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MIFID II product governance / target market – The Final Terms in respect of any Bonds will include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Bonds and which channels for distribution of the Bonds are appropriate. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, **MiFID II**) is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Manager subscribing for any Bonds is a manufacturer in respect of such Bonds, but otherwise no Manager nor any of its affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (**EEA**). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MiFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC (AS AMENDED OR SUPERSEDED, THE **INSURANCE MEDIATION DIRECTIVE**), WHERE THAT

CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC (AS AMENDED OR SUPERSEDED, THE **PROSPECTUS DIRECTIVE**). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE **PRIIPS REGULATION**) FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

Confirmation of your Representation: In order to be eligible to view the attached document or make an investment decision with respect to the securities, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act). By accessing the attached document you shall be deemed to have confirmed and represented to us that (a) 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, (b) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States (including, but not limited to, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any States of the United States or the District of Columbia and (c) that you consent to delivery of such document by electronic transmission.

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

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BASE PROSPECTUS DATED 18 JULY 2019

DCMB PROGRAMME B.V.

(incorporated with limited liability in the Netherlands with its statutory seat in Amsterdam, the Netherlands)

Mortgage Bond Programme

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

This Base Prospectus has been approved by the Netherlands Authority for the Financial Markets (**AFM**) as competent authority under the Prospectus Directive. This document constitutes a Base Prospectus within the meaning of the Prospectus Directive and is issued in compliance with the Prospectus Directive and relevant implementing measures in the Netherlands for the purpose of giving information with regard to the issue of Bonds under the Programme during the period of twelve (12) months after the date hereof.

Under this Programme the Issuer may from time to time issue Bonds. The Bonds shall be issued in separate “Compartments”. Each Compartment will be linked to a specific Pool of Mortgage Receivables resulting from Mortgage Loans originated by Dynamic Credit Hypotheken B.V. (the **Seller**) under its Collective Mandate Programme. The Bonds of each Compartment will be secured by and depend on the cash flow generated by the specific Pool of Mortgage Receivables attributed to such Compartment. Please see Section 7 (*Portfolio Documentation*) for further information in respect of the Collective Mandate Programme.

The Issuer will issue a Series of fully or partly paid Bonds in relation to each Compartment (i) to finance the purchase of existing Pools of Mortgage Receivables and/or (ii) to pay the Relevant Purchase Price for Mortgage Receivables that have been allocated to the Issuer and that relate to Mortgage Loans that are to be newly originated by the Seller. Each Pool will be indirectly secured by a right of pledge over such Pool in favour of the Security Trustee and a right of pledge in favour of the Security Trustee over certain of the other assets of the Issuer to the extent such assets are related to the relevant Pool. In the event of newly to be originated mortgages it may be that the relating mortgage rights have not been vested yet at the relevant Transfer Date. In such event the Existing Rights are transferred to the Issuer on the relevant Transfer Date.

Recourse in respect of any Bonds of a Compartment is limited to (i) the relevant Pool and the Beneficiary Rights relating thereto, (ii) the balances standing to the credit of the Issuer Accounts relating to such Compartment and (iii) any claims of the Issuer under the Transaction Documents and the Collective Mandate Documents to which it is a party relating to the relevant Compartment and Pool to the extent these claims can be attributed to such Compartment and Pool, and in respect of claims which cannot be attributed to such Compartment, such claims on a *pro rata* basis for all Compartments and, in respect of claims under the Collective Mandate Documents to the extent they relate to all Programme Investors, on a *pro rata* basis for all Programme Investors. In respect of each Compartment, there will be no other assets of the Issuer available for any further payments, in particular no assets of other Compartments.

Application may be made for Series of Bonds of any Compartment to be issued under the Programme to be admitted to trading on regulated and unregulated markets during the period of twelve (12) months from the date of this Base Prospectus, as will be set out in the Final Terms, however the Terms and Conditions of the Bonds prohibit trading of the Bonds as long as it has not been confirmed in a Portfolio and Performance Report that all Mortgage Receivables that will initially form the related Pool have been sold and assigned to the Issuer. Information about the aggregate nominal amount of a Series of Bonds, the issue price of such Bonds and any other terms and conditions not contained herein which are applicable to the Bonds of such Compartment (as defined under Terms and Conditions of the Bonds under the Programme below) will be set out in the Final Terms which include, *inter alia*, characteristics of the Mortgage Receivables that will make up the relevant Pool. The applicable Final Terms, with respect to any Bonds of a Compartment which are to be listed on a stock exchange, will be delivered to the relevant stock exchange specified in the applicable Final Terms on or before the date of issue of such Series of Bonds. Bonds issued under the Programme may also be unlisted.

The Bonds may be issued on a continuing basis. In respect of each Compartment, Bonds may be issued in bearer or registered form (respectively **Bearer Bonds** and **Registered Bonds**) as specified in the applicable Final Terms.

For a description of some of the risks associated with an investment in the Bonds, see Section 2 (*Risk Factors*) herein.

Series of Bonds to be issued under the Programme may be rated, as specified in the applicable Final Terms. Whether or not a credit rating applied for in relation to the relevant Series of Bonds will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (the **CRA Regulation**) will be disclosed in the applicable Final Terms.

The language of this Base 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.

RESPONSIBILITY STATEMENTS AND IMPORTANT INFORMATION

Responsibility Statements

The Issuer is responsible for the information contained in this Base Prospectus. To the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third parties contained and specified as such in this Prospectus has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

In addition to the Issuer, the Servicer is responsible for the information referred to in the paragraph below.

The Servicer is responsible solely for the information contained in Section 3.5 (*The Servicer*) of this Base Prospectus. To the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. The Servicer accepts responsibility accordingly.

Any Listing Agent specified in the applicable Final Terms will act solely in its capacity as Listing Agent for the Issuer in connection with any Series of Bonds relating to a Compartment that are specified in the applicable Final Terms to be listed on a stock exchange, and is not itself seeking admission of such Bonds to any such stock exchange. Any Listing Agent is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Bonds.

Any Manager specified in the applicable Final Terms will act solely in its capacity as Manager for the Issuer in connection with the relevant Series of Bonds relating to a Compartment to which the applicable Final Terms relate. Any Manager is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Bonds.

ABN AMRO Bank N.V. is acting in a number of capacities in connection with this transaction. ABN AMRO Bank N.V. will have only those duties and responsibilities expressly agreed to by it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided therein. ABN AMRO Bank N.V., in its various capacities in connection with this transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account therefor in connection with this transaction.

Neither ABN AMRO Bank N.V. nor any of its directors, officers, agents or employees makes any representation or warranty, express or implied, or accepts any responsibility, as to the accuracy, completeness or fairness of the information or opinions described or incorporated by reference in this Prospectus, 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 Bonds. Accordingly, ABN AMRO Bank N.V. disclaims all and any liability, whether arising in tort or contract or otherwise, in respect of this Prospectus and or any such other statements.

Notice of the aggregate nominal amount of a Series of Bonds, the issue price of such Bonds and any other terms and conditions not contained herein which are applicable to a Series of Bonds will be set forth in the relevant Final Terms. The Final Terms will, in the case of the relevant Series of Bonds being listed on a stock exchange, be filed with the AFM on or before the relevant Issue Date and, to the extent required, delivered to the relevant stock exchange.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the offering of the

Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer and the Seller.

Incorporation by reference

This Base Prospectus is to be read in conjunction with the articles of association of the Issuer which are deemed to be incorporated by reference herein (see Section 8 (*General*)). This Base Prospectus shall be read and construed on the basis that such document is incorporated in, and forms part of, this Base Prospectus.

Important information

THE OBLIGATIONS UNDER THE BONDS OF A COMPARTMENT WILL BE OBLIGATIONS OF THE ISSUER IN RESPECT OF THAT COMPARTMENT ONLY. THE BONDS WILL NOT CREATE OBLIGATIONS OF, BE THE RESPONSIBILITY OF, OR BE GUARANTEED BY, ANY PERSON OR ENTITY OTHER THAN THE ISSUER. IN PARTICULAR, THE BONDS WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, THE SELLER OR ANY OF THE OTHER TRANSACTION PARTIES (OTHER THAN THE ISSUER) OR ANY COMPANY IN THE SAME GROUP OF COMPANIES AS ANY OF THE TRANSACTION PARTIES (OTHER THAN THE ISSUER). NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE BONDS SHALL BE ACCEPTED BY THE SELLER OR ANY OF THE OTHER TRANSACTION PARTIES (OTHER THAN THE ISSUER), OR ANY COMPANY IN THE SAME GROUP OF COMPANIES AS THE TRANSACTION PARTIES (OTHER THAN THE ISSUER).

THE DISTRIBUTION OF THIS BASE PROSPECTUS AND THE OFFERING OF THE BONDS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. NO REPRESENTATION IS MADE BY ANY OF THE TRANSACTION PARTIES THAT THIS BASE PROSPECTUS MAY BE LAWFULLY DISTRIBUTED, OR THAT THE BONDS 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 BASE PROSPECTUS AS A BASE PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS DIRECTIVE BY THE AFM, NO ACTION HAS BEEN OR WILL BE TAKEN BY ANY OF THE TRANSACTION PARTIES WHICH WOULD PERMIT A PUBLIC OFFERING OF THE BONDS OR DISTRIBUTION OF THIS BASE PROSPECTUS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE BONDS MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS BASE 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 BASE PROSPECTUS COMES ARE REQUIRED BY THE ISSUER AND ANY MANAGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER RELEVANT JURISDICTION AND MAY INCLUDE BONDS IN BEARER FORM THAT ARE SUBJECT TO UNITED STATES TAX LAW REQUIREMENTS. THE BONDS MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN CERTAIN TRANSACTIONS PERMITTED BY U.S. TAX REGULATIONS AND REGULATIONS UNDER THE SECURITIES ACT (SEE SECTION 4.4 (*SUBSCRIPTION AND SALE*)). THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED

UPON OR ENDORSED THE MERITS OF THIS OFFERING ON ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NONE OF THE ISSUER OR THE SELLER MAKES ANY REPRESENTATION TO ANY PROSPECTIVE INVESTOR OR PURCHASER OF THE BONDS REGARDING THE LEGALITY OF INVESTMENT THEREIN BY SUCH PROSPECTIVE INVESTOR OR PURCHASER UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS OR REGULATIONS.

THE INFORMATION CONTAINED IN THIS BASE PROSPECTUS WAS OBTAINED FROM THE ISSUER, THE SELLER, THE SERVICER AND THE OTHER SOURCES IDENTIFIED HEREIN.

NEITHER THE DELIVERY OF THIS BASE PROSPECTUS NOR ANY SALE OR ALLOTMENT MADE IN CONNECTION WITH THE OFFERING OF THE BONDS SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION OR CONSTITUTE A REPRESENTATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AT ANY TIME SUBSEQUENT TO THE DATE OF THIS BASE PROSPECTUS. NEITHER THE ISSUER NOR ANY OTHER PARTY HAS ANY OBLIGATION TO UPDATE THIS BASE PROSPECTUS, AFTER COMPLETION OF THE OFFER OF THE BONDS.

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 CONTENTS OF THIS BASE PROSPECTUS SHOULD NOT BE CONSTRUED AS PROVIDING LEGAL, BUSINESS, ACCOUNTING OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN LEGAL, BUSINESS, ACCOUNTING AND TAX ADVISERS PRIOR TO MAKING A DECISION TO INVEST IN THE BONDS. THIS BASE PROSPECTUS SHOULD BE REVIEWED BY EACH PROSPECTIVE PURCHASER AND ITS LEGAL, REGULATORY, TAX, ACCOUNTING, INVESTMENT AND OTHER ADVISORS. PROSPECTIVE PURCHASERS WHOSE INVESTMENT AUTHORITY IS SUBJECT TO LEGAL RESTRICTIONS SHOULD CONSULT THEIR LEGAL ADVISORS TO DETERMINE WHETHER AND TO WHAT EXTENT THE BONDS CONSTITUTE LEGAL INVESTMENTS FOR THEM.

THIS BASE PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR AN INVITATION BY OR ON BEHALF OF, THE ISSUER OR THE SELLER TO SUBSCRIBE FOR OR PURCHASE ANY OF THE BONDS IN ANY JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL AND NEITHER THIS BASE PROSPECTUS, NOR ANY PART THEREOF, MAY BE USED FOR OR IN CONNECTION WITH ANY OFFER TO, OR SOLICITATION BY, ANY PERSON IN ANY JURISDICTION OR IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORISED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

THE DISTRIBUTION OF THIS BASE PROSPECTUS AND THE OFFERING, SALE AND DELIVERY OF THE BONDS MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS BASE PROSPECTUS OR ANY BONDS COMES MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS, SALES AND DELIVERIES OF BONDS AND ON DISTRIBUTION OF THIS BASE PROSPECTUS AND OTHER OFFERING MATERIAL RELATING TO THE BONDS (SEE SECTION 4.4 (*SUBSCRIPTION AND SALE*))

THE SELLER HAS BEEN ESTABLISHED AND IS INTENDED TO BE A THINLY CAPITALISED COMPANY. IT HAS NO RELATIONSHIP WITH THE ISSUER OTHER THAN THE TRANSACTIONS CONTEMPLATED UNDER THE TRANSACTION DOCUMENTS AND THE RELEVANT COLLECTIVE MANDATE DOCUMENTS. THE SELLER EXPRESSLY DOES NOT UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE ISSUER DURING THE LIFE OF THE BONDS. INVESTORS SHOULD, IN ADDITION TO THE AVAILABLE INFORMATION AS TO THE RELEVANT POOL, REVIEW THE MOST RECENT FINANCIAL STATEMENTS OF THE ISSUER

ONCE AVAILABLE WHEN DECIDING WHETHER OR NOT TO PURCHASE, HOLD OR SELL ANY BONDS DURING THE LIFE OF THE BONDS.

