;
+	<b>“Community Collection Foundation Account Pledge Agreement”</b> means the collection account pledge agreement between, amongst others, the Community Collection Foundation Security Trustee, the Community Collection Foundation, the Collection Foundation Account Provider and Community dated the Signing Date;
+	<b>“Community Collection Foundation Security Trustee”</b> means Stichting Security Trustee Community Hypotheken, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 76050610;
+	<b>“Community Issuer Collection Account”</b> means the deposit account in the name of the Issuer designated as the Community Issuer Collection Account and held with the Issuer Account Bank and maintained subject to the terms of the Issuer Account Agreement or such additional or replacement account as may for the time being be in place pursuant to the Cash Management Agreement with the prior consent of the Security Trustee and designated as such;
+	<b>“Community Original Seller”</b> means Community Mortgages 1 B.V.;
+	<b>“Community Originator”</b> means Community;
+	<b>“Community Receivables Proceeds Distribution Agreement”</b> means the receivables proceeds distribution agreement between, amongst others, the Community Original Seller, the Community Collection Foundation and the Community Security Trustee dated 13 December 2019 as amended and restated;
+	<b>“Community Servicer”</b> means Community;
+	<b>“Completion Mortgage Receivables”</b> means the Mortgage Receivables sold and assigned by the Seller to the Issuer on the Closing Date;
	<b>“Conditions”</b> means the terms and conditions of the Notes set out in Schedule 5 ( <i>Terms and Conditions of the Notes</i> ) to the Trust Agreement as from time to time modified in accordance with the Trust Agreement and, with respect to any Notes represented by a Global Note, as modified by the provisions of the relevant Global Note;
*	<b>“Construction Deposit”</b> means in respect of a Mortgage Loan, that part of the Mortgage Loan which the relevant Borrower requested to be withheld and which amount is currently credited to an account in the name of the relevant Collection Foundation, the proceeds of

	which may be applied towards construction of, or improvements to, the relevant Mortgaged Asset;
	<b>“Coupons”</b> means the interest coupons appertaining to the Notes in definitive form;
	<b>“CPR”</b> means constant prepayment rate;
	<b>“CRA Regulation”</b> means Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No 462/2013 of 21 May 2013;
+	<b>“CRAR”</b> means the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, SI 2019/266;
	<b>“Credit Rating Agency”</b> means any credit rating agency (including any successor to its rating business) who, at the request of the Issuer, assigns, and for as long as it assigns, one or more ratings to the Notes, from time to time, which as at the Closing Date includes Moody's and S&P;
	<p><b>“Credit Rating Agency Confirmation”</b> means, with respect to a matter which requires Credit Rating Agency Confirmation under the Transaction Documents and which has been notified to each Credit Rating Agency with a request to provide a confirmation, receipt by the Security Trustee, in form and substance satisfactory to the Security Trustee, of:</p> <ul style="list-style-type: none"> <li>(a) a confirmation from each Credit Rating Agency that its then current ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter (a <b>“confirmation”</b>);</li> <li>(b) if no confirmation is forthcoming from any Credit Rating Agency, a written indication, by whatever means of communication, from such Credit Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an <b>“indication”</b>); or</li> <li>(c) if no confirmation and no indication is forthcoming from any Credit Rating Agency and such Credit Rating Agency has not communicated that the then current ratings of the Notes will be adversely affected by or withdrawn as a result of the relevant matter or that it has comments in respect of the relevant matter: <ul style="list-style-type: none"> <li>(i) a written communication, by whatever means, from such Credit Rating Agency that it has completed its review of the relevant matter and that in the circumstances (x) it does not consider a confirmation required or (y) it is not in line with its policies to provide a confirmation; or</li> <li>(ii) if such Credit Rating Agency has not communicated that it requires more time or information to analyse the relevant matter, evidence that 30 days have passed since such Credit Rating Agency was notified of the relevant matter and that reasonable efforts were made to obtain a confirmation or an indication from such Credit Rating Agency;</li> </ul> </li> </ul>
+	<b>“Credit Support Annex”</b> means the 1995 ISDA Credit Support Annex between the Issuer and the Swap Counterparty which forms part of the Swap Agreement;

	“ <b>CRR</b> ” means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (as amended);
	“ <b>CRR Amendment Regulation</b> ” means Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms;
+	“ <b>Current Balance</b> ” means in relation to a Mortgage Loan, on any date, all sums owed under that Mortgage Loan;
+	“ <b>Cut-off Date</b> ” means 30 November 2021;
+	“ <b>Data Tapes</b> ” means the information on the Mortgage Loans required under Article 7(1)(a) of the EU Securitisation Regulation and under Article 7(1)(a) of the UK Securitisation Regulation, in the form of the final disclosure templates adopted in the Article 7 EU Technical Standards and the Article 7 UK Technical Standards and, to the extent requested by the Seller, the relevant ECB reporting templates;
	“ <b>DBRS</b> ” means any entity that is part of DBRS Morningstar, which is either registered or not under the EU CRA Regulation, as it appears from the latest available list published by ESMA on the ESMA website, or any other applicable regulation;
	“ <b>Deed of Assignment and Pledge</b> ” means any deed of assignment and pledge in the form set out in schedule 3 to the Mortgage Receivables Purchase Agreement between the Seller, the Issuer and the Security Trustee;
+	“ <b>Deferred Interest</b> ” has the meaning ascribed thereto in Condition 17(a) ( <i>Interest</i> );
N/A	“ <b>Deferred Purchase Price</b> ”;
N/A	“ <b>Deferred Purchase Price Instalment</b> ”;
N/A	“ <b>Definitive Notes</b> ”;
+	“ <b>Deposit Agent</b> ” means the deposit agent appointed under the Deposit Agreement;
*	“ <b>Deposit Agreement</b> ” means the deposit agreement between the Servicers, Issuer, the Security Trustee and the Deposit Agent (as defined therein) dated the Signing Date;
+	“ <b>Determination Period</b> ” means a Collection Period for which no Mortgage Report is available on the relevant Notes Calculation Date;
	“ <b>Directors</b> ” means the Issuer Director, the Shareholder Director and the Security Trustee Director collectively and <b>Director</b> means any one of them as the context may require;
+	“ <b>DMS</b> ” means Dutch Mortgage Services B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 31, 1101 CN Amsterdam, the Netherlands and registered with the

	Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 65074033;
+	<b>“DMS Collection Foundation”</b> means Stichting Ontvangsten Dutch Mortgage Services, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 75331837;
+	<b>“DMS Collection Foundation Account Pledge Agreement”</b> means the collection foundation account pledge agreement between, amongst others, the Issuer, the DMS Collection Foundation, the Security Trustee, the Collection Foundation Administrator, BCMGlobal, the Collection Foundation Account Provider and DMS dated the Signing Date;
+	<b>“DMS Issuer Collection Account”</b> means the deposit account in the name of the Issuer designated as the DMS Issuer Collection Account and held with the Issuer Account Bank and maintained subject to the terms of the Issuer Account Agreement or such additional or replacement account as may for the time being be in place pursuant to the Cash Management Agreement with the prior consent of the Security Trustee and designated as such;
+	<b>“DMS Original Seller”</b> means DMS Vastgoed Finance B.V.;
+	<b>“DMS Originator”</b> means DMS;
+	<b>“DMS Receivables Proceeds Distribution Agreement”</b> means the receivables proceeds distribution agreement between, amongst others, the DMS Original Seller and the DMS Collection Foundation and the DMS Security Trustee dated 5 November 2019 as amended and restated;
+	<b>“DMS Servicer”</b> means DMS;
	<b>“DNB”</b> means the Dutch Central Bank ( <i>De Nederlandsche Bank N.V.</i> );
+	<b>“DNL”</b> means DNL 1 B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Zonnebaan 11, 3542 EA Utrecht, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 76021599;
+	<b>“DNL Collection Foundation”</b> means Stichting Ontvangsten DNL, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 75796708;



+	<b>“DNL Collection Foundation Account Pledge Agreement”</b> means the collection account pledge agreement between, amongst others, the DNL Collection Foundation, the DNL Collection Foundation Security Trustee and the Collection Foundation Account Provider dated the Signing Date;
+	<b>“DNL Collection Foundation Security Trustee”</b> means Stichting Security Trustee Ontvangsten Tulp, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 76210561;
+	<b>“DNL Issuer Collection Account”</b> means the deposit account in the name of the Issuer designated as the DNL Issuer Collection Account and held with the Issuer Account Bank and maintained subject to the terms of the Issuer Account Agreement or such additional or replacement account as may for the time being be in place pursuant to the Cash Management Agreement with the prior consent of the Security Trustee and designated as such;
+	<b>“DNL Original Seller”</b> means Ivy Real Estate Finance B.V.;
+	<b>“DNL Originator”</b> means DNL;
+	<b>“DNL Receivables Proceeds Distribution Agreements”</b> means the receivables proceeds distribution agreement between, amongst others, the DNL Original Seller, the DNL Collection Foundation and the DNL Security Trustee dated 12 December 2019 as amended and restated;
+	<b>“DNL Servicer”</b> means DNL;
	<b>“DSA”</b> means the Dutch Securitisation Association;
+	<b>“Dutch Civil Code”</b> means the <i>Burgerlijk Wetboek</i> ;
+	<b>“Early Redemption”</b> means each redemption arising pursuant to Condition 6(c) ( <i>Optional Redemption for Taxation or Other Reasons</i> ), Condition 6(d) ( <i>Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option</i> ) or Condition 6(e) ( <i>Mandatory Redemption of the Notes following the exercise of a Regulatory Change Option</i> );
+	<b>“Early Repayment Charges”</b> means any repayment charge to be paid by a Borrower under a Mortgage Loan as a result of the Mortgage Receivable being repaid (in whole or in part) prior to the maturity date of such Mortgage Loan other than as permitted pursuant to the Mortgage Conditions;
+	<b>“Early Termination Date”</b> has the meaning given to that term in the Swap Agreement;
	<b>“EBA”</b> means the European Banking Authority;
	<b>“ECB”</b> means the European Central Bank;

+	“ <b>EIOPA</b> ” means the European Insurance and Occupational Pensions Authority;
+	“ <b>Eligible Person</b> ” has the meaning ascribed thereto in Condition 13 of this Prospectus;
*	“ <b>EMIR</b> ” means EU EMIR and UK EMIR;
	“ <b>EMMI</b> ” means European Money Markets Institute;
	“ <b>Enforcement Notice</b> ” means the notice delivered by the Security Trustee to the Issuer pursuant to Condition 10 ( <i>Events of Default</i> );
+	<p>“<b>English Law Transaction Documents</b>” means:</p> <p>(A) the VRR Loan Agreement;</p> <p>(B) the Subscription Agreement;</p> <p>(C) the Swap Agreement; and</p> <p>(D) the Risk Retention Letter;</p>
	“ <b>ESMA</b> ” means the European Securities and Markets Authority;
	“ <b>€STR</b> ” means the Euro Short-term Rate as published by the ECB;
+	“ <b>Escrow List of Loans</b> ” means at any time the list of all Mortgage Loans from which the Mortgage Receivables result, which list includes the name and address of each Borrower, and which list shall be held in escrow by the Deposit Agent;
	“ <b>EU</b> ” means the European Union;
+	“ <b>EU EMIR</b> ” means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories;
	“ <b>EU PRIIPs Regulation</b> ” means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs);
*	“ <b>EU Securitisation Regulation</b> ” 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 as amended, varied or substituted from time to time including the Securitisation Rules applicable in the EU from time to time;
	“ <b>EUR, euro or €</b> ” means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended from time to time;

	“ <b>EURIBOR</b> ” has the meaning ascribed thereto in Condition 4 ( <i>Interest</i> );
	“ <b>EURIBOR Reference Banks</b> ” has the meaning ascribed thereto in Condition (4)(e) ( <i>EURIBOR</i> );
	“ <b>Euroclear</b> ” means Euroclear Bank SA/NV;
	“ <b>Eurosystem Eligible Collateral</b> ” means collateral recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem;
+	“ <b>EUWA</b> ” means the European Union (Withdrawal) Act 2018;
	“ <b>Events of Default</b> ” means any of the events specified as such in Condition 10 ( <i>Events of Default</i> );
+	“ <b>Exception Mortgage Loan</b> ” means a Mortgage Loan with respect to which certain elements of the lending criteria of the relevant Originator were not met as at the date of origination of each such Mortgage Loan;
*	<p>“<b>Excess Swap Collateral</b>” means in respect of the Swap Agreement, an amount (which will be transferred directly to the Swap Counterparty in accordance with the Swap Agreement):</p> <p>(i) in the case of a termination resulting from the designation of an Early Termination Date under and as defined in the Swap Agreement, equal to the amount by which the value of the collateral (or the applicable part of any collateral) provided by the Swap Counterparty (including any interest and distributions in respect thereof) to the Issuer pursuant to the Swap Agreement and held by the Issuer at such time exceeds the Swap Counterparty’s liability under the Swap Agreement as determined on or as soon as reasonably practicable after the date of termination of the Swap Agreement (such liability shall be determined in accordance with the terms of the Swap Agreement except that for the purpose of this definition only the value of the collateral will not be applied as an unpaid amount owed by the Issuer to the Swap Counterparty); or</p> <p>(ii) in any other circumstance, which the Swap Counterparty is otherwise entitled to under the terms of the Swap Agreement including as a result of changes in the value of the collateral and/or the Interest Rate Swap;</p>
	“ <b>Exchange Date</b> ” means the date, not earlier than forty (40) days after the issue date of the Notes on which interests in the Temporary Global Notes will be exchangeable for interests in the Permanent Global Notes;
+	“ <b>Exercise Notice</b> ” means a notice to be delivered by the Portfolio Option Holder to exercise the Portfolio Call Option;
+	“ <b>Expected Post-Closing Class A Note Amount</b> ” means the expected Principal Amount Outstanding of the Class A Notes on the first Notes Payment Date following the expected application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments;

*	<p><b>“Extraordinary Resolution”</b> means, in respect of the holders of any of the Classes of Notes:</p> <p>(i) a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Agreement and these Conditions by at least eighty-five (85) per cent. of the Eligible Persons voting at such meeting upon a show of hands or, if a poll is duly demanded, by at least eighty-five (85) per cent. of the votes cast on such poll (calculated on the basis of the aggregate Principal Amount Outstanding of the relevant Class of the Notes held by such Eligible Persons);</p> <p>(ii) a resolution in writing signed by or on behalf of the Noteholders of at least eighty-five (85) per cent. of the aggregate Principal Amount Outstanding of the Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders of the relevant Class; or</p> <p>(iii) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Security Trustee) by or on behalf of the Noteholders holding at least eighty-five (85) per cent. in aggregate Principal Amount Outstanding of the Notes;</p>
	<p><b>“FATCA Withholding”</b> means any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement);</p>
	<p><b>“Final Maturity Date”</b> means the Notes Payment Date falling in January 2059;</p>
+	<p><b>“Final Post-Closing Mortgage Receivables Purchase Date”</b> means 17 April 2022;</p>
	<p><b>“First Optional Redemption Date”</b> means the Notes Payment Date falling in January 2027;</p>
+	<p><b>“Fixed Rate Mortgage Loans”</b> means Mortgage Loans subject to a fixed interest rate for a specified period of time and at the expiration of that period are generally subject to a variable rate which is linked to;</p>
+	<p><b>“Floating Interest Amount”</b> means the amounts of interest payable on each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes for the following Interest Period;</p>
N/A	<p><b>“Further Advance”</b>;</p>
N/A	<p><b>“Further Advance Receivable”</b>;</p>
	<p><b>“Global Note”</b> means any Temporary Global Note or Permanent Global Note;</p>

+	<b>“Guarantee”</b> means a guarantee or surety ( <i>borgtocht</i> ) given by a Mortgage Guarantor to the relevant Originator substantially in the form set out in the relevant Originator’s Standard Documentation;
	<b>“Higher Ranking Class”</b> means, in respect of any Class of Notes, each Class of Notes which has not been previously redeemed or written off in full and which ranks higher in priority to it;
+	<b>“Implementation Period”</b> means the implementation period set for the purposes of providing further legal continuity pursuant to the Withdrawal Agreement;
+	<b>“Initial Liquidity Reserve Target”</b> means on the Closing Date, an amount equal to 0.75 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes on the Closing Date;
+	<b>“Initial Margin”</b> means the margins which will be applicable up to (but excluding) the First Optional Redemption Date and be equal to 0.85 per cent. per annum for the Class A Notes, 1.10 per cent. per annum for the Class B Notes, 1.60 per cent. per annum for the Class C Notes, 2.00 per cent. per annum for the Class D Notes, 2.10 per cent. per annum for the Class E Notes, 3.00 per cent. per annum for the Class X1 Notes and 5.50 per cent. per annum for the Class X2 Notes, in accordance with Condition 4(c) ( <i>Interest on the Investor Notes up to but excluding the First Optional Redemption Date</i> );
N/A	<b>“Initial Purchase Price”</b> ;
+	<b>“Inside Information and Significant Event Reports”</b> means the information required to be provided in accordance with Article 7(1)(f) or Article 7(1)(g) of the EU Securitisation Regulation and under Article 7(1)(f) or Article 7(1)(g) of the UK Securitisation Regulation;
*	<b>“Interest Determination Date”</b> has the meaning ascribed thereto in Condition 4(e) ( <i>EURIBOR</i> );
+	<b>“Interest Determination Ratio”</b> means: (i) the aggregate Revenue Funds calculated in the three preceding Mortgage Reports (or, where there are not at least three previous Mortgage Reports, any previous Mortgage Reports) divided by (ii) the aggregate of all Revenue Funds and all Principal Funds calculated in such Mortgage Reports;
*	<b>“Interest Period”</b> means the period from (and including) a Notes Payment Date (except in the case of the first Interest Period, which shall commence on (and include) the Closing Date) to (but excluding) the next following Notes Payment Date (except that, for the purposes of the first Interest Period, the first Interest Period shall end on (but exclude) the first Notes Payment Date falling in April 2022;
+	<b>“Interest Period Issuer Amount”</b> has the meaning ascribed thereto in Section 5.4 ( <i>Hedging</i> );
+	<b>“Interest Period Swap Counterparty Amount”</b> has the meaning ascribed thereto in Section 5.4 ( <i>Hedging</i> );

	<b>“Interest Rate”</b> means the rate of interest applicable from time to time to a Class of Notes as determined in accordance with Condition 4 ( <i>Interest</i> );
+	<b>“Interest Rate Swap”</b> means the swap transaction entered into between the Issuer and the Swap Counterparty on or about the Signing Date governed by the Swap Agreement pursuant to which the Issuer will hedge against the possible variance between the fixed rates of interest received on the Fixed Rate Mortgage Loans in the Portfolio and 3-month EURIBOR (as determined in accordance with the Swap Agreement).
+	<b>“Interest Rate Swap Excluded Termination Amounts”</b> means the amount of any termination payment due and payable to the Swap Counterparty as a result of a Swap Counterparty Default or Swap Counterparty Downgrade Event (to the extent such payment cannot be satisfied by (i) payment by the Issuer of any Replacement Swap Premium and/or (ii) amounts standing to the credit of any Swap Collateral Account (if applicable));
	<b>“Interest-only Mortgage Loan”</b> means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity;
+	<b>“Interest-only Mortgage Loan Part”</b> means one or more of the interest-only loan parts ( <i>aflossingsvrije leningdelen</i> ) of which a Mortgage Loan consists, it being the case that a Mortgage Loan may consist of more than one loan part;
N/A	<b>“Interest-only Mortgage Receivable”</b> ;
+	<b>“Investor Notes”</b> means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes;
*	<b>“Investor Report”</b> means the quarterly report provided by the Cash Manager in accordance with the Cash Management Agreement with assistance of the Servicers in respect of the Issuer and substantially in the form set out in Schedule 3 ( <i>Form of Investor Report</i> ) of the Cash Management Agreement;
+	<p><b>“Insolvency Event”</b> means, in relation to any person, that:</p> <p>(A) such person is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;</p> <p>(B) a moratorium is declared in respect of any of its indebtedness;</p> <p>(C) any corporate action, legal proceedings or other procedure or step is taken in relation to or with a view to:</p> <p>(1) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of or in relation to such person other than a solvent liquidation or reorganisation of such person;</p>

	<p>(2) a composition, assignment or arrangement with any creditor of such person;</p> <p>(3) the appointment of a liquidator (other than in respect of a solvent liquidation of such person), receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of such person or any of its assets;</p> <p>(4) the enforcement of any Security Interest over any of such person's assets (including taking possession of any such asset); or</p> <p>(5) any expropriation, attachment, distress, diligence or execution affects any asset or assets of such person and is not discharged within fifteen (15) Business Days,</p> <p>or any analogous corporate action, legal proceedings or other procedure or step is taken in any jurisdiction; or</p> <p>(D) such person (other than for the purposes of a solvent amalgamation or reconstruction of such person), ceases or, through or consequent upon an official action of the board of directors of such person, threatens to cease to carry on business or a substantial part of its business;</p>
+	<b>"IP Completion Date"</b> means 11pm UK time on 31 December 2020;
	<b>"ISDA"</b> means the International Swaps and Derivatives Association, Inc.;
	<b>"Issue Price"</b> means 100.458 per cent. of the nominal amount of the Class A Notes, 100.00 per cent. of the nominal amount of the Class B Notes, 100.00 per cent. of the nominal amount of the Class C Notes, 99.041 per cent. of the nominal amount of the Class D Notes, 92.177 per cent. of the nominal amount of the Class E Notes, 99.482 per cent. of the nominal amount of the Class X1 Notes, 96.842 per cent. of the nominal amount of the Class X2 Notes, 100.00 per cent. of the nominal amount of the Class S1 Note and 100.00 per cent. of the nominal amount of the Class S2 Note;
+	<b>"Issuer Assignment Notification Event"</b> means any of the events specified as such in Clause 13 ( <i>Issuer Assignment Notification Events</i> ) of the Mortgage Receivables Purchase Agreement;
	<b>"Issuer"</b> means Jubilee Place 3 B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 84221607;
*	<b>"Issuer Accounts"</b> means any of the Issuer Transaction Account, the Issuer Collection Accounts, the Swap Collateral Cash Accounts, the Swap Collateral Custody Account (if any) and any additional or replacement accounts (including, if applicable, any securities accounts) opened in the name of the Issuer and maintained with the Issuer Account Bank or any other bank or custodian from time to time;