FORECASTS AND ESTIMATES IN THIS BASE PROSPECTUS ARE FORWARD LOOKING STATEMENTS. SUCH PROJECTIONS ARE SPECULATIVE IN NATURE AND IT CAN BE EXPECTED THAT SOME OR ALL OF THE ASSUMPTIONS UNDERLYING THE PROJECTIONS WILL NOT PROVE TO BE CORRECT. CONSEQUENTLY, THE ACTUAL RESULT MIGHT DIFFER FROM THE PROJECTIONS AND SUCH DIFFERENCES MIGHT BE SIGNIFICANT.

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1. TRANSACTION OVERVIEW

This overview must be read as an introduction to this Base Prospectus and any decision to invest in the Bonds must be based on a consideration of the Base Prospectus as a whole, including any supplements thereto, and the relevant Final Terms. This overview is not purported to be complete and should be read in conjunction with, and is qualified in its entirety, by the detailed information presented elsewhere in this Base Prospectus and the Terms and Conditions and Transaction Documents referred to therein in making any decision whether or not to invest in any Bonds.

Unless otherwise indicated in this Base Prospectus or the context otherwise requires, capitalised terms used in this Base Prospectus have the meaning ascribed thereto in Section 9.1 (Definitions) of Section 9 (Glossary of Defined Terms) set out in this Base Prospectus.

The principles of interpretation set out in Section 9.2 (Interpretation) of Section 9 (Glossary of Defined Terms) in this Base Prospectus shall apply to this Base Prospectus.

The following structure diagram provides an indicative summary of the principal features of the Programme. The diagram must be read in conjunction with and is qualified in its entirety by the detailed information presented elsewhere in this Base Prospectus.



1.2 Risk Factors

There are certain factors which prospective Bondholders should take into account and which could affect the ability of the Issuer to fulfil its obligations under a Series of Bonds relating to a Compartment. One of these risk factors concerns the fact that the liabilities of the Issuer under the Bonds are limited recourse and pass-through obligations whereby the ability of the Issuer to meet such obligations will be dependent on the receipt by it of funds under the Mortgage Receivables of the relevant Pool relating to such Compartment and the proceeds of the sale of any such Mortgage Receivables. As such, there is among other things a credit risk, liquidity risk, prepayment risk, maturity risk and interest rate risk relating to the Bonds. Moreover, there are certain structural, legal and tax risks relating to the Mortgage Receivables and the Collective Mandate Programme under which the Mortgage Loans from which the Mortgage Receivables result are originated (see Section 2 (*Risk Factors*)).

1.3 Principal Parties

Issuer	DCMB Programme B.V., incorporated under the laws of the Netherlands as a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), having its corporate seat in Amsterdam, the Netherlands.
Shareholder	Stichting Holding DCMB Programme, organised under the laws of the Netherlands as a foundation (<i>stichting</i>) and established in Amsterdam, the Netherlands.
Security Trustee	Stichting Security Trustee DCMB Programme, organised under the laws of the Netherlands as a foundation (<i>stichting</i>) and established in Amsterdam, the Netherlands.
Seller	Dynamic Credit Hypotheken B.V., incorporated under the laws of the Netherlands as a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>) and established in Amsterdam, the Netherlands.
Servicer	Quion Services B.V., incorporated under the laws of the Netherlands as a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>).
Portfolio Manager	Dynamic Credit Partners Europe B.V. incorporated under the laws of the Netherlands as a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>).
Collection Foundation	Stichting Derdengelden Dynamic Credit Hypotheken, organised under the laws of the Netherlands as a foundation (<i>stichting</i>) and established in Amsterdam, the Netherlands.
Issuer Administrator	Vistra FS (Netherlands) B.V., incorporated under the laws of the Netherlands as a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>).
Issuer Account Bank	ABN AMRO Bank N.V., incorporated under the laws of the Netherlands as a public company with limited liability (<i>naamloze vennootschap</i>).
Collection Foundation Account Provider	ABN AMRO Bank N.V.
Directors	Vistra Capital Markets (Netherlands) N.V., incorporated under the laws of the Netherlands as a public company with limited liability (<i>naamloze vennootschap</i>), as the sole director of the Issuer and of the Shareholder and Erevia B.V., incorporated under the laws of the Netherlands as a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>) as the sole director of the Security Trustee.
Principal Paying Agent	ABN AMRO Bank N.V.

1.4 The Bonds

Denomination	The minimum denomination of Bonds of a Series will be specified in the applicable Final Terms and will be at least EUR 100,000.
Listing	Application may or may not be made for a Series of Bonds in relation to a Compartment issued under the Programme to be admitted to listing on a regulated or unregulated stock exchange, as specified in the applicable Final Terms, however the Terms and Conditions of the Bonds prohibit trading of the Bonds as long as it has not been confirmed in a Portfolio and Performance Report that all Mortgage Receivables that will initially form the related Pool have been sold and assigned to the Issuer.
Form	The Bonds of a Compartment will be issued in either bearer or registered form as specified in the applicable Final Terms and described in Section 4.3 (<i>Form of the Bonds</i>). Registered Bonds will not be exchangeable for Bearer Bonds and <i>vice versa</i> .
Initial Phase, Partly Paid Bonds	<p>A Series of Bonds under a Compartment may be issued on a partly paid basis, as specified in the applicable Final Terms and pursuant to the terms provided in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>). If Partly Paid Bonds are issued, there will be an Initial Phase, during which the Bonds are not yet fully paid and during which the Partly Paid Bonds Purchaser(s) of a Series of Bonds of a Compartment may not transfer the Bonds, as further agreed in the relevant Bonds Purchase Agreement.</p> <p>The issuance of a Series of Partly Paid Bonds relating to a Compartment will be subject to a minimum Principal Amount Outstanding of EUR 100,000 per Partly Paid Bond. Thereafter, upon receipt of a Funding Request from the Seller, Partly Paid Bonds Purchaser(s) are obliged to make Further Instalment Payments on the relevant Series of Bonds. Further Instalment Payments may be made on a daily basis but are only being accepted if all Partly Paid Bonds Purchasers of Partly Paid Bonds relating to a Compartment make the same Further Instalment Payment on the same date. Upon a Further Instalment Payment being made to the Issuer, the Principal Amount Outstanding of each Partly Paid Bond of the relevant Series will increase <i>pro rata</i> per Calculation Amount.</p> <p>The Initial Phase of a Compartment will end at the earlier of (i) the Commitment Amount as specified in the applicable Final Terms being reached, (ii) the Minimum Commitment Amount as specified in the applicable Final Terms being reached and the initial Bonds Purchaser(s), by means of an Unanimous Resolution in the event there is more than one initial Bonds Purchaser, informing the Issuer and the Seller of its or their election to finalise the Initial Phase, (iii) the Change Effective Date, in the event of an Origination Stop Notice being issued, or (iv) the initial Bonds Purchaser(s) by means of an Unanimous Resolution in the event there is more than one initial Bonds Purchaser, and the Seller otherwise agreeing in writing and informing the Issuer in writing of finalisation of the Initial Phase.</p>
Status and ranking	The Bonds of a Compartment will rank <i>pari passu</i> and <i>pro rata</i> without

	<p>any preference or priority among Bonds of the same Compartment in respect of the Security proceeds and payments of principal and interest received in connection with the relevant Pool of Mortgage Receivables relating to such Compartment. Bondholders of a Compartment are not entitled to Security proceeds and payments of principal and interest under Mortgage Receivables of a Pool relating to another Compartment. See further Section 4.1 (<i>Terms and Conditions of the Bonds</i>).</p>
Rating	<p>Series of Bonds to be issued under the Programme may or may not be rated, as specified in the applicable Final Terms. Whether or not a credit rating applied for in relation to the relevant Series of Bonds will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the applicable Final Terms.</p>
Interest amounts	<p>Interest on the Bonds of a Compartment will accrue based on the Available Revenue Funds relating to the relevant Pool that have accrued during the relevant Monthly Calculation Period(s), after payments of certain fees and costs have been made in accordance with the Revenue Priority of Payments. Interest on the Bonds of a Compartment cannot be less than zero. See further Section 4.1 (<i>Terms and Conditions of the Bonds</i>), Condition 5 (<i>Interest</i>).</p>
Bonds Payment Dates	<p>Interest on the Bonds of a Compartment will be paid monthly or quarterly in arrear on the relevant Bonds Payment Dates as specified in the applicable Final Terms (see Condition 5 (<i>Interest</i>)).</p>
Redemption	<p>A Series of Bonds of a Compartment will be redeemed at the Final Maturity Date specified in the applicable Final Terms unless previously redeemed pursuant to the applicable Terms and Conditions of the Bonds.</p> <p>Pursuant to Condition 7(b) the Issuer can exercise the Clean-up Call Option in certain conditions. If the Issuer exercises the Clean-up Call Option the Issuer will use the proceeds of the sale of the Mortgage Receivables towards redemption of the Bonds.</p> <p>The Issuer may only sell and assign the Mortgage Receivables in accordance with Condition 7(b) (<i>Clean-Up Call Option</i>) if (i) the purchase price of such Mortgage Receivables shall be sufficient to redeem the Bonds of the relevant Compartment in whole but not in part at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale or (ii) the Bondholders of the relevant Compartment have taken an Unanimous Resolution to have the Mortgage Receivables sold for a purchase price that is lower than the amount required to redeem the relevant Bonds at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale. See further Section 4.1 (<i>Terms and Conditions of the Bonds</i>), Condition 7 (<i>Redemption and purchase</i>).</p> <p>Pursuant to Condition 7(c) the Bondholders of the relevant Compartment can instruct the Issuer by means of an Unanimous Resolution to sell and</p>

	<p>assign all or some of the Mortgage Receivables (including New Ported Mortgage Receivables) of a Pool to another Programme Investor or third party that is willing to become a Programme Investor subject to the conditions set out in the Mortgage Receivables Purchase Agreement. The relevant purchase price may be below the par value of the Mortgage Receivables.</p> <p>Should the Issuer sell and assign all or some of the Mortgage Receivables to another Programme Investor or third party that is willing to become a Programme Investor as set out in the Mortgage Receivables Purchase Agreement, the Issuer will apply the proceeds of the sale of the relevant pool of Mortgage Receivables towards full or partial redemption of the Bonds of the relevant Compartment. See further Section 4.1 (<i>Terms and Conditions of the Bonds</i>), Condition 7 (<i>Redemption and purchase</i>).</p>
Events of Default	<p>As fully set out in Condition 12 (<i>Events of Default</i>), which broadly include:</p> <ul style="list-style-type: none"> (i) Non-payment by the Issuer of principal or interest in respect of the Bonds of a Compartment; (ii) Breach of contractual obligations by the Issuer under the Bonds of the relevant Compartment or certain Transaction Documents; and (iii) Bankruptcy (<i>faillissement</i>) or suspension of payments (<i>surseance van betaling</i>) of the Issuer.
Withholding Tax	<p>All payments by the Issuer in respect of a Compartment of Bonds 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 are required by law. In that event, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Bondholders of the relevant Compartment, as the case may be, and shall not pay any additional amounts to such Bondholders.</p>
Method of payment	<p>In respect of each Compartment, the Bonds may be represented by a Global Bond. If Bearer Bonds are intended to be issued in the NGN-form, as stated in the applicable Final Terms, payments of principal and interest will be made in euro to a common safekeeper for Euroclear and Clearstream, Luxembourg, for the credit of the respective accounts of the Bondholders. If Bearer Bonds are not intended to be issued in NGN-form, as stated in the applicable Final Terms, payments of principal and interest will be made in euro (i) to a common depositary on behalf of Euroclear and Clearstream, Luxembourg or (ii) with Euroclear Netherlands or (iii) with any other clearing system (see Section 4.3 (<i>Form of the Bonds</i>)).</p>
Security for the Bonds, limited recourse and non-petition	<p>Each Compartment of Bonds will be secured (indirectly):</p>

	<p>(i) by a first ranking undisclosed right of pledge by the Issuer to the Security Trustee over (a) the relevant Pool of Mortgage Receivables (including Further Advance Receivables and New Ported Mortgage Receivables), including all rights ancillary thereto, (b) the Beneficiary Rights and (c) the Existing Rights; and</p> <p>(ii) by a first ranking disclosed right of pledge by the Issuer to the Security Trustee over the Issuer Rights.</p> <p>After delivery of an Enforcement Notice in respect of a Compartment, the amounts payable to the Bondholders and the other Secured Creditors of such Compartment will be limited to the amounts available for such purpose to the Security Trustee which, <i>inter alia</i>, will consist of amounts recovered by the Security Trustee in respect of such rights of pledge created by the relevant Pledge Agreements and amounts received by the Security Trustee as creditor under the relevant Parallel Debt Agreement. Payments to the Secured Creditors will be made in accordance with the relevant Priority of Payments. See further Sections 5 (<i>Credit Structure</i>) and 4.7 (<i>Security</i>).</p>
Parallel Debt Agreement	<p>On the first Issue Date of a Compartment, the Issuer, the Security Trustee and the Secured Creditors, other than the Bondholders, of such Compartment will enter into a Parallel Debt Agreement for the benefit of the Secured Creditors of the Compartment 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 of the Compartment, 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.</p>
Paying Agency Agreement	<p>On the Programme Closing Date, the Issuer and the Security Trustee will enter into a Paying Agency Agreement with the Agent mentioned therein pursuant to which the Agent undertakes, <i>inter alia</i>, to perform certain services on behalf of the Issuer towards the Bondholders of all Compartments.</p>
Use of proceeds of the Bonds	<p>The net proceeds of a Series of Bonds issued under a Compartment will be applied (i) to pay (part of) the Relevant Purchase Price for the Mortgage Receivables purchased on the relevant Transfer Date pursuant to the Mortgage Receivables Purchase Agreement, (ii) to pay costs incurred by the Issuer in connection with the Programme and/or Collective Mandate Programme, (iii) to credit the Sold Property Portable Mortgage Account with an amount equal to the Sold Property Portable Mortgage Required Amount and/or (iv) to credit the Further Advance and Unsold Property Portable Mortgage Account with an amount equal to the Further Advance and Unsold Property Portable Mortgage Required Amount.</p> <p>If (part of) the net proceeds of a Series of Bonds have been received by the Issuer but not yet applied to purchase Mortgage Receivables, these amounts will be deposited on the relevant Pre-Funding Account, (i) for purchase of Mortgage Receivables (directly or indirectly) from the Seller</p>