	<b>“Issuer Account Agreement”</b> means the issuer account agreement between the Issuer, the Security Trustee, the Cash Manager, the Account Agent and the Issuer Account Bank dated the Signing Date;
	<b>“Issuer Account Bank”</b> means Citibank Europe plc, Netherlands Branch, a public limited company registered in the Companies Registration Office in Ireland, acting through its branch with its registered address at Schiphol Boulevard 257, 1118 BH, Schiphol, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 64729206;
+	<b>“Issuer Account Bank Minimum Rating”</b> means: <ul style="list-style-type: none"> <li>(a) a long-term, unsecured and unsubordinated debt or counterparty ratings of at least A by S&amp;P; and</li> <li>(b) (A) a long-term rating of at least A2 by Moody's; or (B) if the Issuer Account Bank does not have a long term rating by Moody's, a short term deposit rating of at least P-1 by Moody's; or</li> <li>(c) such other ratings that are consistent with the then published criteria of the relevant Credit Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Notes;</li> </ul>
	<b>“Issuer Administrator”</b> means Vistra Capital Markets (Netherlands) N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) incorporated under Dutch law, having its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands;
+	<b>“Issuer Collection Accounts”</b> means the Community Issuer Collection Account, the DMS Issuer Collection Account and the DNL Issuer Collection Account;
	<b>“Issuer Director”</b> means Vistra Capital Markets (Netherlands) N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) incorporated under Dutch law, having its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands;
	<b>“Issuer Management Agreement”</b> means the issuer management agreement between the Issuer, the Issuer Director and the Security Trustee dated the Signing Date;
	<b>“Issuer Mortgage Receivables Pledge Agreement”</b> means the mortgage receivables pledge agreement between the Issuer and the Security Trustee dated the Signing Date;
	<b>“Issuer Rights”</b> means any and all rights of the Issuer under and in connection with the Mortgage Receivables Purchase Agreement <i>vis-à-vis</i> the Seller, the Issuer Account Agreement and the Issuer Accounts <i>vis-à-vis</i> the Issuer Account Bank and the Account Agent, the Paying Agency Agreement <i>vis-à-vis</i> the Paying Agent and the Agent Bank, the Servicing Agreements <i>vis-à-vis</i> the Servicers and the Back-Up Service Facilitator, the Swap Agreement <i>vis-à-vis</i> the Swap Counterparty, the VRR Loan Agreement <i>vis-à-vis</i> the VRR Lender, the Cash Management Agreement <i>vis-à-vis</i> the Cash Manager and the Issuer Administrator, the Receivables Proceeds Distribution Agreements <i>vis-à-vis</i> the Collection Foundations and the Collection Foundation Agreements <i>vis-à-vis</i> the Collection Foundation Security Trustees;



	<p><b>“Issuer Rights Pledge Agreement”</b> means the issuer rights pledge agreement between, amongst others, the Issuer, the Security Trustee, the Seller, the Issuer Account Bank, the Servicers, the Back-Up Servicer Facilitator, the Swap Counterparty, the VRR Lender, the Cash Manager and the Collection Foundations dated the Signing Date pursuant to which a right of pledge is created in favour of the Security Trustee over the Issuer Rights;</p>
*	<p><b>“Issuer Transaction Account”</b> means the deposit account in the name of the Issuer designated as the Issuer Transaction Account and held with the Issuer Account Bank and maintained subject to the terms of the Issuer Account Agreement or such additional or replacement account as may for the time being be in place pursuant to the Cash Management Agreement with the prior consent of the Security Trustee and designated as such;</p>
+	<p><b>“Junior Servicing Fees”</b> means (i) 0.125% of the balance of Mortgage Loans originated by DMS, (ii) 0.08% of the balance of Mortgage Loans Originated by DNL and (iii) 0.13% of the balance of Mortgage Loans originated by Community, all balances as per the last day of the calendar month preceding the invoice date. Servicers will invoice their fees on a monthly basis and receive payment pursuant to the relevant priority of payment;</p>
	<p><b>“Land Registry”</b> means the Dutch land registry (<i>het Kadaster</i>);</p>
+	<p><b>“LEI”</b> means legal entity identifier;</p>
	<p><b>“Lead Manager”</b> means Citibank Europe plc, a public limited company registered in the Companies Registration Office in Ireland with its registered address at 1 North Wall Quay, Dublin 1, Ireland;</p>
+	<p><b>“Legal Reservation”</b> means:</p> <p>(A) in respect of an English Law Transaction Document:</p> <ol style="list-style-type: none"> <li>(1) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;</li> <li>(2) the time barring of claims under statutory law (including, in respect of an English Law Transaction Document, the Limitation Acts);</li> <li>(3) the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim; and</li> </ol> <p>(B) in respect of a Dutch Law Transaction Document:</p> <ol style="list-style-type: none"> <li>(1) the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors; and</li> <li>(2) the making of the appropriate registrations, payment of any applicable stamp duty, filings or notifications in respect of the Security;</li> </ol>

N/A	<b>“Life Insurance Policy”</b> ;
N/A	<b>“Linear Mortgage Receivable”</b> ;
+	<b>“Liquidity Release Amount”</b> means the Liquidity Reserve Target on the Closing Date <i>minus</i> the Post-Closing Liquidity Reserve Target;
+	<b>“Liquidity Reserve Fund”</b> means the fund established on the Closing Date, which comprises the Liquidity Reserve Fund Actual Amounts;
+	<b>“Liquidity Reserve Fund Actual Amounts”</b> means an amount equal to the lesser of (a) the Liquidity Reserve Target and (b) the amount already standing to the credit of the Liquidity Reserve Fund plus the amount available to be credited on that date in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments;
+	<b>“Liquidity Reserve Fund Balance”</b> means the amount standing to the credit of the Liquidity Reserve Fund;
+	<b>“Liquidity Reserve Fund Ledger”</b> means the ledger maintained by the Cash Manager on behalf of the Issuer which records amounts credited to, and debited from, the Liquidity Reserve Fund. The Cash Manager will record, as a debit, (i) on each Notes Payment Date, any Liquidity Reserve Fund Balance used to meet any Revenue Shortfall and (ii) on the Post-Closing Mortgage Receivables Purchase Date or the Final Post-Closing Mortgage Receivables Purchase Date (as the case may be), the Liquidity Release Amount applied in payment to the Seller as the Additional Purchase Price Amount and, as a credit, amounts credited in the Liquidity Reserve Fund in accordance with the Pre-Enforcement Revenue Priority of Payments;
+	<b>“Liquidity Reserve Principal Amounts”</b> means any amounts representing the Liquidity Reserve Fund Balance applied by the Issuer to meet the Revenue Shortfall in accordance with item (d) of the definition of “Available Revenue Funds”;
+	<b>“Liquidity Reserve Principal Ledger”</b> means the ledger of the Issuer Transaction Account maintained by the Cash Manager on behalf of the Issuer which records any Liquidity Reserve Principal Replenishment Amounts. On each Notes Payment Date, the Cash Manager will record, as a credit, any Available Principal Funds applied in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments to replenish the Liquidity Reserve Fund, and, as a debit, any amount deducted from the Liquidity Reserve Fund and applied to cure a Revenue Shortfall in accordance with item (d) of the definition of “Available Revenue Funds”;
+	<b>“Liquidity Reserve Principal Replenishment Amounts”</b> means, since the Closing Date, the aggregate of any Available Principal Funds applied in accordance with items (b)(vi) and (c)(ii) of the Pre-Enforcement Principal Priority of Payments to replenish the Liquidity Reserve Fund;
+	<b>“Liquidity Reserve Target”</b> means:

	<p>(a) on the Closing Date, an amount equal to 0.75 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes on the Closing Date;</p> <p>(b) prior to the Class A Redemption Date, on any Notes Payment Date up to (and including) the First Optional Redemption Date, the higher of:</p> <p>(i) an amount equal to 0.75 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes on the first Notes Payment Date (following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments and prior to the application of the Pre-Enforcement Principal Priority of Payments); and</p> <p>(ii) an amount equal to 1.25 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes immediately before such Notes Payment Date or, in the case of the first Notes Payment Date, following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments and prior to the application of the Pre-Enforcement Principal Priority of Payments;</p> <p>(c) prior to the Class A Redemption Date, on any Notes Payment Date after the First Optional Redemption Date, an amount equal to 1.25 per cent. of (100/95) of the Principal Amount Outstanding of the Class A Notes immediately before such Notes Payment Date; and</p> <p>(d) on or following the Class A Redemption Date, zero;</p>
	<p><b>“Listing Agent”</b> means Arthur Cox Listing Services Limited, a limited liability company incorporated under the laws of Ireland with its registered address at Ten Earlsfort Terrace, Dublin, D02 T380, Ireland;</p>
+	<p><b>“Loan Files”</b> means, in relation to a Loan, the customer file (in paper and/or electronic form) including internal file notes and correspondence both prior to and after origination of the Mortgage Loan, but excluding any voice or audio recordings, maintained by the Seller (or its agents on its behalf) and excluding any Title Deeds;</p>
*	<p><b>“Loan Parts”</b> means one or more of the loan parts (<i>leningdelen</i>) of which a mortgage loan consists, it being the case that a Mortgage Loan may consist of more than one loan part because it is a combination of an Annuity Mortgage Loan and/or Interest-only Mortgage Loan with each type of loan representing a single loan part of the entire mortgage loan;</p>
+	<p><b>“Loan Warranties”</b> means the representations and warranties given by the Seller as set out in Section 7.2 (<i>Representations and Warranties</i>);</p>
+	<p><b>“LTV”</b> means, in relation to a Mortgage Loan, a ratio representing the amount of the Mortgage Loan as a percentage of the market value of the Mortgaged Asset;</p>
	<p><b>“MAD Regulations”</b> means the Market Abuse Directive, the Market Abuse Regulation and the Dutch implementation legislation pertaining thereto;</p>

	<b>“Management Agreement”</b> means any of (i) the Issuer Management Agreement, (ii) the Shareholder Management Agreement and (iii) the Security Trustee Management Agreement;
	<b>“Market Abuse Directive”</b> means Directive 2014/57/EU of 16 April 2014;
	<b>“Market Abuse Regulation”</b> means Regulation (EU) No 596/2014 of 16 April 2014;
N/A	<b>“Market Value”</b> ;
	<b>“Master Definitions Agreement”</b> means the master definitions agreement between amongst others, the Seller, the Issuer and the Security Trustee dated the Signing Date;
+	<b>“Maximum Post-Closing Mortgage Receivables Balance”</b> means the aggregate Outstanding Principal Amount as of the Cut-off Date of all of the Post-Closing Mortgage Loans relating to the Post-Closing Mortgage Receivables specified in the Mortgage Receivables Purchase Agreement which may be purchased by the Issuer on or prior to the Final Post-Closing Mortgage Receivables Purchase Date;
+	<b>“Member State”</b> means a member state of the European Union;
+	<b>“MIA Measure”</b> means at any time the aggregate amount of outstanding sums due and payable under a Mortgage Loan (excluding, fees, costs and charges) divided by the then current CMS for such Mortgage Loan;
	<b>“MiFID II”</b> means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
+	<b>“Modification Certificate”</b> means a certificate to be provided by the Issuer and/or the relevant Transaction Party, as the case may be, pursuant to Condition 13(c);
+	<b>“Monthly Payments”</b> means the amount which the relevant Mortgage Conditions require a Borrower to pay on each Loan Payment Date in respect of that Borrower’s Mortgage Loan (including, without limitation, interest (and to the extent applicable) scheduled repayment instalments of principal, but excluding arrears or non-capitalised fees);
	<b>“Moody’s”</b> means, for the purpose of identifying which Moody’s entity has assigned a credit rating to the Rated Notes, Moody’s Deutschland GmbH, and includes any successor to its rating business;
	<b>“Mortgage”</b> means a mortgage right ( <i>hypothekrecht</i> ) securing the relevant Mortgage Receivable;
N/A	<b>“Mortgage Calculation Date”</b> ;
	<b>“Mortgage Calculation Period”</b> means the period commencing on (and including) the first day of each calendar month and ending on (and including) the last day of such calendar month except for the first mortgage calculation period, which commences on

	(and includes) the Portfolio Reference Date and ends on (and includes) the last day of January 2022;
+	<b>"Mortgage Completion"</b> means, in relation to a Loan, the transfer of the Mortgage Initial Advance Amount to the relevant Borrower (or such other person as the Borrower may direct) or the moment the relevant Notary starts holding the Mortgage Initial Advance Amount on behalf of the Borrower;
	<b>"Mortgage Collection Payment Date"</b> means the date on which funds are transferred from the Issuer Collection Accounts to the Issuer Transaction Account;
	<b>"Mortgage Conditions"</b> means the terms and conditions applicable to a Mortgage Loan, as set forth in the relevant mortgage deed and/or in any loan document, offer document or any other document, including any applicable general terms and conditions for mortgage loans as amended or supplemented from time to time;
	<b>"Mortgage Credit Directive"</b> means 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 and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010;
+	<b>"Mortgage Deed"</b> means, in respect of any Mortgage, the notarial deed intended to create that Mortgage upon registration thereof with the Land Registry;
+	<b>"Mortgage Guarantor"</b> means in relation to a Mortgage Loan, the person (if any) named as surety or guarantor in the relevant Mortgage Loan or any person for the time being or from time to time guaranteeing any of the obligations of the relevant Borrower under such Mortgage Loan;
	<b>"Mortgage Interest Rates"</b> means the rates of interest from time to time chargeable to Borrowers under the Mortgage Loans;
+	<b>"Mortgage Intermediary"</b> means a person who provides broker, introducer and/or packaging services to the Originators in connection with Mortgage applications;
	<b>"Mortgage Loan Criteria"</b> means the criteria relating to the Mortgage Loans set forth as such in Section 7.3 ( <i>Mortgage Loan Criteria</i> ) of this Prospectus;
	<b>"Mortgage Loan Services"</b> means the services to be provided by the relevant Servicer to the Issuer and the Security Trustee with respect to the Mortgage Loans, as set out in the Servicing Agreements;
	<b>"Mortgage Loans"</b> means (i) the mortgage loans granted by the relevant Originator to the relevant borrowers which may consist of one or more Loan Parts as set forth in the list of loans attached as Schedule 1 ( <i>List of Loans</i> ) of the Mortgage Receivables Purchase Agreement and (ii) after any purchase and assignment of any Post-Closing Mortgage Receivables has taken place in accordance with the Mortgage Receivables Purchase Agreement, the relevant Post-Closing Mortgage Loans, in each case, to the extent any and all rights under and in connection therewith are not retransferred or otherwise disposed of by the Issuer;

	<p><b>“Mortgage Receivable”</b> means any and all rights of (i) after Assignment I, the relevant Original Seller, (ii) after Assignment II, the Seller or (iii) after Assignment III, the Issuer (as applicable) against the Borrower under or in connection with a Mortgage Loan, including any and all claims of (i) after Assignment I, the relevant Original Seller, (ii) after Assignment II, the Seller or (iii) after Assignment III, the Issuer (as applicable) on the Borrower as a result of the Mortgage Loan being terminated, dissolved or declared null and void;</p>
	<p><b>“Mortgage Receivables Purchase Agreement”</b> means the mortgage receivables purchase agreement between the Seller, the Issuer and the Security Trustee dated the Signing Date;</p>
	<p><b>“Mortgage Report”</b> means a report to be provided by each Servicer no later than the fifth Business Day after the end of each Collection Period (or if the end of such Collection Period is not a Business Day, the immediately following Business Day) in accordance with the terms of the Servicing Agreements and detailing, <i>inter alia</i>, the information relating to the Portfolio necessary to produce the Investor Report and the Transparency Investor Report;</p>
	<p><b>“Mortgaged Asset”</b> means (i) a real property (<i>onroerende zaak</i>), (ii) an apartment right (<i>appartementsrecht</i>) or (iii) a long lease (<i>erfpachtsrecht</i>) situated in the Netherlands on which a Mortgage is vested;</p>
	<p><b>“Most Senior Class”</b> has the meaning ascribed thereto in Condition 13 (<i>Meetings of Noteholders, Modification, Waiver, Substitution and Alternative Reference Rate</i>);</p>
+	<p><b>“MTM Adjustment Amount”</b> means an upfront payment from the Issuer to the Swap Counterparty or an upfront payment from the Swap Counterparty to the Issuer (as applicable) arising from an adjustment to the notional amount of the Interest Rate Swap calculated on the basis of the prevailing mark-to-market of the Interest Rate Swap from the Swap Counterparty's perspective taking into consideration the revised Swap Notional Amount Schedule compared to the mark-to-market of the Interest Rate Swap immediately prior to such adjustment being made;</p>
+	<p><b>“Net Available Principal Funds”</b> means the Available Principal Funds after application of item (a) of the Pre-Enforcement Principal Priority of Payments.</p>
+	<p><b>“Net Available Revenue Funds”</b> means the Available Revenue Funds after application of the Pre-Enforcement Revenue Senior Expenses.</p>
+	<p><b>“Net Class R Post-Closing Reserve Amounts”</b> means any outstanding amounts standing to the credit of the Class R Post-Closing Reserve Ledger on the first Notes Payment Date (taking into account any debits made to that ledger on the Post-Closing Mortgage Receivables Purchase Date);</p>
	<p><b>“Net Foreclosure Proceeds”</b> means (i) the proceeds of a foreclosure on a Mortgage, (ii) the proceeds of foreclosure on any other collateral securing the relevant Mortgage Receivable, (iii) the proceeds, if any, of collection of any insurance policy in connection with the relevant Mortgage Receivable, including fire insurance policy, (iv) the proceeds of any guarantees or sureties and (v) the proceeds of foreclosure on any other assets of</p>

	the relevant Borrower, in each case after deduction of foreclosure costs in respect of such Mortgage Receivable;
+	<b>“Net Post-Closing Principal Reserve Amounts”</b> means any outstanding amounts standing to the credit of the Post-Closing Principal Reserve Ledger on the first Notes Payment Date (taking into account any debits made to that ledger on the Post-Closing Mortgage Receivables Purchase Date);
+	<b>“Net Post-Closing Revenue Reserve Amounts”</b> means any outstanding amounts standing to the credit of the Post-Closing Revenue Reserve Ledger on the first Notes Payment Date (taking into account any debits made to that ledger on the Post-Closing Mortgage Receivables Purchase Date);
+	<b>“Net Post-Enforcement Available Funds”</b> means the Available Revenue Funds and the Available Principal Funds excluding Excess Swap Collateral, Swap Collateral, Swap Tax Credits, Replacement Swap Premium and amounts to be applied to tax;
+	<b>“Normal Interest”</b> has the meaning ascribed thereto in Condition 4(b) ( <i>Interest Periods and Notes Payment Dates</i> );
	<b>“Noteholders”</b> means the persons who for the time being are the holders of the Notes;
	<b>“Notes”</b> means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note and the Class R Notes;
N/A	<b>“Notes and Cash Report”</b> ;
	<b>“Notes Calculation Date”</b> means, in respect of a Notes Payment Date, the fifth Business Day prior to such Notes Payment Date;
	<b>“Notes Calculation Period”</b> means, in respect of a Notes Calculation Date, the three successive Mortgage Calculation Periods immediately preceding such Notes Calculation Date except for the first Notes Calculation Period which will commence on the Closing Date and end on and include the last day of March 2022;
	<b>“Notes Payment Date”</b> means the 17 <sup>th</sup> day of April 2022 and thereafter the 17 <sup>th</sup> day of July, October, January and April of each year or, if such day is not a Business Day, the immediately succeeding Business Day unless it would as a result fall in the next calendar month, in which case it will be the Business Day immediately preceding such day;
+	<b>“Official List”</b> means the official list of Euronext Dublin;
	<b>“Optional Redemption Date”</b> means any Notes Payment Date from (and including) the First Optional Redemption Date up to (and excluding) the Final Maturity Date;
+	<b>“OTC”</b> means over-the-counter;
+	<b>“Ordinary Resolution”</b> has the meaning ascribed thereto in Condition 13 ( <i>Meetings of Noteholders, Modification, Waiver, Substitution and Alternative Reference Rate</i> );

N/A	<b>“Original Foreclosure Value”</b> ;
+	<b>“Original Sellers”</b> means (i) the Community Original Seller in respect of Mortgage Loans originated by the Community Originator, (ii) the DMS Original Seller in respect of Mortgage Loans originated by the DMS Originator and (iii) the DNL Original Seller in respect of Mortgage Loans originated by the DNL Originator.
+	<b>“Original Sellers Mortgage Receivables Purchase Agreements”</b> means the Community Mortgage Receivables Purchase Agreement, the DMS Mortgage Receivables Purchase Agreement and the Ivy Mortgage Receivables Purchase Agreement;
+	<b>“Originator Asset Purchase Agreement”</b> means the Original Community Asset Purchase Agreement, the Original DMS Asset Purchase Agreement and the Original DNL Asset Purchase Agreement;
	<b>“Originators”</b> means the DMS Originator, the DNL Originator and the Community Originator;
N/A	<b>“Other Claim”</b> ;
	<b>“Outstanding Principal Amount”</b> means, at any moment in time, (i) the outstanding principal amount of a Mortgage Receivable at such time and (ii), after Realised Losses have occurred in respect of such Mortgage Receivable, zero;
	<p><b>“PAA Deficit”</b> means a deficit in amounts available to pay:</p> <ul style="list-style-type: none"> <li>(a) items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments and items (f)(i) and (f)(ii) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus</li> <li>(b) item (f)(iv) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus</li> <li>(c) item (f)(vi) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus</li> <li>(d) item (f)(viii) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95); plus</li> <li>(e) item (f)(x) of the Pre-Enforcement Revenue Priority of Payments multiplied by (100/95),</li> </ul> <p>(after application of Available Revenue Funds and after application of any Liquidity Reserve Fund Balance);</p>
	<b>“Parallel Debt”</b> has the meaning ascribed thereto in the Parallel Debt Agreement;
	<b>“Parallel Debt Agreement”</b> means the parallel debt agreement between, amongst others, the Issuer, the Security Trustee and the Secured Creditors (other than the Noteholders) dated the Signing Date;