	<p>for the Compartment at the next following Transfer Date or at a later stage (ii) to pay (A) costs incurred by the Issuer in connection with the Programme and/or Collective Mandate Programme and (B) costs of the Seller that are related to the new origination of Mortgage Loans that will form part of the Pool relating to such Compartment and (iii) to pay fees and costs in accordance with item (a), (b) and (c) of the Revenue Priority of Payments to the extent not covered under (ii)(A) above, (iv) to credit the Further Advance and Unsold Property Portable Mortgage Account with an amount up to the Further Advance and Unsold Property Portable Mortgage Required Amount and/or (v) if the applicable Final Terms so specify, to invest in Eligible Investments.</p> <p>An amount as specified in the Deed of Assignment and Pledge of the Relevant Purchase Price payable on the relevant Transfer Date will be withheld by the Issuer and deposited in the Construction Deposit Account. See Section 7.1 (<i>Purchase and Sale</i>).</p>
Governing law	Each Compartment of Bonds and the Transaction Documents and any non-contractual obligations arising out of or in relation to such Compartment of Bonds and/or Transaction Documents, will be governed by and construed in accordance with the laws of the Netherlands.
Selling restrictions	Certain restrictions may apply in connection with the offering and sale of the Bonds. See Section 4.4 (<i>Subscription and Sale</i>).

1.5 Credit Structure

Separate Compartments and Pools	Each Compartment is separated and segregated from other Compartments and is structured in such a manner that each Compartment will, <i>inter alia</i> , have separate and segregated cash flows generated from the applicable Pool relating to such Compartment, its own Issuer Accounts, Trust Deed, Parallel Debt Agreement and Priorities of Payments.
Available Funds	The Issuer will use receipts of principal and interest in respect of the Mortgage Receivables of the relevant Pool together with certain remaining amounts on the Issuer Accounts, to make payments of, <i>inter alia</i> , principal and interest, if any, due in respect of the Bonds of the relevant Compartment in accordance with the relevant Priority of Payments.
Priorities of Payments	The obligations of the Issuer in respect of the Bonds will rank subordinated to the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments (see Section 5 (<i>Credit Structure</i>)).
Collection Foundation Account	<p>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 Collection Foundation Account maintained by the Collection Foundation with the Collection Foundation Account Provider. Intertrust Management B.V. is the director of the Collection Foundation and the Collection Foundation Account is operated by the Transaction Servicer. The 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 the Seller is entitled vis-à-vis the Collection Foundation and may in the future also be used in connection with new transactions involving the Seller.</p> <p>The Transaction Servicer determines from time to time but at least on a monthly basis what the entitlement is of each Beneficiary (including the Issuer) 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.</p>
Issuer Accounts	<p>The Issuer shall in respect of each Compartment maintain with the Issuer Account Bank the following accounts:</p> <ul style="list-style-type: none"> (i) an Issuer Collection Account for each Compartment, to which on each Mortgage Collection Payment Date (i) all amounts of scheduled interest and scheduled principal payments under the Mortgage Loan received during the then current calendar month, (ii) all other payments under the Mortgage Loans, including but not limited to unscheduled principal prepayments or repayments, Prepayment Penalties or interest penalties under the Mortgage Loans received during the immediately preceding calendar month and (iii) all other amounts received from the other

	<p>relevant parties under the Transaction Documents and the Collective Mandate Documents will be transferred. If the applicable Final Terms so specify, funds held on the Issuer Collection Account in excess of the Issuer Collection Account Eligible Investment Threshold Amount may be invested by the Issuer on a daily basis in Eligible Investments with a maximum maturity date up to the Business Day immediately preceding the next Bonds Payment Date;</p> <p>(ii) a Pre-Funding Account for each Compartment, on which payments of the net proceeds for the Bonds relating to such Compartment less any amounts to be deposited on the Further Advance and Unsold Property Portable Mortgage Account and, in the case of Partly Paid Bonds, Initial Instalment Payments and Further Instalment Payments may be made in accordance with Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>) and in accordance with the <i>Use of Proceeds</i> section. If the applicable Final Terms so specify, funds held on the Pre-Funding Account may be invested by the Issuer on a daily basis in Eligible Investments with a maximum maturity of one year;</p> <p>(iii) a Construction Deposit Account for each Compartment, to which on the relevant Transfer Date an amount corresponding to the relevant Aggregate Construction Deposit Amounts of the relevant Pool of Mortgage Receivables purchased on such date will be credited. Payments may be made by the Issuer to the Seller from the relevant Construction Deposit Account on a daily basis to satisfy payment by the Issuer to the Seller of (part of) the Relevant Purchase Price prior to the distribution of (part of) the relevant Construction Deposit Amount by the Seller to the Borrower;</p> <p>(iv) a Sold Property Portable Mortgage Account for each Compartment to facilitate portability of Mortgage Loans or one or more Loan Parts comprising such Mortgage Loans (<i>meeneemregeling</i>) pursuant to the Seller's Mortgage Conditions in case the transfer of title to the Old Mortgaged Asset by the Borrower takes place prior to the acquisition of title to the New Mortgaged Asset by the Borrower. If the transfer of title to the Old Mortgaged Asset by the Borrower and the subsequent acquisition of title to the New Mortgaged Asset by the Borrower happen within the same Monthly Calculation Period the principal proceeds received by the Collection Foundation for the benefit of the Issuer on the Collection Foundation Account in relation to the redemption of the relevant Mortgage Loan will be applied by the Servicer on behalf of the Issuer to purchase and accept assignment of the related New Ported Mortgage Receivables and an amount equal to a varying percentage of such principal proceeds will be drawn from the Issuer Collection Account of the relevant Compartment (if such amount is available on the Revenue Ledger) in order for the Issuer to pay any related Origination Costs. If the transfer of title to the Old Mortgaged Asset by the Borrower takes place prior to the acquisition of title to the New Mortgaged Asset by the Borrower</p>
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	<p>but they do not happen in the same Monthly Calculation Period, the Servicer on behalf of the Issuer will (i) deposit the principal repayment amount of the relevant Mortgage Loan in the Sold Property Portable Mortgage Account and (ii) transfer an amount equal to a varying percentage of such of such principal repayment amount from the Issuer Collection Account of the relevant Compartment (if such amount is available on the Revenue Ledger) to the Sold Property Portable Mortgage Account. The sum of these amounts does not form part of the Available Principal Funds and shall be applied towards the purchase and acceptance of assignment of the related New Ported Mortgage Receivable in a subsequent Monthly Calculation Period and payment of the Origination Costs related to such New Ported Mortgage Receivable.</p> <p>An amount equal to the Sold Property Portable Mortgage Required Amount will be credited on the Sold Property Portable Mortgage Account for each Compartment on each Issue Date. The Sold Property Portable Mortgage Account will be replenished in accordance with the Priorities of Payments;</p> <p>(v) a Further Advance and Unsold Property Portable Mortgage Account for each Compartment (i) to, if applicable, facilitate portability of Mortgage Loans or one or more Loan Parts comprising such Mortgage Loans (<i>meeneemregeling</i>) pursuant to the Seller's Mortgage Conditions in case the transfer of title to the Old Mortgaged Asset by the Borrower takes place after the acquisition of title to the New Mortgaged Asset by the Borrower and (ii) to purchase and accept assignment of any New Ported Mortgage Receivables resulting from such Mortgage Loans and any Further Advance Receivables resulting from Further Advances granted by the Seller to a Borrower.</p> <p>An amount equal to Further Advance and Unsold Property Portable Mortgage Required Amount will be credited on the Further Advance and Unsold Property Portable Mortgage Account for each Compartment on each Issue Date. The Further Advance and Unsold Property Portable Mortgage Account will be replenished in accordance with the Priorities of Payments.</p>
<p>Issuer Account Agreement</p>	<p>The Issuer, the Security Trustee and the Issuer Account Bank will enter into the Issuer Account Agreement. The Issuer Account Bank will agree to pay a guaranteed interest rate determined by reference to EONIA (or, at the sole discretion of the Issuer Account Bank, any rate more beneficial to the Issuer) less a margin, on the balance standing to the credit of each of the Issuer Accounts from time to time. Should the interest drop below zero, the Issuer would be required to make interest payments to the Issuer Account Bank; such payments may be made using (i) the Available Revenue Funds of the relevant Compartment or (ii) if the Available Revenue Funds are not sufficient for such purpose any funds standing to the credit of the Pre-Funding Account on other dates than the Bonds Payment Dates. The Issuer will undertake pursuant to the relevant Trust Deed not to withdraw or apply amounts from the Issuer Accounts other than in accordance with the relevant Trust Deed.</p>

Administration, calculation and cash management	<p>Under the terms of the Administration Agreement, the Issuer Administrator will agree to provide certain administration, calculation and cash management services for the Issuer on a day-to-day basis, including without limitation, all calculations to be made pursuant to the Terms and Conditions in connection with the Bonds.</p>
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1.6 Portfolio Information

Mortgage Receivables	<p>The Mortgage Receivables will result from Mortgage Loans secured by first-ranking mortgage rights or, in the case of Mortgage Loans secured on the same Mortgaged Assets, a first ranking and sequential lower ranking mortgage rights on such relevant Mortgaged Assets together with, in case of a Mortgage Loan which qualifies as a bridge mortgage loan (<i>overbruggingshypotheek</i>) (Bridge Mortgage Loan), a first or lower ranking mortgage right on other mortgaged assets owned by such Borrower for a certain period of time. The Mortgaged Assets are situated in the Netherlands. The Mortgage Loans entered into by the Seller and the relevant Borrowers should meet criteria set forth in the Mortgage Receivables Purchase Agreement and which will be selected on or prior to the relevant Transfer Date in relation to a Compartment.</p> <p>The Mortgage Loans, which may include Bridge Mortgage Loans, will consist of (i) Interest-only Mortgage Loans (<i>aflossingsvrije hypotheek</i>), (ii) Linear Mortgage Loans (<i>lineaire hypotheek</i>) and (iii) Annuity Mortgage Loans (<i>annuïteitenhypotheek</i>) or combinations of these types of loans as further described below.</p> <p>The Mortgage Receivables have the characteristics that demonstrate the capacity to produce funds to service any payments due and payable under the Bonds. However, for the avoidance of doubt, amounts of interest and principal in respect of the Bonds of each Compartment will be paid on a pass-through basis from interest and principal collections received under the relevant Pool relating to such Compartment, minus any amounts payable in priority to the Bonds in accordance with the relevant Priority of Payments. Losses on the Mortgage Loans will be for the account of the Bondholders. Therefore the return on the Bonds may be lower than anticipated by an investor and the full principal amount of the Bonds may not be repaid.</p>
Mortgage Loans	<p>Each Mortgage Loan is or should be secured by a Mortgage which was or will be, according to the Mortgage Conditions vested for a principal sum which is at least equal to the principal sum of the Mortgage Loan when originated, increased with interest, penalties, costs and any insurance premium. Mortgage Loans may consist of one or more Loan Parts (<i>leningdelen</i>), each of which normally constitutes a different mortgage type agreed with the relevant Borrower. If a Mortgage Loan consists of one or more of such Loan Parts, the Seller shall sell and assign and the Issuer shall, in relation to the relevant Compartment, purchase and accept the assignment of all, but not some, Loan Parts of such Mortgage Loan.</p> <p>See for a description of the various Mortgage Loan types Section 6.1 (<i>Description of Mortgage Loans</i>).</p>
Beneficiary Rights	<p>The Seller has the benefit of the Beneficiary Rights. Under the Mortgage Receivables Purchase Agreement, the Seller will assign, to the extent legally possible and required, such Beneficiary Rights to the Issuer and the Issuer will accept such assignment on the relevant Transfer Date in relation to each Compartment.</p>