	<b>“Participant”</b> means persons that have accounts with Euroclear or Clearstream, Luxembourg;
	<b>“Paying Agency Agreement”</b> means the paying agency agreement between the Issuer, the Paying Agent and the Security Trustee dated the Signing Date;
	<b>“Paying Agent”</b> means Citibank, N.A., London Branch;
+	<b>“PDL Maximum Amount”</b> means, in respect of a Class of Notes, the Principal Amount Outstanding of such Class of Notes multiplied by (100/95);
	<b>“Permanent Global Note”</b> means a permanent global note in respect of a Class of Notes;
	<b>“Pledge Agreements”</b> means the Issuer Mortgage Receivables Pledge Agreement, the Issuer Rights Pledge Agreement and the Deed of Assignment and Pledge;
	<b>“Pledge Notification Event”</b> means any of the events specified as such in the Master Definitions Agreement;
	<b>“Pledged Assets”</b> means the Mortgage Receivables and the Issuer Rights;
+	<b>“Portfolio”</b> means all the Mortgage Receivables, which on the Closing Date will consist of the Completion Mortgage Receivables and on the Post-Closing Mortgage Receivables Purchase Date will consist of the Completion Mortgage Receivables and any Post-Closing Mortgage Receivables, other than those Mortgage Receivables previously sold to the Issuer pursuant to the Mortgage Receivables Purchase Agreement, title to which has been re-transferred by the Issuer to the Seller in accordance with the terms of the Mortgage Receivables Purchase Agreement;
+	<b>“Portfolio Option Holder”</b> means the holder or holders of more than fifty per cent. (50%) of the Class R Notes (or any entity or entities representing the holder(s) of more than fifty per cent. (50%) of the Class R Notes);
+	<b>“Portfolio Purchase Option”</b> means the option of the Portfolio Option Holder to require the Issuer to sell and transfer to the Portfolio Option Holder or its nominee the ownership of the Mortgage Receivables in the Portfolio, subject to the terms of the Trust Agreement;
+	<b>“Portfolio Purchase Option Available Funds”</b> means amounts standing to the credit of the Issuer Accounts (including the Liquidity Reserve Fund but excluding (i) Swap Collateral to the extent that such Swap Collateral is required to be transferred to the Swap Counterparty, (ii) any amounts standing to the credit of the Class S1/S2 Ledger and (iii) an amount equal to the Initial Liquidity Reserve Target) as at the end of the Collection Period prior to the Portfolio Purchase Option Completion Date (following application of the Net Post-Closing Principal Reserve Amounts in accordance with the Post-Closing Principal Pro Rata Payments) <i>plus</i> any termination amount payable to the Issuer under the Interest Rate Swap. Revenue Funds and Principal Funds received by the Issuer after such date shall, for the purposes of the Trust Agreement, be <b>“Purchaser Receipts”</b> and for the avoidance of doubt shall not be distributed in accordance with the Post-Enforcement Priority of Payments on the Portfolio Purchase Option Completion Date.

+	<b>"Portfolio Purchase Option Completion Date"</b> means the Notes Payment Date falling on the same day as or, not more than 5 days after, the Portfolio Sale Completion Date;
+	<b>"Portfolio Purchase Option Current Value Purchase Price"</b> has the meaning given to such term in the definition of "Portfolio Purchase Option Purchase Price";
+	<b>"Portfolio Purchase Option Purchase Price"</b> has the meaning ascribed thereto in Section 7.1 ( <i>Purchase and Sale</i> );
+	<b>"Portfolio Reference Date"</b> means 31 October 2021;
+	<b>"Portfolio Sale Completion Date"</b> means the date upon which a sale of the Portfolio occurs pursuant to the Portfolio Purchase Option;
+	<b>"Post-Closing Liquidity Reserve Target"</b> means on the Post-Closing Mortgage Receivables Purchase Date, an amount equal to 0.75 per cent. of (100/95) of the Principal Amount Outstanding of the Expected Post-Closing Class A Note Amount;
+	<b>"Post-Closing Mortgage Loan"</b> means each Mortgage Loan as set forth in the list of loans attached as Schedule 2 ( <i>List of Post-Closing Mortgage Loans</i> ) of the Mortgage Receivables Purchase Agreement;
+	<b>"Post-Closing Mortgage Receivable"</b> means the Mortgage Receivable resulting from a Post-Closing Mortgage Loan;
+	<b>"Post-Closing Mortgage Receivables Hedging Condition"</b> means the Issuer and the Swap Counterparty have adjusted the Swap Agreement by increasing the notional amount in respect of each Notes Payment Date falling on or after the Post-Closing Mortgage Receivables Purchase Date, as set out in the Swap Notional Amount Schedule, by the amount of the Current Balance of the Post-Closing Mortgage Loans that is forecast by the Seller to be outstanding on each such Notes Payment Date assuming a constant prepayment rate of zero, provided that, as a result of such adjustment, no other changes will be made to the Swap Agreement (and, in particular, the Swap Fixed Rate will remain unchanged) and the Issuer or the Swap Counterparty, as applicable, will be obliged to make the payment of the MTM Adjustment Amount (if any) to the other party;
+	<b>"Post-Closing Mortgage Receivables Proportion"</b> means the Actual Post-Closing Mortgage Receivables Balance <i>divided by</i> the Maximum Post-Closing Mortgage Receivables Balance;
+	<b>"Post-Closing Mortgage Receivables Purchase Conditions"</b> has the meaning ascribed thereto in Section 7.1 ( <i>Purchase and Sale</i> );
+	<b>"Post-Closing Mortgage Receivables Purchase Date"</b> means the date to be agreed between the Seller and the Issuer in writing on which the Issuer purchases, and accepts the transfer of, the Post-Closing Mortgage Receivables from the Seller by means of execution of the relevant Deed of Assignment and Pledge and registration thereof with the competent Dutch tax authorities, in accordance with the Mortgage Receivables Purchase Agreement;

+	<b>“Post-Closing Mortgage Receivables Purchase Price”</b> means, in respect of the Post-Closing Mortgage Receivables, an amount equal to the following: (a) the Aggregate Closing Reserve Amount <i>multiplied by</i> the Post-Closing Mortgage Receivables Proportion; <i>plus</i> (b) if any MTM Adjustment Amount is payable by the Swap Counterparty, then such amount; or <i>minus</i> (c) if any MTM Adjustment Amount is payable by the Issuer to the Swap Counterparty, then such amount (but only deductible from the amount calculated in item (a) of this definition and not against any amounts to be released from the Post-Closing Reserve Ledgers to be applied in accordance with the Priorities of Payments);
+	<b>“Post-Closing Principal Pro Rata Payments”</b> means the manner and priority of payments in which the Pre-Enforcement Post-Closing Principal Note Share and the Pre-Enforcement Post-Closing Principal VRR Share will be applied, as set out in the Cash Management Agreement;
+	<b>“Post-Closing Principal Reserve”</b> means the reserve established on the Closing Date, which comprises as at the Closing Date the Closing Principal Reserve Amount;
+	<b>“Post-Closing Principal Reserve Ledger”</b> means the ledger maintained by the Cash Manager on behalf of the Issuer which records amounts credited to, and debited from, the Post-Closing Principal Reserve;
+	<b>“Post-Closing Reserves”</b> means the Class R Post-Closing Reserve, the Post-Closing Principal Reserve and the Post-Closing Revenue Reserve;
+	<b>“Post-Closing Revenue Reserve”</b> means the reserve established on the Closing Date, which comprises as the Closing Date the Closing Revenue Reserve Amount;
+	<b>“Post-Closing Revenue Reserve Ledger”</b> means the ledger maintained by the Cash Manager on behalf of the Issuer which records amounts credited to, and debited from, the Post-Closing Revenue Reserve;
+	<b>“Post-Closing Reserve Ledgers”</b> means the Post-Closing Principal Reserve Ledger, the Post-Closing Revenue Reserve Ledger and the Class R Post-Closing Reserve Ledger;
+	<b>“Post-Enforcement Note Share”</b> means ninety-five (95) per cent. of the Net Post-Enforcement Available Funds;
+	<b>“Post-Enforcement Priority of Payments”</b> means the priority of payments set out as such in Section 5.2 ( <i>Priorities of Payments</i> ) of this Prospectus;
+	<b>“Post-Enforcement VRR Share”</b> means five (5) per cent. of the Net Post-Enforcement Available Funds;
+	<b>“Post-Enforcement Net Available Funds”</b> means all amounts available to be applied in accordance with the Post-Enforcement Priority of Payments after application of items (a) to (e) of the Post-Enforcement Priority of Payments;

+	<b>“Pre-Enforcement Post-Closing Principal Note Share”</b> means 95 per cent. of the Net Post-Closing Principal Reserve Amounts;
+	<b>“Pre-Enforcement Post-Closing Principal VRR Share”</b> means 5 per cent. of the Net Post-Closing Principal Reserve Amounts;
+	<b>“Pre-Enforcement Principal Note Share”</b> means ninety-five (95) per cent. of the Net Available Principal Funds;
+	<b>“Pre-Enforcement Principal Priority of Payments”</b> means the priority of payments set out as such in Section 5.2 ( <i>Priorities of Payments</i> ) of this Prospectus;
+	<b>“Pre-Enforcement Principal VRR Share”</b> means five (5) per cent. of the Net Available Principal Funds;
+	<b>“Pre-Enforcement Priority of Payments”</b> means the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments;
+	<b>“Pre-Enforcement Revenue Note Share”</b> means ninety-five (95) per cent. of the Net Available Revenue Funds;
+	<b>“Pre-Enforcement Revenue Senior Expenses”</b> means items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments;
+	<b>“Pre-Enforcement Revenue VRR Share”</b> means five (5) per cent. of the Net Available Revenue Funds;
N/A	<b>“Prepayment Penalties”</b> ;
+	<b>“Presentation Date”</b> has the meaning ascribed thereto in Condition 5(e);
+	<b>“Principal Addition Amount”</b> means in respect of any Notes Payment Date prior to the redemption in full of the Investor Notes (other than the Class X1 Notes and the Class X2 Notes), the amount of Available Principal Funds to be applied by the Issuer on that Notes Payment Date to cure any PAA Deficit, pursuant to item (a) of the Pre-Enforcement Principal Priority of Payments;
	<b>“PRIIPs Delegated Regulation”</b> means Commission Delegated Regulation (EU) 2017/653 of 8 March 2017 supplementing Regulation (EU) No 1286/2014 of the European Parliament and of the Council on key information documents for packaged retail and insurance-based investment products (PRIIPs) by laying down regulatory technical standards with regard to the presentation, content, review and revision of key information documents and the conditions for fulfilling the requirement to provide such documents;
*	<b>“Principal Amount Outstanding”</b> has the meaning ascribed thereto in Condition 6(f) ( <i>Definitions</i> );
	<b>“Principal Deficiency”</b> means the debit balance, if any, of the relevant sub-ledger of the Principal Deficiency Ledger;

	<p><b>“Principal Deficiency Ledger”</b> means the principal deficiency ledger relating to the relevant Classes of Notes and comprising sub-ledgers for each such Class of Notes;</p>
+	<p><b>“Principal Funds”</b> means payments received by the Issuer representing (without double counting):</p> <ul style="list-style-type: none"> <li>(a) any payment in respect of principal received in respect of any including, for the avoidance of doubt, all prepayments and repayments including repayments at maturity or extended maturity;</li> <li>(b) any payment pursuant to any insurance policy in respect of a Mortgaged Asset or the Mortgage Receivable (to the extent the same are attributable to or constitute principal or the payment of any claim in respect of principal);</li> <li>(c) any Net Foreclosure Proceeds and all recoveries of principal from defaulting Borrowers received in respect of any Mortgage Receivables;</li> <li>(d) any other proceeds of any disposal in respect of any Mortgage Receivable excluding any portion of the disposal proceeds that represent accrued interest in respect of the Mortgage Receivables;</li> <li>(e) proceeds of any indemnity payment from the Seller to the Issuer pursuant to the Mortgage Receivables Purchase Agreement to the extent that such proceeds constitute or are attributable to principal or represent action in respect of principal;</li> <li>(f) any proceeds from claims against the Seller under the Mortgage Receivables Purchase Agreement to the extent that such proceeds constitute or are attributable to principal or represent action in respect of principal; and</li> <li>(g) any other payment received by the Issuer in the nature of principal (excluding, for the avoidance of doubt, any amounts standing to the credit of the Class S1/S2 Ledger);</li> </ul>
	<p><b>“Principal Shortfall”</b> means, with respect to any Notes Payment Date, an amount equal to (i) the balance of the Principal Deficiency Ledger of the relevant Class of Notes divided by (ii) the number of Notes of the relevant Class of Notes on such Notes Payment Date;</p>
	<p><b>“Priority of Payments”</b> means any of the Pre-Enforcement Revenue Priority of Payments, the Pre-Enforcement Principal Priority of Payments and the Post-Enforcement Priority of Payments;</p>
	<p><b>“Prospectus”</b> means this prospectus dated 19 January 2022 relating to the issue of the Notes (other than the Class R Notes);</p>
	<p><b>“Prospectus Regulation”</b> 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;</p>
+	<p><b>“Provisional Mortgage Portfolio”</b> has the meaning ascribed thereto in Section 2.6 (<i>Portfolio information</i>);</p>

+	<b>“Purchaser Receipts”</b> means Revenue Funds and Principal Funds received by the Issuer after such date shall, for the purposes of the Trust Agreement;
+	<b>“Rate Determination Agent”</b> means a party that will determine in its sole discretion, acting in good faith and in a commercially reasonable manner, whether a substitute or successor rate, as well as any necessary changes to the business day convention, the definition of business day, the interest determination date, the day count fraction and any method for calculating the Alternative Reference Rate, including any Adjustment Spread or other adjustment factor is needed to make such Alternative Reference Rate comparable to the relevant Reference Rate;
+	<b>“Rated Notes”</b> means each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes and the Class X2 Notes;
	<p><b>“Realised Losses”</b> means on any Notes Payment Date where the Issuer, any Servicer or Security Trustee has completed the foreclosure in the immediately preceding Notes Calculation Period:</p> <ul style="list-style-type: none"> <li>(a) the amount by which (i) the aggregate Outstanding Principal Amount of all such Mortgage Receivables exceeds (ii) the amount of the Net Foreclosure Proceeds (to the extent relating to principal) applied to reduce the Outstanding Principal Amount of the Mortgage Receivables to the extent not compensated under the Mortgage Receivables Purchase Agreement;</li> <li>(b) any loss to the Issuer as a result of an exercise of any set-off by any Borrower in respect of its Mortgage Receivable unless this is fully compensated under either the provisions of the relevant Servicing Agreement or the Mortgage Receivables Purchase Agreement; and</li> <li>(c) any other non-recovery of the full Outstanding Principal Amount of the Mortgage Receivables other than where the same has been compensated by an indemnity by the Seller under the Mortgage Receivables Purchase Agreement;</li> </ul>
	<b>“Receivables Proceeds Distribution Agreements”</b> means the DNL Receivables Proceeds Distribution Agreement, the Community Receivables Proceeds Distribution Agreement and the DMS Receivables Proceeds Distribution Agreement;
+	<b>“Reconciliation Amount”</b> means in respect of any Mortgage Calculation Period (a) the actual Principal Funds as determined in accordance with the available Mortgage Reports, less (b) the Calculated Principal Funds in respect of such Collection Period, plus (c) any Reconciliation Amount not applied in previous Collection Periods;
N/A	<b>“Redemption Amount”</b> ;
+	<b>“Redemption Ledger”</b> means the ledger maintained by the Cash Manager on behalf of the Issuer which records all Principal Funds received by the Issuer and the distribution of the Principal Funds in accordance with the Pre-Enforcement Principal Priority of Payments or the Post-Enforcement Priority of Payments (as applicable);
N/A	<b>“Reference Agent”</b> ;

+	<b>“Reference Rate”</b> means the rate of EURIBOR as calculated in accordance with Condition 4(e) ( <i>EURIBOR</i> );
+	<b>“Reference Rate Modification”</b> has the meaning given to it in Clause 28 ( <i>Modification, Consents and Waiver</i> ) of the Trust Agreement;
+	<b>“Reference Rate Modification Certificate”</b> has the meaning given to it in Clause 28 ( <i>Modification, Consents and Waiver</i> ) of the Trust Agreement;
	<b>“Regulation RR”</b> means the regulations issued by the Securities and Exchange Commission pursuant to Section 15G of the Securities Exchange Act of 1934, as amended, and set forth at 17 C.F.R. Section 246;
	<b>“Regulation S”</b> means Regulation S of the Securities Act;
+	<b>“Regulatory Change Event”</b> has the meaning ascribed thereto in Condition 6(f) ( <i>Definitions</i> );
+	<b>“Regulatory Change Option”</b> has the meaning ascribed thereto in Condition 6(f) ( <i>Definitions</i> );
+	<b>“Regulatory Change Option Purchase Price”</b> means the Portfolio Purchase Option Purchase Price;
+	<b>“Related Security”</b> means, in relation to a Mortgage Loan or the Mortgage Receivable(s) arising therefrom, the security granted for the repayment of that Mortgage Loan or Mortgage Receivable(s) by or on behalf of the relevant Borrower, Mortgage Guarantor or other third party security provider or surety including the relevant Mortgage, Pledge (if any) and Guarantee (if any) and all other matters applicable thereto;
+	<b>“Relevant Information”</b> means any written information (other than any forecasts or projections made by or on behalf of the Issuer) including, but not limited to, loan data files containing details of the Mortgage Loans and the due diligence reports;
+	<b>“Replacement Swap Premium”</b> means any amount to be paid by the Issuer to a replacement swap counterparty following termination of the Interest Rate Swap, or any amount received by the Issuer from a replacement swap counterparty upon entry by the Issuer into an agreement with such replacement swap counterparty to replace the Interest Rate Swap, as the context requires;
	<b>“Reporting Entity”</b> means the Issuer;
+	<b>“Reporting Website”</b> means (i) the website of EuroABS at <a href="http://www.euroabs.com">www.euroabs.com</a> and (ii) the website of SecRep B.V. at <a href="http://www.secrep.eu">www.secrep.eu</a> (or such other website (a) selected by the Issuer and notified to the Noteholders; and (b) which complies with the EU Securitisation Regulation and/or the UK Securitisation Regulation, as applicable);
+	<b>“Required Counterparty Consent Matter”</b> means any modification or supplement to any provisions of the Transaction Documents or the Conditions or any proposed waiver or

	consent in respect thereof that in the reasonable opinion of the Swap Counterparty adversely affects a Swap Counterparty Entrenched Right;
	<b>“Residual Notes”</b> means the Class S1 Note, the Class S2 Note and the Class R Notes;
+	<b>“Retention Holder”</b> means Citibank, N.A., London Branch;
+	<b>“Revenue Funds”</b> means (a) payments of interest and other fees due from time to time under the Mortgage Loans (including any Early Repayment Charges and interest paid by the Borrowers over the (undrawn) Construction Deposit) and other amounts received by the Issuer in respect of the Mortgage Loans and their Mortgaged Asset other than net Principal Funds, (b) recoveries from defaulting Borrowers under Mortgage Loans being enforced, other than relating to principal, (c) recoveries of all amounts from defaulting Borrowers under Mortgage Loans following enforcement and sale of the relevant property, other than relating to principal, (d) the proceeds of indemnity payments, other than relating to principal, made by the Seller to the Issuer pursuant to the Mortgage Receivables Purchase Agreement, (e) any proceeds from claims against the Seller under the Mortgage Receivables Purchase Agreement, to the extent not relating to principal (f) any payment pursuant to any insurance policy received by the Issuer in respect of a Mortgaged Asset or a Mortgage Receivable (to the extent the same do not relate to principal) and (g) any sale proceeds of the Mortgage Receivables, to the extent not relating to principal;
	<b>“Revenue Priority of Payments”</b> means the priority of payments set out in Section 5.2 ( <i>Priorities of Payments</i> ) of this Prospectus;
+	<b>“Revenue Ledger”</b> means the ledger maintained by the Cash Manager on behalf of the Issuer which shall record as a credit all Revenue Funds received by the Issuer and as a debit the distribution of the Revenue Funds and the distribution of any other relevant amounts recorded on the Revenue Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post Enforcement Priority of Payments (as applicable) or by way of Third Party Amounts as set out in the Cash Management Agreement;
+	<b>“Risk Retention Letter”</b> means the letter to be entered into on or about the Closing Date between the VRR Lender, the Arranger, the Lead Manager, the Issuer and the Security Trustee;
+	<b>“RTM Party”</b> means the VRR Lender exercising the VRR Lender Right to Match;
	<b>“S&amp;P”</b> means, for the purpose of identifying which S&P entity has assigned a credit rating to the Rated Notes, S&P Global Ratings Europe Limited, and includes any successor to its rating business;
	<b>“Secured Creditors”</b> means the Security Trustee, the Noteholders, the VRR Lender, the Seller, the Servicers, the Back-Up Servicer Facilitator, the Issuer Administrator, the Cash Manager, the Issuer Account Bank, the Account Agent, the Paying Agent, the Agent Bank, the Swap Counterparty, any replacement Swap Counterparty and any Swap Collateral Custody Account Bank (if appointed);
	<b>“Securities Act”</b> means the United States Securities Act of 1933 (as amended);



+	<b>“Securitisation Regulations”</b> means the EU Securitisation Regulation and the UK Securitisation Regulation;
+	<b>“Securitisation Repository”</b> means SecRep B.V., being a securitisation repository under Article 2(23) of the EU Securitisation Regulation that is registered pursuant to Article 10 of the EU Securitisation Regulation;
+	<b>“Securitisation Repository Operational Standards”</b> means Commission Delegated Regulation (EU) 2020/1229 (the <b>“2020/1229 RTS”</b> ) including any relevant guidance and policy statements relating to the application of the 2020/1229 RTS published by ESMA (or its successor);
+	<p><b>“Securitisation Rules”</b> means:</p> <ul style="list-style-type: none"> <li>(a) applicable regulatory and/or implementing technical standards or delegated regulation or binding technical standards made under the relevant Securitisation Regulation (including any applicable transitional provisions); and/or</li> <li>(b) any relevant standstill decisions, guidance and policy statements relating to the application of the relevant Securitisation Regulation published by the EBA, the ESMA, the EIOPA (or their successors), collectively, the European Supervisory Authorities or ESAs, including any applicable guidance and policy statements issued by the Joint Committee of ESAs and/or the European Commission or (in the case of the UK Securitisation Regulation) the United Kingdom Financial Conduct Authority, the United Kingdom Prudential Regulation Authority, the Bank of England or other relevant UK regulator (or their successor); and/or</li> <li>(c) any applicable laws, regulations, rules, guidance or other applicable national implementing measures in the EU relating to the application of the EU Securitisation Regulation or in the United Kingdom relating to the application of the UK Securitisation Regulation, as amended, modified, supplemented, varied or substituted from time to time;</li> </ul>
	<b>“Security”</b> means any and all security interest created pursuant to the Pledge Agreements;
+	<b>“Security Interest”</b> means any mortgage, sub-mortgage, charge, sub-security, pledge, lien (other than a lien arising in the ordinary course of business or by operation of law), assignment by way of security, assignation, hypothecation or any other agreement or arrangement having a similar effect or other encumbrance or security interest howsoever created or arising;
*	<b>“Security Trustee”</b> means Stichting Security Trustee Jubilee Place 3, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 84194731;
	<b>“Security Trustee Director”</b> means Erevia B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, with its seat ( <i>zetel</i> ) in Amsterdam, the Netherlands, its registered office