Rate of interest and reset of rate of interest	<p>The interest rate on the Mortgage Loans will be reset at the end of an interest period (<i>rentevast periode</i>) in accordance with the Mortgage Interest Rate Policy. At the end of an interest period, the Borrower can select interest periods as offered by the Seller with corresponding interest rates.</p> <p>The Mortgage Interest Rate Policy states that interest rates shall be determined and set or reset on the basis of certain criteria of the Seller, linked to the offerings of other mortgage credit providers in the market and in accordance with the Mortgage Conditions, any applicable laws and regulations, instructions received from regulatory authorities and applicable industry self-regulation.</p>
Existing Rights	<p>The Seller has the benefit of the Existing Rights. Under the Mortgage Receivables Purchase Agreement, the Seller will assign such Existing Rights to the Issuer and the Issuer will accept such assignment on each Transfer Date in relation to each Compartment.</p>
NHG Guarantees	<p>The Mortgage Loans may include NHG Mortgage Loans. See further Sections 6.1 (<i>Description of Mortgage Loans</i>) and 6.4 (<i>NHG Guarantee Programme</i>).</p>
Construction Deposits	<p>Pursuant to the Mortgage Conditions, a Borrower has the right to request that a part of the Mortgage Loan will be withheld and will be applied towards construction of or improvements to the Mortgaged Asset. Such amounts including any interest accrued thereon will only be paid to the Borrower in case certain conditions are met.</p>
Further Advances	<p>A Borrower may ask the Seller to grant a Further Advance, which is a loan to be made to a Borrower under a Mortgage Loan, which is secured by the same Mortgage or by a second or sequentially lower priority Mortgage as the mortgage loan previously disbursed under the Mortgage Loan. The Seller shall grant a Further Advance only if the then current loan-to-value of the sum of the Outstanding Principal Amount of the relevant Mortgage Receivable and the amount of the Further Advance is equal or lower than the high end of the loan-to-value Risk Bucket that applies to the Mortgage Receivable on the Mortgage Origination Date. A Further Advance may carry a different interest rate compared to the original Mortgage. The applicable Mortgage Conditions at the time of granting of the Further Advance will apply to such Further Advance. If the Seller grants a Further Advance, the Issuer shall purchase the Further Advance Receivable in accordance with the Mortgage Receivables Purchase Agreement.</p>
Portability	<p>The Seller offers certain Borrowers, the flexibility to “port” certain characteristics of their existing Mortgage Loan or one or more Loan Parts comprising such Mortgage Loan to a new property.</p> <p>Pursuant to the Mortgage Conditions, the Seller may at any time agree with a Borrower to vest certain conditions of its existing Mortgage Loan on another Mortgaged Asset pursuant to the “<i>meeneemregeling</i>” provided that the then current loan-to-market value of the Mortgage Loan related to the new Mortgaged Asset is equal or lower than the high end of</p>

	<p>the loan-to-value Risk Bucket that applies to the Old Mortgaged Asset on the Mortgage Origination Date and provided any other applicable conditions are met.</p> <p>The portability feature may be exercised by a Borrower in two circumstances for the purpose of porting their existing mortgage loan to a new property: (i) the Borrower transfers title to its Old Mortgaged Asset prior to it acquiring title to its New Mortgaged Asset (the Sold Property Portability Option) or (ii) the Borrower acquires title to its New Mortgaged Asset prior to it transferring title to its Old Mortgaged Asset (the Unsold Property Portability Option), although as at the date of this Prospectus, the Seller only offers the Sold Property Portability Option to Borrowers.</p> <p>When New Ported Mortgage Loans are granted to the relevant Borrower and the Issuer purchases and accepts assignment of the relevant New Ported Mortgage Receivable and the Beneficiary Rights relating thereto, the Issuer will at the same time create a right of pledge on such New Ported Mortgage Receivable and the Beneficiary Rights relating thereto in favour of the Security Trustee. In the event of newly to be originated New Ported Mortgage Loans it may be that the relating mortgage rights have not been vested yet at the relevant Transfer Date. In such event the Existing Rights are transferred to the Issuer on the relevant Transfer Date.</p>
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1.7 Portfolio Documentation

Collective Mandate Programme	<p>The Issuer has acceded as Programme Investor to the Collective Mandate Programme and entered into or, as the case may be, acceded to certain Collective Mandate Documents and the Transaction Documents pursuant to which (i) it is able to acquire legal title to certain Mortgage Receivables arising from certain Mortgage Loans originated by the Seller and has committed to fund the origination of such Mortgage Loans by purchasing Mortgage Receivables attributed to a specific Pool and allocated to the Issuer in accordance with the Allocation Procedure from the Seller up to the Issuer's Total Committed Amount from time to time together with any Further Advance Receivables and/or, at its option, (ii) may purchase Mortgage Receivables from another Programme Investor and (iii) may sell Mortgage Receivables to another Programme Investor or third party that is willing to become a Programme Investor subject to the conditions set out in the Mortgage Receivables Purchase Agreement.</p>
Limited resources Seller	<p>The Seller has been established and is intended to be a thinly capitalised company. It has limited funds and resources available to it at any time to satisfy any obligations owing by it under or in connection with any Transaction Documents and the Collective Mandate Documents or for any other reason.</p>
Mortgage Receivables Purchase Agreement	<p>Pursuant to the Mortgage Receivables Purchase Agreement the Seller shall sell and assign and the Issuer shall purchase and accept the assignment of Mortgage Receivables (including New Ported Mortgage Receivables) on each Transfer Date and/or Further Advance Receivables resulting from such Mortgage Loans and/or Further Advances which are set forth in the list of loans attached to the relevant Deed of Assignment and Pledge on an ongoing basis.</p>
Clean-up Call Option	<p>Pursuant to Condition 7(b) the Issuer can exercise the Clean-up Call Option in certain conditions. If the Issuer exercises the Clean-up Call Option the Issuer will use the proceeds of the sale of the Mortgage Receivables towards redemption of the Bonds.</p> <p>The Issuer may only sell and assign the Mortgage Receivables in accordance with Condition 7(b) (Clean-Up Call Option) if (i) the purchase price of such Mortgage Receivables shall be sufficient to redeem the Bonds of the relevant Compartment in whole but not in part at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale or (ii) the Bondholders of the relevant Compartment have taken an Unanimous Resolution to have the Mortgage Receivables sold for a purchase price that is lower than the amount required to redeem the relevant Bonds at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale.</p>
Sale of Mortgage Receivables	<p>Pursuant to Condition 7(c) the Bondholders of the relevant Compartment can instruct the Issuer by means of an Unanimous Resolution to sell and</p>

	<p>assign all or some of the Mortgage Receivables (including New Ported Mortgage Receivables) of a Pool to another Programme Investor or third party that is willing to become a Programme Investor subject to the conditions set out in the Mortgage Receivables Purchase Agreement. The relevant purchase price may be below the par value of the Mortgage Receivables. Should the Issuer sell and assign all or some of the Mortgage Receivables to another Programme Investor or third party that is willing to become a Programme Investor as set out in the Mortgage Receivables Purchase Agreement, the Issuer will apply the proceeds of the sale of the relevant pool of Mortgage Receivables towards full or partial redemption of the Bonds of the relevant Compartment.</p>
<p>Breach of representations and warranties</p>	<p>With respect to a breach of representations and warranties the following applies:</p> <p>If there is a breach by the Seller of the representations and warranties in respect of any Mortgage Receivable where such breach is capable of being remedied, the Seller will have 14 days after receipt of a written notice of such breach by or on behalf of the Issuer to remedy the breach (the Remedy Period).</p> <p>If any breach is not remedied within the Remedy Period or not capable of being remedied the liability of the Seller and the right of the Issuer to be indemnified for such breach is limited as follows.</p> <ul style="list-style-type: none"> • The Seller is not liable in respect of any loss, liability, claim, expense or damage suffered or incurred by the Issuer (or any other person) as a result of the breach of representations and warranties (including but not limited to any losses arising from properly incurred legal fees, costs and expenses but only to the extent that the separate legal advisor uses resources and staff efficiently, taking account of the nature of the advice, with the appropriate level of experience required to properly provide its advice and assistance and to avoid unnecessary duplication) (each such amount a Loss), save where such Loss is incurred as a result of any gross negligence (<i>grove nalatigheid</i>), wilful misconduct (<i>opzet</i>), fraud (<i>fraude</i>) or breach in any respect (<i>wanprestatie</i>) by the Seller of any of the representation and warranties, unless in case of such a breach the Seller proves that such Loss is not attributable to it (<i>toerekenbaar</i>). • If the Seller is liable to indemnify the Issuer and such liability or the relevant part of the liability is a result of default in any respect attributable to it (<i>toerekenbare tekortkoming</i>) by it or a Delegate belonging to the DC Group, the Issuer may at its option, request the Seller and/or such Delegate to be indemnified in respect of any such Loss whereby, if the Issuer decides to request both the Seller and such Delegate to be indemnified the obligation of the Delegate to indemnify shall rank first and the Seller shall only be obliged to indemnify to the extent the Loss of the Issuer is not indemnified in full by the relevant Delegate, provided that the total amount of indemnification to be paid by the Seller for Loss in such event will be the lower of (i) the amount on the Loss less the amount indemnified by the relevant

	<p>Delegate and (ii) a total amount of EUR 2,500,000.- (two million five hundred thousand euro) per event and per calendar year for each Compartment, provided that the Issuer shall in relation to such Compartment not be entitled to recover any Loss unless the aggregate amount of such Loss of the Issuer in relation to such Compartment in any year (starting on the first Issue Date relating to a Compartment) exceeds the applicable Own Risk Amount, in which case the Issuer shall in relation to such Compartment be entitled to recover only the amount of Loss exceeding the Own Risk Amount.</p>
Servicing Agreement	<p>Under the Collective Mandate Programme Agreement, the Issuer and the Seller have agreed that the Seller will provide mortgage loan services in relation to the Mortgage Loans and the Mortgage Receivables resulting from such Mortgage Loans. The Seller has delegated servicing activities to the Servicer. Under the terms of the Servicing Agreement, the Servicer has agreed to provide to the Seller certain administration and management services in relation to the Mortgage Loans and the Mortgage Receivables resulting from such Mortgage Loans (which includes the Mortgage Receivables to be included in the Pool connected to a Compartment) 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.</p> <p>The Servicer shall provide the services specific to the Programme for the benefit of the Issuer subject to separately agreed terms, in addition of the terms of the Servicing Agreement.</p>
Portfolio Management Agreement	<p>Under the Collective Mandate Programme Agreement, the Issuer and the Seller have agreed that the Seller will provide portfolio management services in relation to the Mortgage Receivables. The Seller has delegated portfolio management activities to the Portfolio Manager. Under the Portfolio Management Agreement, the Portfolio Manager has agreed to provide certain portfolio management services to the Seller on a day-to-day basis, including without limitation, resetting of interest rates in relation to the Mortgage Loans and the Mortgage Receivables resulting from such Mortgage Loans (which includes the Mortgage Receivables to be included in the Pool connected to a Compartment) and ongoing credit management services in respect of the Mortgage Receivables.</p> <p>The Portfolio Manager shall provide the portfolio management services specific to the Programme for the benefit of the Issuer subject to separately agreed terms, in addition of the terms of the Portfolio Management Agreement.</p>
Management Agreements	<p>Each of the Issuer, the Security Trustee and the Shareholder have entered into Management Agreements with the relevant Director, under which the relevant Director will undertake to act as director of the Issuer, the Security Trustee or the Shareholder, respectively, and to perform certain services in connection therewith.</p>

2. RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risk associated with the Bonds are also described below. The Issuer believes that the factors described below represent the material risks inherent in investing in a Series of Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds of a Compartment may occur for other reasons not known to the Issuer. The Issuer makes no representation that the statements below regarding the risks of investing in any Bonds are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus, any Supplemental Base Prospectus and any relevant Final Terms and reach their own views prior to making any investment decision.

RISK FACTORS REGARDING THE ISSUER

The obligations under the Bonds will be solely the obligations of the Issuer

The obligations under the Bonds will be solely the obligations of the Issuer. The Bonds will not create obligations for, be the responsibility of, or be guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, the Seller, the Portfolio Manager, the Servicer, the Issuer Administrator, the Directors, the Paying Agents, the Issuer Account Bank, the Security Trustee and any Delegate, in whatever capacity acting. Furthermore, none of the Seller, the Portfolio Manager, the Servicer, the Issuer Administrator, the Directors, the Paying Agents, the Issuer Account Bank, the Security Trustee and any Delegate, nor any other person in whatever capacity acting, will accept any liability whatsoever to Bondholders in respect of any failure by the Issuer to pay any amounts due under the Bonds.

None of the Seller, the Portfolio Manager, the Servicer, the Issuer Administrator, the Directors, the Paying Agents, the Issuer Account Bank, the Security Trustee and any Delegate will be under any obligation whatsoever to provide additional funds to the Issuer (save in the limited circumstances where such additional funds are required to be provided pursuant to the Transaction Documents or the Collective Mandate Documents).

One Issuer for all Compartments, Issuer has limited resources available to meet its obligations

The Issuer has been established to issue Bonds under separate Compartments from time to time under the Programme. The net proceeds of the issuance of a Compartment of Bonds will be applied (among other things) towards (i) the purchase of already existing Mortgage Receivables to be included in the relevant Pool connected to such Compartment and/or (ii) to pay the Relevant Purchase Price for Mortgage Receivables that have been allocated to the Issuer and that relate to Mortgage Loans that are to be newly originated by the Seller.

As a result of further issues of Bonds, the Issuer may have obligations under several Compartments. However, recourse of the Bondholders of a Compartment and of any party entering into agreements in connection with such Compartment will be limited to the Mortgage Receivables of the Pool relating to such Compartment and any claims of the Issuer resulting from agreements entered into in connection with such Compartment and the purchase of such relevant Pool of Mortgage Receivables. The Bondholders and the other Secured Creditors of such Compartment do not have recourse on the assets of any other Compartment. However, some claims of the Issuer resulting from certain agreements which cannot be attributed to a specific Compartment will be applied on a *pro rata* basis of the Principal Amount Outstanding on the Bonds of each Compartment and, in respect of claims under the Collective Mandate Documents to the extent they relate to all Programme Investors, on a *pro rata* basis for all Programme Investors. Should any of the Bondholders or the other Secured Creditors of any Compartment file for the Issuer's bankruptcy and, as a consequence thereof, the Issuer is declared bankrupt, this would constitute an Event of Default in respect of all Compartments. Therefore, each of the Secured Creditors of any Compartment, other than the

Bondholders, will agree in the relevant Parallel Debt Agreement that it will not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the latest maturing Bond of any Compartment issued under the Programme is paid or written off in full. The Bondholders will be bound to such non-petition provision pursuant to the Terms and Conditions of the Bonds. If a Bondholder would nevertheless institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding and the Issuer would subsequently be declared insolvent this will affect Bondholders of all Compartments in a similar manner. There is no cross-default between the Compartments and an event of default in respect of a Compartment will not result in an Event of Default in respect of the other Compartments.

Effectiveness of the rights of pledge to the Security Trustee in case of insolvency of the Issuer

Under and pursuant to the Pledge Agreements, various rights of pledge will be granted by the Issuer to the Security Trustee to secure the obligations of the Issuer under the various Compartments. On the basis of these pledges the Security Trustee can exercise the rights afforded by Dutch law to pledgees notwithstanding any bankruptcy of, or suspension of payments by, the Issuer. The Issuer is a special purpose vehicle and is therefore unlikely to become insolvent. However, any bankruptcy or suspension of payments involving the Issuer would affect the position of the Security Trustee as pledgee in some respects, the most important of which are: (i) payments made by the Borrowers to the Issuer after notification of the assignment to the Issuer, but prior to notification of the pledge to the Security Trustee, and after the bankruptcy of, or suspension of payments by, the Issuer, will form part of the bankruptcy estate of the Issuer, although the Security Trustee shall have the right to recover such amounts by preference after deduction of certain costs, (ii) a mandatory ‘cool-off’ period of up to four months may apply in case of bankruptcy or suspension of payments involving the Issuer, which, if applicable, would delay the exercise (*uitwinnen*) of the rights of pledge on the Pools of Mortgage Receivables and (iii) the Security Trustee may be obliged to enforce its right of pledge within a reasonable period following bankruptcy as determined by the judge-commissioner (*rechter-commissaris*) appointed by the court in case of bankruptcy of the Issuer.

To the extent the receivables pledged by the Issuer to the Security Trustee are future receivables, the right of pledge on such future receivables cannot be invoked against the estate of the Issuer, if such future receivables come into existence after the Issuer has been declared bankrupt or has been granted a suspension of payments. The assets pledged to the Security Trustee under the Issuer Rights Pledge Agreement and any Deed of Pledge of Rights should probably be regarded as future receivables. This would for example apply to amounts paid to the relevant Issuer Accounts (other than the Pre-Funding Account and the Investment Accounts) following the Issuer’s bankruptcy or suspension of payments.

Investors are advised that pursuant to the Collective Mandate Documents, the balances standing to credit of the Pre-Funding Account and the Investment Accounts in relation to each Compartment will be pledged to the Seller and these accounts will not be pledged to the Security Trustee to secure the obligations of the Issuer under the various Compartments.

In view of the foregoing, the effectiveness of the rights of pledge to the Security Trustee may be limited in case of insolvency of the Issuer.

Parallel Debt

Under Dutch law it is uncertain whether a security right can be validly created in favour of a party which is not the creditor of the claim which the security right purports to secure. Consequently, in order to secure the valid creation of the pledges in favour of the Security Trustee, the Issuer will in the relevant Parallel Debt Agreement, as a separate and independent obligations in respect of each Compartment, by way of parallel debts, undertake to pay to the Security Trustee amounts equal to the amounts due by it to the relevant Secured Creditors under or in connection with the Transaction Documents or the relevant Collective Mandate Documents to which the Issuer and such Secured Creditors with respect to the relevant Compartment are a party (each a **Parallel Debt**). The Issuer has been advised that such a Parallel Debt

creates claims of the Security Trustee thereunder which can be validly secured by a right of pledge such as the rights of pledge created by the Pledge Agreements (see also 4.7 (*Security*)).

One Security Trustee for all Compartments

The Security Trustee has been established to act as security agent for the Secured Creditors of all Compartments under the Programme and each issue of a Compartment of Bonds. The security interests in favour of the Security Trustee for the benefit of the Secured Creditors of each Compartment each secure the relevant Parallel Debt. Recourse of the Bondholders and other Secured Creditors of each Compartment will therefore be limited to the Mortgage Receivables and amounts standing to the credit of the relevant Issuer Accounts of the Compartment and any claims of the Issuer resulting from agreements entered into in connection with such Compartment and the purchase of such Mortgage Receivables and the Secured Creditors of a Compartment do not have any recourse on other assets of the Issuer as more fully described under 4.7 (*Security*). However some claims of the Issuer resulting from certain agreements which cannot be attributed to a specific Compartment will be applied *pro rata* on the basis of the Principal Amount Outstanding of the Bonds of each Compartment, and will therefore in principle be divided on a *pro rata* basis by all Secured Creditors of all Compartments

In connection with the exercise of its functions the Security Trustee shall have regard to the interests of Bondholders of each Compartment and shall not have regard to the consequences of such exercise for individual Bondholders (irrespective of such Bondholders having conflicting interest) and the Security Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer any indemnification or payment in respect of any (tax) consequence of any such exercise upon individual Bondholders.

The Issuer has counterparty risk exposure

Counterparties of the Issuer may not perform their obligations under the Transaction Documents or the Collective Mandate Documents, which may result in the Issuer not being able to meet its obligations under the Bonds, including any payments on the Bonds.

Risks related to licence requirement under the Wft

Under the Wft a special purpose vehicle which services (*beheert*) and administers (*uitvoert*) loans granted to consumers, such as the Issuer, must have a licence under the Wft. An exemption from the licence requirement is available if the special purpose vehicle outsources the servicing of the loans and the administration thereof to an entity holding a licence under the Wft. The Issuer has outsourced the servicing and administration of the Mortgage Receivables to the Seller, and the Seller has outsourced the servicing and administration of the Mortgage Receivables to the Servicer. The Seller holds a licence as offeror of credit (*aanbieder van krediet*) and intermediary (*bemiddelaar*) in credit under the Wft. The Servicer is an affiliated undertaking (*aangesloten onderneming*) of Quion Groep and is thus authorised to, amongst others, act as offeror of credit and intermediary in credit in the Netherlands. Consequently, the Issuer benefits from the exemption. If the Servicing Agreement is terminated, the Issuer will need to outsource the servicing and administration of the Mortgage Receivables to another licensed entity or, alternatively, will need to apply for and hold a licence itself. In the latter case, the Issuer will have to comply with the applicable requirements under the Wft. In the event that the Servicing Agreement is terminated and the Issuer has not outsourced the servicing and administration of the Mortgage Receivables to a licensed entity and, additionally, does not hold a licence itself, the Issuer will have to terminate its activities and may have to sell the Mortgage Receivables, which could lead to losses under the Bonds.

Bondholders are receiving no assurance or guarantee, nor is any representation made to them, and they should make their own determinations and seek independent advice

None of the Issuer, the Security Trustee, the Seller, the Portfolio Manager, the Servicer, the Issuer Administrator, the Directors, the Paying Agents, the Issuer Account Bank, any Delegate or any of their

respective affiliates makes any assurance, guarantee, representation or warranty, express or implied, as to the expected or projected success, return, timing or amount of payments, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting, regulatory capital, legal investment or otherwise) to any Bondholder, and none of the foregoing parties will have a fiduciary relationship with respect to any Bondholder or prospective Bondholder. No Bondholder may rely on any such party for a determination of expected or projected success, return, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting, regulatory capital, legal investment or otherwise) with respect to any Bondholder in connection with the Bonds. Each Bondholder will be required or deemed to represent that, among other things, it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors regarding investment in the offered certificates as it has deemed necessary and that the investment by it is within its powers and authority, is permissible under applicable laws governing such purchase, has been duly authorized by it and complies with applicable securities laws and other laws and regulations.

Bankruptcy of the Servicer may adversely affect (i) collections on the Mortgage Loans and (ii) the ability to replace the Servicer, which may ultimately lead to delays or reductions in distributions on, or other losses with respect to, the Bonds

If the Servicer were to go into bankruptcy or a suspension of payments is declared, it may stop performing its functions as servicer and it may be difficult to find a third party to act as successor servicer. Alternatively, the Servicer may take the position that unless the amount of its compensation is increased or the terms of its obligations are otherwise altered, it will stop performing its functions as Servicer. If it were difficult to find a third party to act as successor servicer, the parties, as a practical matter, may have no choice but to agree to the demands of the Servicer.

It is possible that a period of adverse economic conditions resulting in high defaults and delinquencies on the Mortgage Loans and other mortgage loans serviced by the Servicer will increase the risk of the Servicer becoming subject to bankruptcy or a suspension of payments if its servicing compensation is less than its cost of servicing.

The occurrence of any of these events could result (i) in delays or reductions in distributions on the Bonds in respect of some or all Compartments or (ii) other losses with respect to the Bonds. Regardless of any specific adverse determinations in a bankruptcy or suspension of payments of the Servicer, the fact that such a proceeding has been commenced could have an adverse effect on the value of the Mortgage Receivables and the liquidity and value of the Bonds.

Bondholders will be dependent on certain parties performing their responsibilities in an accurate and timely manner

To the extent the Seller, Servicer, the Portfolio Manager, the Issuer Administrator, the Collection Foundation, the Issuer or any other party to the transaction fails to fully perform its obligations or does not perform its obligations in accordance with the standard for performance provided in the Servicing Agreement, the Portfolio Management Agreement, the Administration Agreement or any other Transaction Document or Collective Mandate Document in accordance with its terms and is unable to provide any required indemnities to the Issuer, the Bonds could experience losses. Bondholders should note that the Issuer does not have any direct rights under the Servicing Agreement and the Portfolio Management Agreement, as these are entered into by the Seller and the Issuer is not a party to such documents. Any such failure to perform may result in such party's default, and any remedy for such default, or any selection of a successor to that party, may be inadequate or may result in costs or expenses, which will be allocated to the Bonds. Any risks associated with the Servicer, the Portfolio Manager, the Issuer Administrator, the Issuer or any other party to the transaction failing to perform may affect the yield to maturity of the Bonds.

Limitations on enforcement

Bondholders generally do not have the right to directly enforce remedies against the Issuer Administrator, the Issuer, the Seller or any other party to any of the Transaction Documents or the Collective Mandate Documents and instead may be required, if such Bondholders obtain the agreement of the requisite percentage of Bondholders, to direct the Security Trustee, at such Bondholders' expense, to enforce the rights of the Security Trustee or take other actions as may be required under any of the Transaction Documents or the Collective Mandate Documents, provided that no Bondholder shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer or the Seller in any circumstances. Bondholders should note that the Issuer does not have any direct rights under the Servicing Agreement and the Portfolio Management Agreement, as these are entered into by the Seller and the Issuer is not a party to such documents. In relation to the mortgage loan services and portfolio management services, any rights to be enforced in accordance with the above should be against the Seller under the Collective Mandate Programme Agreement.

Certain material interests and potential for conflicts

Certain parties to the transaction have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer or the Seller in the ordinary course of business. The parties to the transaction may, pursuant to the Transaction Documents or the Collective Mandate 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 Bonds.

The terms of the Transaction Documents and the Collective Mandate Documents do not prevent any of the parties to the Transaction Documents and the Collective Mandate Documents from rendering services similar to those provided for in the Transaction Documents or the Collective Mandate Documents to other persons, firms or companies or from carrying on any business similar to or in competition with the business of any of the parties to the Transaction Documents or the Collective Mandate Documents.

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

- (a) having previously engaged or in the future engaging in transactions with other parties to the transaction;
- (b) having multiple roles in the Programme and/or the Collective Mandate; and/or
- (c) carrying out other roles or transactions for third parties.

The Servicer's discretion over the servicing of the Mortgage Loans may impact the amount and timing of funds available to make distributions on the Bonds

The Servicer is obliged to service the Mortgage Loans in accordance with its customary servicing procedures. The Servicer has discretion in servicing the Mortgage Loans, including the ability to waive or modify any term of a mortgage loan and to determine the timing and method of collection and foreclosure procedures. In addition, the Servicer's customary servicing procedures may change from time to time and those changes could reduce collections on the Mortgage Loans. Although the Servicer's customary servicing procedures at any time will apply to all mortgage loans granted by the Seller and serviced by the Servicer, without regard to whether a mortgage loan has been sold to the Issuer for the benefit of the Bondholders, the Servicer is not obliged to maximize collections from the mortgage loans. Consequently, the manner in which the Servicer exercises its servicing discretion or changes its customary servicing procedures could have an impact on the amount and timing of collections on the Mortgage Loans, which would, in turn, impact the amount and timing of funds available to make distributions on the Bonds.

The Portfolio Manager's discretion over the portfolio management of the Mortgage Loans and at the level of the Collective Mandate Programme and/or the Programme may impact the amount and timing of funds available to make distributions on the Bonds

The Portfolio Manager is obliged to manage the Mortgage Loans in accordance with its customary portfolio management procedures. The Portfolio Manager has discretion in managing the Mortgage Loans, including the ability to instruct the Servicer to waive or modify any term of a mortgage loan and to determine the timing and method of collection and foreclosure procedures. In addition, the Portfolio Manager's customary portfolio management procedures may change from time to time and those changes could reduce collections on the Mortgage Loans. Although the Portfolio Manager's customary portfolio management procedures at any time will apply to all mortgage loans granted by the Seller and managed by the Portfolio Manager, without regard to whether a mortgage loan has been sold to the Issuer for the benefit of the Bondholders, the Portfolio Manager is not obliged to maximize collections from the mortgage loans. Consequently, the manner in which the Portfolio Manager exercises its portfolio management discretion or changes its customary portfolio management procedures with respect to individual Mortgage Loans or at the level of the Collective Mandate Programme and/or the Programme could have an impact on the amount and timing of collections on the Mortgage Loans and/or affect the Collective Mandate Programme and/or the Programme, which would, in turn, impact the amount and timing of funds available to make distributions on the Bonds.