	at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 33291692;
	<b>“Security Trustee Management Agreement”</b> means the security trustee management agreement between, <i>inter alios</i> , the Security Trustee and the Issuer dated the Signing Date;
+	<b>“Self Certified Loan”</b> means a Mortgage Loan in respect of which the income and employment details of the Borrower are not substantiated by supporting documentation;
	<b>“Seller”</b> means Citibank, N.A., London Branch;
+	<b>“Senior Interest Amounts”</b> means the amounts as described in <i>“Credit Structure – Issuer Accounts”</i> ;
+	<b>“Senior Servicing Fees”</b> means (i) 0.175% of the balance of the Mortgage Loans originated by DMS, (ii) 0.195% of the balance of the Mortgage Loans originated by DNL and (iii) 0.17% of the balance of the Mortgage Loans originated by Community, all balances as per the last day of the calendar month preceding the invoice date. Servicers will invoice their fees on a monthly basis and receive payment pursuant to the relevant Priority of Payment;
	<b>“Servicers”</b> means each of the DMS Servicer, DNL Servicer or Community Servicer;
+	<b>“Servicer Termination Event”</b> means any situation in which the appointment of any of the Servicers is terminated in accordance with the provisions of the relevant Servicing Agreement;
	<b>“Servicing Agreement”</b> means each servicing agreement between the relevant Servicer, the Issuer and the Security Trustee dated the Signing Date;
*	<b>“Shareholder”</b> means Stichting Holding Jubilee Place 3, a foundation ( <i>stichting</i> ) established under the laws of the Netherlands, with its seat ( <i>zete</i> ) in the municipality of Amsterdam, the Netherlands, its registered office at Herikerbergweg 88, 1101 CM Amsterdam, the Netherlands and registered with the Commercial Register ( <i>Handelsregister</i> ) of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ) under number 84192941;
	<b>“Shareholder Director”</b> means Vistra Capital Markets (Netherlands) N.V.;
	<b>“Shareholder Management Agreement”</b> means the shareholder management agreement between the Shareholder, the Issuer and the Security Trustee dated the Signing Date;
	<b>“Signing Date”</b> means 19 January 2022 or such later date as may be agreed between the Issuer, the Arranger and the Lead Manager;
N/A	<b>“SR Repository”</b> ;

N/A	<b>“SSPE”</b> ;
+	<b>“Standard Documentation”</b> means the standard documentation used by the Originators, as defined in the Master Definitions Agreement;
+	<b>“Step-Up Margin”</b> means the margins which will be applicable from (and including) the First Optional Redemption Date and be equal to 1.4875 per cent. per annum for the Class A Notes, 1.925 per cent. per annum for the Class B Notes, 2.60 per cent. per annum for the Class C Notes, 3.00 per cent. per annum for the Class D Notes, 3.10 per cent. per annum for the Class E Notes, 3.00 per cent. per annum for the Class X1 Notes and 5.50 per cent. per annum for the Class X2 Notes, in accordance with Condition 4(d) ( <i>Interest on the Investor Notes from (and including) the First Optional Redemption Date</i> );
+	<b>“Stressed Rate”</b> means the higher of the contractual interest rate and the interest rate for a 5 year fixing period (at the equivalent LTV);
*	<b>“STS Securitisation”</b> means a simple, transparent and standardised transaction as referred to in the EU Securitisation Regulation or the UK Securitisation Regulation;
+	<b>“Sub-Contractor”</b> means any Sub-Servicer or any other person with whom the relevant Servicer (or its Sub-Contractor or any of their subcontractors) enters into a sub-contract pursuant to which the relevant Servicer (or its Sub-Contractor or any of their subcontractors) agrees to source the provision of any of the Mortgage Loan Services (as the case may be) from that person or its servants or agents;
	<b>“Sub-Servicer”</b> means BCMGlobal Netherlands B.V.;
	<b>“Subscription Agreement”</b> means the subscription agreement relating to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note and the Class S2 Note, between the Lead Manager, the Issuer, the Arranger and the Seller dated the Signing Date;
+	<b>“Successor Servicer”</b> has the meaning given to that term in Clause 29.1 ( <i>Identification of Successor Servicer</i> ) of the Servicing Agreements;
	<b>“Sunset Date”</b> has the meaning ascribed thereto in Section 4.4 ( <i>Regulatory and Industry Compliance - U.S. risk retention requirements</i> );
	<b>“Swap Agreement”</b> means the swap agreement (documented under a 1992 ISDA master agreement, including the schedule thereto, the Credit Support Annex and a confirmation in respect of the Interest Rate Swap) between, the Issuer and the Swap Counterparty dated the Signing Date;
	<b>“Swap Collateral”</b> means, at any time, any asset (including cash and/or securities) which is paid or transferred by the Swap Counterparty to the Issuer as collateral to secure the performance by the Swap Counterparty of its obligations under the Swap Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed;

*	<b>“Swap Collateral Account”</b> means each Swap Collateral Cash Account and each Swap Collateral Custody Account;
*	<b>“Swap Collateral Cash Account”</b> means one or more cash accounts opened with the Issuer Account Bank and/or any other bank for the purpose of holding, <i>inter alia</i> , any Swap Collateral in the form of cash posted by the Swap Counterparty pursuant to the terms of the Swap Agreement;
+	<b>“Swap Collateral Custody Account”</b> means one or more securities accounts opened with the Swap Collateral Custody Account Bank and/or any other custodian for the purpose of holding, <i>inter alia</i> , any Swap Collateral in the form of securities posted by the Swap Counterparty pursuant to the terms of the Swap Agreement;
+	<b>“Swap Collateral Custody Account Agreement”</b> means an agreement between, <i>inter alios</i> , the Issuer and a Swap Collateral Custody Account Bank, pursuant to which the Issuer opens Swap Collateral Custody Accounts with a Swap Collateral Custody Account Bank after the Closing Date;
+	<b>“Swap Collateral Custody Account Bank”</b> means any bank with which the Issuer agrees to open any Swap Collateral Custody Account;
+	<p><b>“Swap Collateral Custody Account Bank Minimum Rating”</b> means in the case of the Swap Collateral Custody Account Bank (if appointed):</p> <ol style="list-style-type: none"> <li>(1) a long-term, unsecured and unsubordinated debt or counterparty ratings of at least A by S&amp;P; and</li> <li>(2) (i) a long-term rating of at least A2 by Moody's; or (ii) if the Swap Collateral Custody Account Bank does not have a long-term rating by Moody's, a short term deposit rating of at least P-1 by Moody's; or</li> <li>(3) such other ratings that are consistent with the then published criteria of the relevant Credit Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Notes;</li> </ol>
	<b>“Swap Collateral Ledger”</b> has the meaning ascribed thereto in Section 5.7 ( <i>Cash Management Agreement</i> ) of this Prospectus.
	<b>“Swap Counterparty”</b> means BNP Paribas, a <i>société anonyme</i> , incorporated under the laws of France under registration number 662 042 449 RCS Paris, having its registered address at 16, boulevard des Italiens - 75009;
+	<b>“Swap Counterparty Default”</b> means the occurrence of an Event of Default (as defined in the Swap Agreement) where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement);
+	<b>“Swap Counterparty Downgrade Event”</b> means the occurrence of an Additional Termination Event (as defined in the Swap Agreement) following the failure by the Swap Counterparty to comply with the requirements of the ratings downgrade provisions set out in the Swap Agreement;

+	<b>“Swap Counterparty Required Rating”</b> has the meaning set out in Section 5.4 ( <i>Hedging</i> );
+	<p><b>“Swap Counterparty Entrenched Right”</b> means the prior written consent (or deemed consent) of the Swap Counterparty as required to modify or supplement any provision of the Transaction Documents or the Conditions if, in the reasonable opinion of such Swap Counterparty, such modification or supplement would materially adversely affect any of the following:</p> <p>(A) the amount, timing or priority of any payments or deliveries due to be made by or to such Swap Counterparty under the Conditions or any Transaction Document;</p> <p>(B) the Issuer’s ability to make such payments or deliveries to such Swap Counterparty;</p> <p>(C) such Swap Counterparty’s rights in relation to any security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such security) granted by the Issuer in favour of the Security Trustee on behalf of the Secured Creditors;</p> <p>(D) Condition 6 (<i>Redemption</i>) or any additional redemption rights in respect of the Notes; or</p> <p>(E) Clause 28 (<i>Modification, Consents and Waiver</i>) of the Trust Agreement;</p>
+	<b>“Swap Notional Amount Schedule”</b> has the meaning ascribed thereto in Section 5.4 ( <i>Hedging – The Interest Rate Swap</i> );
+	<b>“Swap Rate Modification”</b> has the meaning ascribed thereto in Condition 13(c);
+	<b>“Swap Tax Credits”</b> means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer;
	<b>“TARGET 2”</b> means the Trans-European Automated Real-Time Gross Settlement Express Transfer 2 System;
	<b>“TARGET 2 Settlement Day”</b> means any day on which TARGET 2 is open for the settlement of payments in euro;
+	<b>“Tax Authority”</b> means any taxing or other authority (in any jurisdiction) competent to impose, administer or collect any Tax and acting in its capacity as such;
	<b>“Tax Event”</b> has the meaning ascribed thereto in Condition 6(c) ( <i>Optional Redemption for Taxation or Other Reasons</i> ) of this Prospectus;
	<b>“Temporary Global Note”</b> means a temporary global note in respect of a Class of Notes;
+	<b>“Third Party Amounts”</b> has the meaning ascribed thereto in Section 5.1 ( <i>Credit Structure – Available Funds</i> );

+	<b>“Title Deed”</b> means in relation to each Mortgage Loan, Mortgage Receivable or is related Security in the Portfolio and the Property relating thereto, all deeds and other documents which relate to the title to the Property and the security for the Mortgage Loan and (the results of) all searches and enquiries undertaken in connection with the grant to the Borrower of the related Mortgage;
+	<b>“TPA Notice”</b> means a notice substantially in the form of Schedule 6 ( <i>Form of TPA Notice</i> ) to the Cash Management Agreement delivered by the relevant Servicer to the Cash Manager in accordance with the Cash Management Agreement;
	<b>“Transaction Documents”</b> means the Mortgage Receivables Purchase Agreement, the Original Sellers Mortgage Receivables Purchase Agreements, the Paying Agency Agreement, the Trust Agreement, the Parallel Debt Agreement, the Issuer Rights Pledge Agreement, the Issuer Mortgage Receivables Pledge Agreement, the Servicing Agreements, the VRR Loan Agreement, the Cash Management Agreement, the Issuer Account Agreement, the Master Definitions Agreement, the Swap Agreement, the Collection Foundation Agreements, the Deposit Agreement, the Management Agreements, the Risk Retention Letter and such other related documents which are referred to in the terms of the above documents or which relate to the issue of the Notes;
+	<b>“Transaction Party”</b> means each party to a Transaction Document;
+	<b>“Transparency Investor Report”</b> means a report in the form of the final Article 7 EU RTS templates and the final Article 7 UK RTS templates;
	<b>“Trust Agreement”</b> means the trust agreement between, amongst others, the Issuer and the Security Trustee dated the Signing Date;
+	<b>“UCITS”</b> means Undertakings for Collective Investment in Transferable Securities;
+	<b>“UK EMIR”</b> means EU EMIR as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018;
+	<b>“UK Securitisation Regulation”</b> means the EU Securitisation Regulation as it forms part of the domestic law of the United Kingdom pursuant to section 3 of the EUWA and as amended by the Securitisation Regulations 2018 (SI 2018/1288) and the UK Securitisation Exit Regulations, as amended, replaced, recast, restated or applied with any relevant modification on or after IP Completion Date, including the Securitisation Rules applicable from time to time in the UK;
+	<b>“UK Securitisation Exit Regulations”</b> means the Securitisation (Amendment) (EU Exit) Regulations 2019 (SI 2019/660);
	<b>“U.S. Credit Risk Retention Requirements”</b> means the final rules implementing the credit risk retention requirements of Section 15G of the Securities Exchange Act of 1934 (codified at 17 C.F.R § 246.1-246.22), including the limitations on hedging, financing and transfer therein. Section references to the U.S. Credit Risk Retention Requirements are to the rules contained in Regulation RR, 17 C.F.R § 246.1, <i>et seq.</i> ;