This Base Prospectus contains summary and limited information regarding the Transaction Documents, the Collective Mandate Documents and the Mortgage Receivables

This Base Prospectus contains summary descriptions of certain documents, including certain Collective Mandate Documents, the Mortgage Receivables Purchase Agreement and the (form of) Deed of Assignment and Pledge which govern the transactions described herein, of the rules and regulations applicable to the Mortgage Loans. Such summary descriptions are necessarily incomplete and reference is made to the actual documents for a complete description of the rights and obligations of the parties thereto, to the rules and regulations applicable to the Mortgage Loans. A copy of, *inter alia*, the relevant Trust Deed, the Paying Agency Agreement, the relevant Parallel Debt Agreement, the Pledge Agreements and the Master Definitions Schedule are available for inspection.

RISK FACTORS REGARDING THE BONDS

Factors which might affect an investor's ability to make an informed assessment of the risks associated with Bonds

The Bonds are complex financial products. Investors in any Compartment of Bonds must be able to make an informed assessment of such Bonds, 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 2 (*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 Bonds and the merits of investing in the Bonds in light of the risk factors outlined in this Section 2 (*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 Bonds 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 Bonds, 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 Bonds 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.

Credit Risk

The Issuer is subject to the risk of the Borrowers defaulting in payment and the Servicer or the Seller failing to realise or recover sufficient funds under the arrears and default procedures in respect of the relevant Mortgage Loans in order to discharge all amounts due and owing by the relevant Borrowers under the relevant Mortgage Loans included in a Pool. This risk may affect the Issuer's ability to make payments on the corresponding Bonds of the relevant Compartment.

Risk of Pass-Through Bonds

Amounts of interest and principal in respect of the Bonds of each Compartment will be paid on a pass-through basis from interest and principal collections received under the relevant Pool relating to such Compartment, minus any amounts payable in priority to the Bonds in accordance with the relevant Priority of Payments. Losses on the Mortgage Loans will be for the account of the Bondholders. Therefore the return on the Bonds may be lower than anticipated by an investor and the full principal amount of the Bonds may not be repaid.

Credit ratings assigned to the Issuer or any Bonds may not reflect all the risks associated with an investment in those Bonds

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Bonds of a Compartment. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the credit rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant credit rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant credit rating agency and the publication of the updated ESMA list.

Base Prospectus to be read together with applicable Supplemental Prospectus and Final Terms

The Terms and Conditions of the Bonds included in this Base Prospectus apply to Bonds of different Compartments which may be issued under the Programme. The full terms and conditions applicable to each Compartment of Bonds can be reviewed by reading the Terms and Conditions of the Bonds under the Programme as set out in full in this Base Prospectus, which constitute the basis of all Bonds to be offered under the Programme, together with any Supplemental Prospectuses and the applicable Final Terms which

apply and/or disapply, supplement and/or amend the Terms and Conditions of the Bonds under the Programme in the manner required to reflect the particular terms and conditions applicable to the relevant Compartment of Bonds.

Final Terms may only contain limited information with respect to the related Pool and Compartment

The use of proceeds of an issuance of Bonds of a Compartment may be applied to pay, among other things, the Relevant Purchase Price for Mortgage Receivables resulting from to be originated Mortgage Loans. If the Pool has not been formed yet on an Issue Date, the Final Terms will not contain any pool level data, but will only set out the most important commercial criteria (Risk Buckets and interest rate periods) with which the Mortgage Loans in the applicable Pool will need to comply in addition to the Mortgage Loan Criteria set out in the Prospectus. As a consequence hereof initial Bonds Purchasers will have no historical data of the Pool to be formed available to base their investment decision on and the Pool, once formed, may perform differently than expected by an initial Bonds Purchaser.

In the event the underlying Mortgage Loans have not been originated at the time of execution of the Final Terms, pool level data will be included in the monthly Portfolio and Performance Report immediately following the origination of the underlying Mortgage loans. The pool level data is updated for each monthly Portfolio and Performance Report, so that each monthly Portfolio and Performance Report provides a representative overview of the build-up of the Pool and how the Mortgage Loans that have been originated at such point in time are performing. However potential investors need to be aware that only as of the moment the Pool is fully formed, pool level data covering all underlying Mortgage Loans will become available.

Risks related to Eligible Investments

It is not certain, and no guarantees are given in this respect, that if an investor opts for Eligible Investments to be made by the Issuer in accordance with the applicable Final Terms, such Eligible Investments will yield a return. In the event no return is yielded, the return is lower than expected or negative, this may affect the Issuer's ability to make payments on the corresponding Bonds of the relevant Compartment.

The performance of the Bonds may be adversely affected by the recent conditions in the global financial markets (including but not limited to the UK's withdrawal from the EU (Brexit)) 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 globally. In particular, concerns have been raised with respect to continuing economic, monetary and political conditions in the region comprised of the Member States of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended (the **Eurozone**).

The market's anticipation of these (potential) impacts could have a material adverse effect on the business, financial condition and liquidity of, among others, the Seller and the Issuer Account Bank. In particular, these developments could disrupt payment systems, money markets, long-term or short-term fixed income markets, foreign exchange markets, commodities markets and equity markets, and adversely affect the cost and availability of funding. Certain impacts, such as increased spreads in money markets and other short term rates, have already been seen as a result of market expectations.

In the event of continued or increasing market disruptions and volatility (including as may be demonstrated by any default or restructuring of indebtedness by one or more Member States or institutions within those Member States and/or any changes to, including member states exiting the European Union or any break up of, the Eurozone), among others the Seller and the Issuer Account Bank may experience reductions in business activity, increased funding costs, decreased liquidity, decreased asset values, additional credit impairment losses and lower profitability and revenues, which may affect their ability to perform their respective obligations under the Transaction Documents and the Collective Mandate Documents.

In this respect it is noted that, pursuant to a referendum held in June 2016, the UK has voted to leave the European Union and the UK Government invoked article 50 of the Lisbon Treaty relating to withdrawal on 29 March 2017. Under article 50, the Treaty on the European Union and the Treaty on the Functioning of the European Union cease to apply in the relevant state from the date of entry into force of a withdrawal agreement or, failing that, two years after the notification of intention to withdraw, although this period may be extended in certain circumstances.

There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union. The negotiation of the UK's exit terms is likely to take a number of years. Until the terms and timing of the UK's exit from the European Union are clearer, it is not possible to determine the impact that the referendum, the UK's departure from the European Union and/or any related matters may have on the business of, among others, the Seller and the Issuer Account Bank. Failure to perform obligations under the Transaction Documents and the Collective Mandate Documents may adversely affect the performance of the Bonds. These factors and general market conditions could adversely affect the performance of the Bonds. There can be no assurance that governmental or other actions will improve these conditions in the future.

Downgrade of long-term ratings of Eurozone countries may adversely affect the market value of the Bonds

In response to the economic situation facing countries in the European Economic and Monetary Union, or Eurozone, based on factors including tightening credit conditions, higher risk premiums on Eurozone sovereigns and disagreement among European policy makers as to how best to address the declining market confidence with respect to the Eurozone, on 13 January 2012, S&P downgraded the long-term credit ratings on nine members of the Eurozone, including Austria, Cyprus, France, Italy, Malta, Portugal, Slovakia, Slovenia and Spain. In addition, on 18 April 2013, Fitch downgraded the long-term credit ratings on the United Kingdom. Further downgrades of the ratings of various Eurozone members may have an adverse effect on the market value and liquidity of fixed-income instruments generally, including the offered certificates. The Netherlands are currently rated 'AAA' by Fitch and S&P and 'Aaa' by Moody's with a stable outlook.

Risk that the Issuer is not able to redeem the Bonds at the Final Maturity Date

The ability of the Issuer to redeem all of the Bonds of a Compartment on the relevant Final Maturity Date in full and to pay all amounts due to the Bondholders, including after the occurrence of an Event of Default, may depend upon whether the collections under the Mortgage Receivables in the relevant Pool are sufficient to redeem the Bonds.

Risk of early redemption as a result of Clean-up Call Option or a sale of Mortgage Receivables to another Programme Investor or third party that is willing to become a Programme Investor as set out in the Mortgage Receivables Purchase Agreement

Should, in respect of a Compartment, the Issuer exercise its Clean-up Call Option or should the Issuer, upon the Bondholders of a Compartment having taken an Unanimous Resolution to that effect, sell and assign all or some of the Mortgage Receivables to another Programme Investor or third party that is willing to become a Programme Investor as set out in the Mortgage Receivables Purchase Agreement, the Issuer will apply the proceeds of the sale of the relevant Pool of Mortgage Receivables towards full or partial, as the case may be, redemption of the Bonds of such Compartment. In these instances the Bonds of the relevant Compartment will or may, as the case may be, be redeemed prior to the Final Maturity Date and the amount available for redemption may not be sufficient for the Principal Amount Outstanding on the relevant Bonds to be paid in full.

Risk related to prepayments on the Mortgage Loans

The maturity of the Bonds of each Compartment will depend on, among other things, the amount and timing of payment of principal (including, among other things, full and partial prepayments, sale of the Mortgage

Receivables included in the relevant Pool by the Issuer, Net Foreclosure Proceeds upon enforcement of a Mortgage Receivable) on all Mortgage Receivables included in a Pool and the Outstanding Principal Amount of New Ported Mortgage Receivables and Further Advance Receivables offered by the Seller and purchased by the Issuer. The average maturity of the Bonds of a Compartment may also be adversely affected by a higher or lower than anticipated rate of prepayments on the relevant Mortgage Loans. The rate of prepayment of Mortgage Receivables is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates, changes in tax laws (including, but not limited to, amendments to mortgage interest tax deductibility), local and regional economic conditions, declines in real estate prices, lack of liquidity or bankruptcy of Borrowers, damage to or destruction of the Mortgaged Assets and changes in Borrowers' behaviour (including, but not limited to, home-owner mobility). No guarantee can be given as to the level of prepayment that the Mortgage Receivables may experience.

In general, prepayment penalties that are incorporated in mortgage loan contracts tend to lower prepayment rates in the Netherlands. Penalties are generally calculated as the net present value of the interest loss to the lender upon prepayment within a fixed rate period. Prepayment penalties are not applicable to mortgage loans with a floating rate. Prepayment penalties tend to impact borrower prepayment rates and lead to a higher number of redeemed mortgage loans at the end of an interest rate period.

The prepayment rates of mortgage loans of an originator further increase if at the end of an interest rate period an originator offers an interest rate higher than the mortgage rates offered by other mortgage lenders in the Netherlands. The prepayment rate will decrease if at the end of an interest rate period such originator offers interest rates lower than the mortgage rates offered by other originators. Lower rates of prepayment may lead to slower prepayments of the principal amounts outstanding in respect of mortgage loans in the Netherlands. As a result, the exposure of the Seller to the Borrowers of the Mortgage Loans tends to remain high over time and the Issuer will have a similar position following the purchase of Mortgage Receivables.

Risk related to funding the purchase of New Ported Mortgage Receivables or Further Advance Receivables by means of the Principal Ledger and the Pre-Funding Account

If the balance of the Further Advance and Unsold Property Portable Mortgage Account is not sufficient to satisfy the Relevant Purchase Price for the relevant New Ported Mortgage Receivables or Further Advance Receivables the Issuer Administrator, if so instructed by the Portfolio Manager, will subsequently transfer on behalf of the Issuer the amount requested by the Portfolio Manager from the Issuer Collection Account (if such amount is available on the relevant Principal Ledger)) and/or Pre-Funding Account (if such amount is available on the Pre-Funding Account) to the Further Advance and Unsold Property Portable Mortgage Account which amount can be used to satisfy the Relevant Purchase Price. Debiting the relevant Principal Ledger relating to the Issuer Collection Account and/or Pre-Funding Account could result in an increased weighted average life of the Bonds as these amounts cannot be used towards satisfaction of principal amounts due under the Bonds at such time.

Risks related to Interest-only Mortgage Loans

A portion of the Mortgage Loans (or parts thereof) may be in the form of Interest-only Mortgage Loans. Under an Interest-only Mortgage Loan, the Borrower is not obliged to pay principal towards redemption of the relevant Mortgage Loan. Interest is payable monthly and is calculated on the Outstanding Principal Amount of the Mortgage Loan (or relevant part thereof). The ability of a Borrower to repay an Interest-only Mortgage Loan at maturity will often depend on such Borrower's ability to refinance or sell the Mortgaged Asset or to obtain funds from another source. If a Borrower is not able to do so this may ultimately result in a reduction of amounts available to the Issuer and adversely affect its ability to make payments under the Bonds.

Risk that changes of law will have an adverse effect on the Bonds

The structure of the issue of each Compartment of Bonds is based on Dutch law as in effect at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to Dutch law, or to administrative practice in the Netherlands after the date of this Base Prospectus.

Currently, the laws, regulations and administrative practices relating to mortgage-backed securities such as the Bonds are in a significant state of flux in Europe and it is impossible for the issuer to predict how these changes may, in the future, impact investors in the Bonds, whether directly or indirectly.

The obligations of the Issuer under the Bonds are limited recourse

Each of the Bondholders shall only have recourse in respect of any claim against the Issuer in relation to the specific Compartment to which the Bonds relate and in accordance with the relevant Priority of Payments (see Section 5.3 (*Priorities of Payments*)). The Bondholders and the other Secured Creditors shall not have recourse on any assets of the Issuer other than the Mortgage Receivables of the Pool connected to the relevant Compartment and any claims of the Issuer resulting from agreements entered into in connection with such Compartment and the purchase of such Mortgage Receivables. The Bondholders and the other Secured Creditors of such Compartment do not have recourse on the assets of any other Compartment. However, some claims of the Issuer resulting from certain agreements which cannot be attributed to a specific Compartment will be applied on a *pro rata* basis of the Principal Amount Outstanding on the Bonds of each Compartment and, in respect of claims under the Collective Mandate Documents to the extent they relate to all Programme Investors, on a *pro rata* basis for all Programme Investors. In the event that the Security in respect of the Compartment has been fully enforced and the proceeds of such enforcement, after payment of all other claims ranking under the relevant Trust Deed in priority to the Bonds are insufficient to pay in full all principal and other amounts whatsoever due in respect of such Bonds, the Bondholders shall have no further claim against the Issuer, the Security Trustee or any other party in respect of any such unpaid amounts (see Condition 11 (*Limited Recourse*)).