	<b>“Volcker Rule”</b> means the regulations adopted to implement Section 619 of the Dodd Frank Act (such statutory provision together with such implementing regulations);
+	<b>“VRR Class R Post-Closing Reserve Amount”</b> means zero;
+	<p><b>“VRR Entrenched Right”</b> means any of the following:</p> <ul style="list-style-type: none"> <li>(a) any modification or waiver which affects the rights of the VRR Lender which, if made, would be adverse to the VRR Loan where a corresponding modification or waiver was not simultaneously made to or in respect of the other Classes of Notes on an equivalent basis;</li> <li>(b) any modification or waiver which affects the VRR Lender’s entitlement to 5 per cent. of the Net Available Revenue Funds, Net Available Principal Funds, Net Post-Enforcement Available Funds, Net Post-Closing Principal Reserve Amounts and Net Class R Post-Closing Reserve Amounts, as applicable;</li> <li>(c) any modification or waiver which affects the capital treatment of the VRR Lender’s interest in the Portfolio or the VRR Loan, as determined by way of an opinion of a reputable accountancy firm chosen by the VRR Lender (such opinion to be provided within 30 days of the VRR Lender being provided with final drafts of all documents effecting or relating to such modification or waiver);</li> <li>(d) any modification or waiver which puts the VRR Lender in breach of its obligations under the EU Securitisation Regulation, the Transaction Documents in connection with the UK Securitisation Regulation or the U.S. Credit Risk Retention Requirements, as determined by way of an opinion of a reputable law firm chosen by the VRR Lender (such opinion to be provided within 30 days of the VRR Lender being provided with final drafts of all documents effecting or related to such modification or waiver);</li> <li>(e) any modification or waiver which adversely affects the position of the VRR Lender in relation to derecognition of the Portfolio under ASC 860 or non-consolidation of the Issuer under ASC 810, as determined by way of an opinion of a reputable accountancy firm chosen by the VRR Lender (such opinion to be provided within 30 days of the VRR Lender being provided with final drafts of all documents effecting or related to such modification or waiver);</li> <li>(f) any modification to the Portfolio Purchase Option Purchase Price;</li> <li>(g) any modification to the Regulatory Change Option Purchase Price;</li> <li>(h) any modification of the VRR Lender Right to Match; or</li> <li>(i) a modification to this definition of “VRR Entrenched Rights”.</li> </ul>
+	<b>“VRR Lender”</b> means Citibank, N.A., London Branch;
+	<b>“VRR Lender Right to Match”</b> has the meaning given to the term in the Trust Agreement;

+	<b>“VRR Loan”</b> means the risk retention loan granted by the VRR Lender to the Issuer under the VRR Loan Agreement;
+	<b>“VRR Loan Agreement”</b> means the agreement dated on or about the Closing Date pursuant to which the Issuer obtains the VRR Loan from the VRR Lender;
+	<b>“VRR Loan Amount”</b> means the aggregate principal amount of the VRR Loan equal to EUR 18,233,842.11;
+	<b>“VRR Other Payment Amounts”</b> means the VRR Proportion of any other amounts payable to Noteholders which do not constitute a VRR Pre-Enforcement Revenue Payment Amount, a VRR Pre-Enforcement Principal Payment Amount, a VRR Post-Enforcement Payment Amount, a VRR Post-Closing Principal Reserve Amount, or a VRR Class R Post-Closing Reserve Amount;
+	<b>“VRR Post-Closing Principal Reserve Amount”</b> means zero;
+	<b>“VRR Post-Enforcement Payment Amount”</b> means 5 per cent. of the Post-Enforcement Net Available Funds;
+	<b>“VRR Pre-Enforcement Revenue Payment Amount”</b> means 5 per cent. of the Net Available Revenue Funds;
+	<b>“VRR Pre-Enforcement Principal Payment Amount”</b> means 5 per cent. of the Net Available Principal Funds;
+	<b>“VRR Principal Amount”</b> means the VRR Loan Amount;
+	<b>“VRR Proportion”</b> means in respect of an amount, 5 per cent. of the sum of that amount multiplied by (100/95);
	<b>“Wft”</b> means the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> ) and its subordinate and implementing decrees and regulations as amended from time to time; and
	<b>“WOZ”</b> means the Valuation of Immovable Property Act ( <i>Wet waardering onroerende zaken</i> ) as amended from time to time.

## 9.2 Interpretation

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

Any reference in this Prospectus to:

an **Act** or a **statute** or **treaty** shall be construed as a reference to such Act, statute or treaty as the same may have been, or may from time to time be, amended;



**this Agreement** or an **Agreement** or **this Deed** or a **deed** or a **Deed** or a **Transaction Document** or any of the Transaction Documents (however referred to or defined) shall be construed as a reference to such document or agreement as the same may be amended, supplemented, restated, novated or otherwise modified from time to time;

a **Class** of Notes shall be construed as a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X1 Notes, the Class X2 Notes, the Class S1 Note, the Class S2 Note or the Class R Notes, as applicable;

a **Class A, Class B, Class C, Class D, Class E, Class X1, Class X2, Class S1, Class S2, or Class R** Noteholder, Principal Deficiency, Principal Deficiency Ledger, Principal Shortfall, Redemption Amount, Temporary Global Note or Permanent Global Note shall be construed as a reference to a Noteholder of, a Principal Deficiency, the Principal Deficiency Ledger, a Principal Shortfall, a Redemption Amount, Temporary Global Note or Permanent Global Note pertaining to, as applicable, the relevant Class;

a **Code** shall be construed as a reference to such code as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted;

**encumbrance** includes any mortgage, charge or pledge or other limited right (*beperkt recht*) securing any obligation of any person, or any other arrangement having a similar effect;

**Euroclear and Clearstream, Luxembourg** includes any additional or alternative system approved by the Issuer, the Security Trustee and the Paying Agent and permitted to hold the Temporary Global Notes and the Permanent Global Notes;

the **records of Euroclear and Clearstream, Luxembourg** are to the records that each of Euroclear and Clearstream, Luxembourg hold for their customers which reflect the amount of such customers' interests in the Notes;

**foreclosure** includes any lawful manner of generating proceeds from collateral whether by public auction, by private sale or otherwise;

**holder** means the bearer of a Note and related expressions shall (where appropriate) be construed accordingly;

**including** or **include** shall be construed as a reference to **including without limitation** or **include without limitation**, respectively;

**indebtedness** shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

a **law, directive** or **regulation** shall be construed as any law (including common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court and shall be construed as a reference to such law (including common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official

statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court as the same may have been, or may from time to time be, amended;

a **month** shall be construed as a reference to a period beginning in one calendar month and ending in the next calendar month on the day numerically corresponding to the day of the calendar month on which it commences or, where there is no date in the next calendar month numerically corresponding as aforesaid, the last day of such calendar month, and “months” and “monthly” shall be construed accordingly;

the **Notes**, the **Conditions**, any **Transaction Document** or any other agreement or document shall be construed as a reference to the Notes, the Conditions, such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, restated, varied, novated, supplemented or replaced;

a **person** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing or any successor or successors of such party;

a **suspension of payments** or **moratorium of payments** shall, where applicable, be deemed to include a reference to the suspension of payments (*surseance van betaling*) as meant in the Dutch Bankruptcy Act (*Faillissementswet*) on the basis of the Wft; and, in respect of a private individual, any debt restructuring scheme (*schuldsanering natuurlijke personen*);

**principal** shall be construed as the English translation of *hoofdsom* or, if the context so requires, *pro resto hoofdsom* and, where applicable, shall include premium;

**repay**, **redeem** and **pay** shall each include both of the others and **repaid**, **repayable** and **repayment**, **redeemed**, **redeemable** and **redemption** and **paid**, **payable** and **payment** shall be construed accordingly;

a **statute** or **treaty** or an **Act** shall be construed as a reference to such statute or treaty or Act as the same may have been, or may from time to time be, amended or, in the case of a statute or an Act, re-enacted;

a **successor** of any party shall be construed so as to include an assignee or successor in title (including after a novation) of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under a Transaction Document or to which, under such laws, such rights and obligations have been transferred;

any **Transaction Party**, **party** or **parties** or a party to any Transaction Document (however referred to or defined) shall be construed as a reference to a party or the parties entering into such agreement or document and shall also include its successors and transferees and any subsequent successors and transferees in accordance with their respective interests appointed from time to time; and

**tax** includes any present or future tax, levy, impost, duty or other charge of a similar nature (including, without limitation, any penalty payable in connection with any failure to pay or any delay in paying any of the same).

In this Prospectus, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

Headings used in this Prospectus are for ease of reference only and do not affect the interpretation of this Prospectus.

10. **REGISTERED OFFICES**

**ISSUER**

**Jubilee Place 3 B.V.**  
Herikerbergweg 88  
1101 CM Amsterdam  
The Netherlands

**SELLER**

**Citibank, N.A., London Branch**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**DMS SERVICER**

**Dutch Mortgage Services B.V.**  
Herikerbergweg 31  
1101 CN Amsterdam  
The Netherlands

**COMMUNITY SERVICER**

**Community Hypotheken B.V.**  
Parijsboulevard 143B  
3541 CS Utrecht  
The Netherlands

**DNL SERVICER**

**DNL 1 B.V.**  
Zonnebaan 11  
3542 EA Utrecht  
The Netherlands

**BACK-UP SERVICER FACILITATOR**

**Vistra Capital Markets (Netherlands) N.V.**  
Herikerbergweg 88  
1101 CM Amsterdam  
The Netherlands

**SWAP COUNTERPARTY**

**BNP Paribas**  
16 boulevard des Italiens  
75 009 Paris  
France

**CASH MANAGER,  
PAYING AGENT AND AGENT BANK**

**Citibank, N.A., London Branch**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**ARRANGER AND LEAD MANAGER**

**Citibank Europe plc**  
1 North Wall Quay  
Dublin 1  
Ireland

**ISSUER ACCOUNT BANK**

**Citibank Europe plc, Netherlands Branch**  
Schiphol Boulevard 257  
1118 BH Schiphol  
The Netherlands

**SECURITY TRUSTEE**

**Stichting Security Trustee Jubilee Place 3**  
Herikerbergweg 88  
1101 CM Amsterdam  
The Netherlands

**LISTING AGENT**

**Arthur Cox Listing Services Limited**  
Ten Earlsfort Terrace  
Dublin 2  
Ireland

**LEGAL ADVISERS TO THE SELLER**

**Simmons & Simmons LLP**  
Claude Debussylaan 247  
1082 MC Amsterdam  
The Netherlands

**LEGAL ADVISERS TO THE ARRANGER**

**AS TO DUTCH LAW**

**Clifford Chance LLP**  
Droogbak 1A  
1013 GE Amsterdam  
The Netherlands

**LEGAL ADVISERS TO THE ARRANGER**

**AS TO ENGLISH LAW**

**Clifford Chance LLP**  
10 Upper Bank St  
Canary Wharf  
E14 5JJ London  
United Kingdom

**LEGAL ADVISERS TO THE SWAP COUNTERPARTY**

**CMS Cameron McKenna Nabarro Olswang LLP**  
Cannon Place  
78 Cannon Street  
London EC4N 6AF  
United Kingdom