Risk related to absence of Mortgage Reports

Pursuant to the Trust Deed, in case the Issuer Administrator does not receive a Mortgage Report in respect of a Compartment from the Servicer with respect to a Monthly Calculation Period, the Issuer Administrator shall have the right to calculate and determine the Available Revenue Funds, the Available Principal Funds and all amounts payable under the relevant Transaction Documents in respect of such Compartment using the most recent Mortgage Reports available in respect of the preceding Monthly Calculation Period(s) in accordance with the Administration Agreement.

When the Issuer Administrator receives the Mortgage Reports relating to the Monthly Calculation Period for which such calculations have been made, it will make reconciliation calculations and reconciliation payments and credit or debit, as applicable, such amounts from the Interest Reconciliation Ledger and the Principal Reconciliation Ledger as set out in the Administration Agreement. Any (i) calculations properly done in accordance with the Trust Deed and in accordance with the Administration Agreement, and (ii) payments made and payments not made under any of the Bonds and Transaction Documents in accordance with such calculations and (iii) reconciliation calculations and reconciliation payments made or payments not made as a result of such reconciliation calculations, each in accordance with the Administration Agreement, shall be deemed to be done, made or not made, in accordance with the provisions of the Transaction Documents and the Collective Mandate Documents and will in themselves not lead to an event of default or any other default or termination event under any of the Transaction Documents or the Collective Mandate Documents or breach of any triggers included therein (including but not limited to Assignment Notification Events and Pledge Notification Events). Therefore there is a risk that the Issuer pays out less or more interest, if any, and, respectively, less or more principal on the Bonds than would have been payable if Mortgage Reports were available.

Risks related to the limited liquidity of the Bonds

The secondary market for the mortgage-backed securities may experience limited liquidity. Limited liquidity in the secondary market for mortgage-backed securities has had a severe adverse effect on the market value of mortgage-backed securities. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of mortgage-backed securities, 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. Consequently, an investor in a Compartment of Bonds may not be able to sell its Bonds readily. The market values of the Bonds are likely to fluctuate and may be difficult to determine. Any of these fluctuations may be significant and could result in significant losses to such investor. In addition, the forced sale into the market of mortgage-backed securities held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that are experiencing funding difficulties could adversely affect an investor's ability to sell, and/or the price an investor receives for, the Bonds in the secondary market. Thus, Bondholders bear the risk of limited liquidity of the secondary market for mortgage-backed securities and the effect thereof on the value of the Bonds.

Risks related to the trading prohibition applicable to the Bonds

Investors need to be aware that the Terms and Conditions of the Bonds prohibit trading of the Bonds as long as it has not been confirmed in a Portfolio and Performance Report that all Mortgage Receivables that will initially form the related Pool have been sold and assigned to the Issuer, so for that period of time the initial Bonds Purchasers bear the risk of the absence of a secondary market for the Bonds and the effect thereof on the liquidity of the Bonds.

Risk related to the Bonds held in global form

Bonds issued under the Programme in respect of a Compartment will be represented on issue by one or more Global Bonds that may be deposited with Euroclear Netherlands or with a common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in each Global Bond, investors will not be entitled to receive Bonds in definitive form. For as long as any Bonds are represented by a Global Bond held by Euroclear or Clearstream, Luxembourg, each of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Bond held through it. While the Bonds are represented by a Global Bond, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Bonds are represented by Global Bonds, the Issuer will discharge its payment obligation under the Bonds by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Bond must rely on the procedures of the relevant clearing system and its participants to receive payments under the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Bond.

Holders of beneficial interests in a Global Bond will not have a direct right to vote in respect of the Bonds so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Bonds which are represented by a Global Bond will be transferable only in accordance with the rules and procedures of the relevant clearing system.

Thus, the Bondholders will have to rely on the procedures of such clearing system for transfers, payments and communications from the Issuer, which may cause the Issuer being unable to meet its obligations under the Bonds.

Bondholders may not receive and may not be able to trade Bonds in definitive form

It is possible that the Bonds may be traded in amounts that are not integral multiples of the Minimum Denomination as specified in the applicable Final Terms. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than such Minimum Denomination in its account with the relevant clearing system in case Bonds in definitive form are issued may not receive a Bond in definitive form in respect of such holding (should Bonds in definitive form be issued) and may need to purchase a principal amount of Bonds such that its holding amounts to at least the Minimum Denomination. If Bonds in definitive form are issued, holders should be aware that Bonds in definitive form which have a denomination that is not an integral multiple of the Minimum Denomination may be illiquid and difficult to trade.

The Security Trustee is not obliged to act in certain circumstances

At any time following the occurrence of an Event of Default in respect of one or more Compartments, the Security Trustee at its discretion may, or if so directed by an Extraordinary Resolution of the Bondholders of the relevant Compartment(s) (subject, in each case, to being indemnified to its satisfaction) shall (but in the case of the occurrence of any of the events mentioned in Condition 12(b) (*Events of Default*), only if the Security Trustee shall have certified in writing to the Issuer that such an event is, in its opinion, materially prejudicial to the Bondholders) deliver an Enforcement Notice to the Issuer. At any time after the Enforcement Date, the Security Trustee may at its discretion, and without further notice, take such proceedings as it may think fit against the Issuer to enforce the terms of the relevant Trust Deed, the relevant Parallel Debt Agreement, including the making of a demand for payment thereunder, the relevant Pledge Agreements, the Bonds of the relevant Compartment and any of the other Transaction Documents or Collective Mandate Documents to which the Security Trustee is a party. However the Security Trustee shall not be bound to take any such proceedings unless (a) it shall have been directed to do so by an Extraordinary Resolution of the Bondholders of such Compartment(s) and (b) it shall have been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

The Security Trustee may or, in certain circumstances, shall agree to modifications, waiver or authorisations without the Bondholders' prior consent

Pursuant to the terms of the relevant Trust Deed, the Security Trustee may agree without the consent of the Bondholders of a Compartment to (i) any modification of any of the provisions of the relevant Trust Deed, the Bonds or any other Transaction Document which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the relevant Trust Deed, the Bonds or any other Transaction Document which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Bondholders. Any such modification, authorisation or waiver shall be binding on the Bondholders and other Secured Creditors and, if the Security Trustee so requires, such modification shall be notified to the Bondholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

No Gross-up for Taxes

As provided in Condition 8 (*Taxation*), if withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or changes of whatever nature are imposed by or on behalf of the Netherlands, any authority therein or thereof having power to tax, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Bondholders, as the case may be, and shall not be obliged to pay any additional amounts to the Bondholders.

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

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it

makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Bonds, such withholding would not apply prior to 1 January 2019 and Bonds issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA Withholding unless materially modified after such date.

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 Bonds, neither the Issuer nor any paying agent nor any other person would, pursuant to the Terms and Conditions of the Bonds, be required to pay additional amounts as a result of the 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 own tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Bonds.

Regulatory initiatives may have an adverse impact on the regulatory treatment of the Bonds

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

In particular, investors should note that the Basel Committee on Banking Supervision (**BCBS**) has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as **Basel III**), including certain revisions to the securitisation framework. Basel III provides for a substantial strengthening of existing prudential rules, including new 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 (referred to as the Liquidity Coverage Ratio (**LCR**) and the Net Stable Funding Ratio (**NSFR**)). BCBS member countries agreed to implement Basel III from 1 January 2013, subject to transitional and phase-in arrangements for certain requirements (e.g. the LCR requirements refer to implementation from the start of 2015, with full implementation by January 2019, and the NSFR requirements refer to implementation from January 2018). As implementation of any changes to the Basel framework (including those made via Basel III) requires national legislation, the final rules and the timetable for its implementation in each jurisdiction, as well as the treatment of asset-backed securities (e.g. as LCR eligible assets or not), may be subject to some level of national variation.

On 23 November 2016, the European Commission announced a further package of reforms to, amongst others, the regulations implementing Basel III, including measures to increase the resilience of EU

institutions and enhance financial stability, potentially resulting in changes to the regulatory capital framework, a binding leverage ratio of 3 per cent, the introduction of a binding minimum NSFR of 100 per cent and the implementation of the Basel's committee fundamental review of the trading book into law (**EU Banking Reforms**). The text relating to the EU Banking Reforms entered into force on 27 June 2019. The majority of the rules apply from 18 months after that date.

In addition, prospective investors should note that the BCBS published several consultation documents for amendment of Basel III. On 7 December 2017, the BCBS published a package of amendments to Basel III as improvements to the global regulatory framework (**Basel III Reforms**) (informally referred to as Basel IV). Basel III Reforms seeks to restore credibility in the calculation of risk weighted assets (**RWA**) and improve the comparability of banks' capital ratio. The most important changes involve stricter rules for internal models. Internal models for operational risk will no longer be permitted; a standardised approach must be applied instead. The rules for calculating RWAs for credit risk will be tightened, under the standardised approach as well as under the internal ratings-based (IRB) approach. The implementation of the Basel III Reforms will be subject to transitional and phase-in arrangements as of 1 January 2022, with full implementation as of 1 January 2027. Although the impact of the Basel III Reforms remains subject to considerable uncertainty, the implementation of the Basel III Reforms could have significant impact on the calculation of certain prospective investor's RWA.

It should also be noted that changes to regulatory capital requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe.

Legal investment considerations may restrict certain investments in the Bonds

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

Forecasts and estimates

This Base Prospectus contains forecasts and estimates which constitute forward-looking statement. Such statements appear in a number of places in this Base 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 Bonds, the Seller or the Dutch residential mortgage loan industry to differ materially from any future results or performance expressed or implied in the forward-looking statements and estimate. These risks, uncertainties and other factors include, among other things: general economic and business conditions in and outside the Netherlands; currency exchange and interest rate fluctuations; government, statutory, regulatory or administrative initiatives affecting the Seller; changes in business strategy, lending practices or customer relationships; and other factors that may be referred to in this Base Prospectus. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of any Bonds 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 this Section 2 (*Risk Factors*), and you are encouraged to consider those factors carefully prior to making an investment decision. 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 Base 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 Base Prospectus. The Issuer expressly disclaims 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, expectations with regard thereto or any change in events, conditions or circumstances after the date of this Base Prospectus on which any such statement is based. These statements reflect the Issuer's current views with respect to such matters.

Proposed and new legislation dealing with ailing financial institutions give regulators resolution powers which may result in losses to, or otherwise affect rights of, Bondholders

The Wft contains far-reaching intervention powers for (i) DNB with regard to a bank or insurer and (ii) the Minister of Finance with regard to amongst others a bank or insurer, in particular. These powers include (amongst others) (i) powers for DNB with respect to a bank which it deems to be potentially in financial trouble, to procure that all or part of the deposits held with such bank and/or other assets and liabilities of such bank, are transferred to a third party and (ii) extensive powers for the Minister of Finance to intervene at financial institutions if the Minister of Finance deems this necessary to safeguard the stability of the financial system. In order to increase the efficacy of these intervention powers, the Wft contains provisions restricting the ability of the counterparties of a bank or insurer to invoke (i) certain contractual provisions without prior DNB consent or (ii) notification events, which are triggered by the bank or insurer being the subject of certain events or measures pursuant to the Wft (*gebeurtenis*) or being the subject of any similar event or measure under foreign law. However, subject to applicable insolvency laws, the Issuer's right to invoke or enforce provisions of the relevant Transaction Documents or the relevant Collective Mandate Documents against such contracting parties falling within the scope such as the Issuer Account Bank would in principle not be affected by the Wft if the exercise of those Issuer's rights is based on grounds other than the intervention by DNB or the Minister of Finance under the Wft (for example, on the basis of a payment default or a credit ratings downgrade not related to or resulting from intervention pursuant to the Wft).

On 6 June 2012, the European Commission issued a proposal for the Bank Recovery and Resolution Directive (**BRRD**) for dealing with ailing banks. The BRRD was adopted by the Council on 6 May 2014 and was published in the Official Journal of the EU on 12 June 2014. Furthermore, the European Parliament has adopted Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and an uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (**SRM**). The SRM implements the BRRD in the participating member states. The BRRD gives regulators powers to write down debt (or to convert such debt into equity) of ailing banks, certain investment firms and their holding companies (but excluding insurance companies) to strengthen their financial position and allow such institutions to continue as a going concern subject to appropriate restructuring. The BRRD has been implemented in the Netherlands. The Dutch Minister of Finance has designated DNB as the national resolution authority under the BRRD. DNB has assumed its duties as national resolution authority as of 1 January 2015.

Especially under the resolution phase DNB and, where applicable the Single Resolution Board, has far reaching powers and tools. In addition to the sale of business, the bridge institution and the asset separation tool, which resemble the powers of DNB under the Wft, the bail-in tool has been introduced, under which eligible liabilities of a failing institution may be written down or converted. Bail-in can apply to the institution's capital instruments, but also other liabilities, insofar as they are not excluded. In addition, the framework has implications for the exclusion and suspension of contractual rights and the safeguards for contractual counterparties.

If at any time any resolution powers were used by DNB or, as applicable, the Minister of Finance, the Single Resolution Board or any other relevant authority in relation to a counterparty of the Issuer pursuant to the Wft, the BRRD, the SRM or otherwise, this could result in losses to, or otherwise affect the rights of, Bondholders.

RISK FACTORS REGARDING THE MORTGAGE RECEIVABLES

Risk related to payments received by Seller prior to Transfer Date

If the Issuer uses (part of) the proceeds of an issue of Bonds of a Compartment to pay the Relevant Purchase Price for Mortgage Receivables that have been allocated to the Issuer and that relate to Mortgage Loans that are to be newly originated by the Seller, the relating mortgage rights may not yet have been vested. To mitigate this risk, the Existing Rights are transferred to the Issuer on each relevant Transfer Date.

Risk related to payments received by the Seller prior to notification of an Assignment to the Issuer

Under Dutch law, assignment of the legal title of claims, such as the Mortgage Receivables in a Pool, can be effectuated by means of a notarial deed of assignment or a private deed of assignment and registration thereof with the appropriate tax authorities, without notification of the assignment to the debtors being required (*stille cessie*). The legal title of the Mortgage Receivables will be assigned on the relevant Transfer Date by the Seller to the Issuer by way of undisclosed assignment (*stille cessie*) by means of a private deed of assignment which is registered on the relevant Transfer Date with the Dutch tax authorities. The Mortgage Receivables Purchase Agreement will provide that each assignment will not be notified by the Seller or, as the case may be, the Issuer, to the Borrowers except that notification of the assignment of the Mortgage Receivables may be made upon the occurrence of any of the Assignment Notification Events relating to the relevant Compartment. For a description of these notification events reference is made to Section 7.1 (*Purchase and Sale*).

Until notification of an Assignment, the Borrowers under such Mortgage Receivables can only validly pay to or to the order of the Seller in order to fully discharge their payment obligation (*bevrijdend betalen*) in respect thereof. If the Seller has received any such amounts and is declared bankrupt prior to making such payments to the Issuer, the Issuer has no right of any preference in respect of such amounts and thus has a credit risk against the Seller in respect of such amounts.

Payments made by Borrowers to the Seller prior to notification of an Assignment, but after bankruptcy in respect of the Seller having been declared, will be part of 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.

The risks set out in the preceding two paragraphs, are mitigated by the following. Each Borrower has given a power of attorney to the Servicer to directly debit his account for amounts due under the relevant Mortgage Loan. The Servicer has undertaken to directly debit all amounts of principal and interest to the Collection Foundation Account, maintained by the Collection Foundation, which is a bankruptcy remote foundation (*stichting*). In addition, the Seller has represented that it has given and will give instructions to the relevant Insurance Companies to pay any amounts in respect of the Beneficiary Rights into the Collection Foundation Account. The Collection Foundation will have a claim against the Collection Foundation Account Provider (or its successor) as the bank where such accounts are held, in respect of the balance standing to credit of the Collection Foundation Account.

The Issuer has been informed that in the event of a bankruptcy of the Seller any amounts standing to the credit of the Collection Foundation Account relating to the relevant Mortgage Receivables will not form part of the bankruptcy estate of the Seller.

The Collection Foundation is established as a passive bankruptcy remote entity. The objectives clause of the Collection Foundation is limited to collecting, managing and distributing amounts received on the Collection Foundation Account to the persons who are entitled to receive such amounts pursuant to the Receivables Proceeds Distribution Agreement.

Upon receipt thereof, the Collection Foundation will distribute to the Issuer or, after the delivery of an Enforcement Notice, to the Security Trustee, on or prior to any Mortgage Collection Payment Date any and all amounts relating to the relevant Mortgage Receivables received by it on the Collection Foundation Account during the immediately preceding or then current Monthly Calculation Period, in accordance with the relevant provisions of the Receivables Proceeds Distribution Agreement. Pursuant to the Receivables Proceeds Distribution Agreement, the Transaction Servicer and, when the Transaction Servicer ceases to be the administrator for the collection foundation, a new entity appointed for such purpose will perform such payment transaction services on behalf of the Collection Foundation independent of the Seller or the Issuer.

There is a risk that the Seller (prior to notification of an 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*). This risk is, however mitigated by the following. Firstly, the Seller has under the Receivables Proceeds Distribution Agreement undertaken to the Issuer and the Security Trustee not to amend the payment instructions and not to redirect cash flows to the Collection Foundation Account in respect of the Mortgage Receivables to another account, without prior approval of the Issuer and the Security Trustee. In addition, the Servicer and the Collection Foundation have undertaken to not follow instructions from the Seller or any third party to cause the transfer of amounts in respect of the Mortgage Receivables to be made to another account than the Collection Foundation Account without prior approval of the Issuer and the Security Trustee. Notwithstanding the above, the Seller is obliged to pay to the Issuer any amounts received in respect of the Mortgage Receivables which were not paid on a Collection Foundation Account, but to the Seller directly upon receipt thereof.

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 existing or hereafter to the extent arising from or in connection with the Collection Foundation Account will be pledged to the Issuer and any other beneficiaries of mortgage receivables owned or sold by the Seller in view of the (remote) bankruptcy risk of the Collection Foundation, in accordance with the Collection Foundation Account Pledge Agreement.

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

Under Dutch law a debtor has a right of set-off if it has a claim that corresponds to its debt owed to the same counterparty and it is entitled to pay its debt as well as to enforce its claim. Subject to these requirements being met, each Borrower will be entitled to set off amounts due to it by the Seller (if any) with amounts it owes in respect of the Mortgage Receivable prior to notification of the relevant assignment of the Mortgage Receivable originated by it. As a result of the set-off of amounts due and payable by the Seller to the Borrower with amounts the Borrower owes in respect of the Mortgage Receivable, the Mortgage Receivable will, partially or fully, be extinguished (*gaat teniet*). Set-off by Borrowers could thus lead to losses under the Bonds.

The Mortgage Conditions applicable to the Mortgage Loans provide that payments by the Borrowers should be made without set-off. Although this clause is intended as a waiver by the Borrowers of their set-off rights *vis-à-vis* the Seller, under Dutch law it is doubtful whether such waiver will be valid. Should such waiver be invalid, the Borrowers will have the set-off rights described in this paragraph.

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

If notification of an Assignment is made after the bankruptcy of the Seller having become effective, it is defended in legal literature that the Borrower will, irrespective of the notification of an Assignment, continue to have the broader set-off rights afforded to it in the Dutch Bankruptcy Code. Under the Dutch Bankruptcy Code a person who/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.

Assuming the Seller has complied with its contractual and statutory obligations in respect of the Mortgage Loans and assuming it has no other legal relationships with the Borrower the set-off risk would seem of a theoretical nature only. In this respect, the Seller has represented in the Mortgage Receivables Purchase Agreement that it shall not acquire any Other Claims as against the Borrowers.

Long lease

The mortgage rights securing a Mortgage Loan may be vested on a long lease (*erfpacht*), as further described in Section 6.1 (*Description of Mortgage Loans*).

A long lease will, among other things, end as a result of expiration of the long lease term (in the case of a lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease if the leaseholder has not paid the remuneration due for a period exceeding two consecutive years or seriously breaches (*in ernstige mate tekortschiet*) other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the mortgage right will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder on the landowner for such compensation. The amount of compensation will, among other things, be determined by the conditions of the long lease and may be less than the market value of the long lease.

When underwriting a Mortgage Loan to be secured by a mortgage right on a long lease, the Seller will take into consideration certain conditions, in particular the term of the long lease. The Mortgage Conditions provide that a Mortgage Loan will become immediately due and payable, among other things, if the long lease terminates, the conditions thereof change or are not adhered to, or if the borrower acquires the ownership (*bloot eigendom*) of the asset without granting a mortgage over the asset.

Accordingly, certain Mortgage Loans may become due and payable prematurely as a result of early termination of a long lease. In such event there is a risk that the Issuer will upon enforcement receive less than the market value of the long lease, which could lead to losses under the Bonds.

Risk that Borrower Insurance Pledges will not be effective

All rights of a Borrower under the Risk Insurance Policies have been pledged to the Seller under a Borrower Insurance Pledge. The right to receive payment under the Risk Insurance Policies will probably be regarded by a Netherlands court as a future right. The pledge of a future right is, under Dutch law, not effective if the pledgor is declared bankrupt, granted a suspension of payments or a debt restructuring scheme pursuant to the Dutch Bankruptcy Code, or is subject to emergency regulations, prior to the moment such right comes into existence. This means that it is uncertain whether such pledge will be effective. Accordingly, the Issuer's rights under Risk Insurance Policies pledged by Borrowers may be subject to limitations under Dutch insolvency law, which may, in turn, lead to losses under the Bonds.

Risks relating to Beneficiary Rights under the Insurance Policies

The Seller has been appointed as beneficiary under the Risk Insurance Policies up to the amount owed by the Borrowers to the Seller at the moment when the insurance proceeds under the Risk Insurance Policies become due and payable by the relevant Risk Insurance Company. The Beneficiary Rights will, to the extent legally possible, be assigned by the Seller to the Issuer and will be pledged by the Issuer to the Security Trustee (see Section 4.7 (*Security*)), but it is uncertain whether this assignment and pledge will be effective. If an Assignment and pledge is not effective this may eventually lead to Losses under the Bonds.

Limited remedies available to the Issuer in respect of any breach of Mortgage Loan representations or warranties

No remedy for breach of Mortgage Loan representations or warranties are available, save where any Loss is incurred as a result of any gross negligence (*grove nalatigheid*), wilful misconduct (*opzet*), fraud (*fraude*) or breach in any respect (*wanprestatie*) by the Seller of any of the representation and warranties, unless in case of such a breach the Seller proves that such Loss is not attributable to it (*toerekenbaar*) (see further *Risks in relation to breach of representations and warranties*).

Limited Resources of the Seller

The Seller has been established and is intended to be a thinly capitalised company. It has limited funds and resources available to it at any time to satisfy any obligations owing by it under or in connection with any Transaction Documents and the Collective Mandate Documents or for any other reason.

The obligations of the Seller are not guaranteed nor will they be the responsibility of any person other than the Seller, and, as such 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 discharge its obligations to make or to make any indemnity payments under the Mortgage Receivables Purchase Agreement or any other Transaction Document or Collective Mandate Document.

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 resources available to it at the time. Potential investors should evaluate the risk of an investment in the Bonds on the basis that the Issuer will have limited or no recourse to the Seller.

Loan-to-value ratios are calculated based on appraised value, which may not be an accurate reflection of current market value

The original loan-to-value ratios that are disclosed when Bonds are issued under this Base Prospectus are determined based on appraisals obtained at origination of such Mortgage Loans. Appraisals are opinions of the appraisers as of the date they were prepared and may not accurately reflect the value or condition of the mortgaged property, particularly during periods of volatility in the applicable real estate market (whether local, regional or national). The loan-to-value ratios that are disclosed when Bonds are issued under this Base Prospectus may be higher, in some cases significantly higher, than the applicable loan-to-value ratios that would be determined if current appraised values of the mortgaged properties were used to determine those ratios. Prospective Bondholders should consider that if an appraisal overestimates the prices at which mortgaged properties are actually sold, the proceeds of the mortgage loans may be significantly less than anticipated by Bondholders.

Bondholders are encouraged to make their own determination as to the degree of reliance they place on the loan-to-value ratios that are disclosed to them when contemplating an investment in a Compartment of Bonds issued under this Base Prospectus.

Risk that interest rate reset rights will not follow Mortgage Receivables

A good argument can be made that the right to reset the mortgage interest rate should be considered as an ancillary right and follows the Mortgage Receivables upon their assignment to the Issuer and the pledge to the Security Trustee, but in the absence of case law or legal literature, this is not entirely certain. To the extent the interest rate reset right passes upon an Assignment of the Mortgage Receivables to the Issuer or upon the pledge of the Mortgage Receivables to the Security Trustee, such assignee or pledgee will be bound by the contractual provisions relating to the reset of interest rates. If the interest reset right remains with the Seller, the co-operation of the bankruptcy trustee (in bankruptcy) or administrator (in moratorium) would be required to reset the interest rates.

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

Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks. This may be due to, among other things, market interest rates, general economic conditions, the financial standing of Borrowers and similar factors. Other factors such as loss of earnings or liquidity, illness, divorce and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers and could ultimately have an adverse impact on the ability of Borrowers to repay their Mortgage Receivables.

The ultimate effect of the credit, liquidity and interest risks described in this risk factor could lead to delayed and/or reduced amounts received by the Issuer which as a result could lead to delayed and/or reduced payments on the Bonds and/or the increase or decrease of the rate of repayment of the Bonds.

Risk related to Construction Deposits

Pursuant to the Mortgage Conditions, the Borrowers have the right to request that part of the Mortgage Loan is withheld as a Construction Deposit.

If the Seller is subsequently unable to pay the relevant amount of Construction Deposit to the Borrowers, the Borrowers may invoke defences or set-off such amounts with their payment obligations under the Mortgage Loans. This risk is mitigated as follows. The Issuer and the Seller have agreed in the Mortgage Receivables Purchase Agreement that the Issuer shall withhold from the Relevant Purchase Price for the relevant Mortgage Receivables to be assigned on the relevant Transfer Date an amount equal to any Construction Deposit and that such amount will be deposited by the Issuer or remain to be deposited on the relevant Construction Deposit Account relating to the Compartment of the applicable Mortgage Loan.

On a daily basis, the Servicer, on behalf of the Issuer, may debit from the relevant Construction Deposit Account such part of the Relevant Purchase Price which equals the difference between the Aggregate Construction Deposit Amount relating to the relevant Mortgage Receivables and the balance standing to the credit of the relevant Construction Deposit Account, and pay such amount to the Seller, except if and to the extent the Borrower has invoked set-off or defences.

Construction Deposits have to be paid out after the building activities or renovation activities have been finalised, but ultimately within nine months for rebuilding and eighteen months for new development. The period in which the Construction Deposit may be drawn by a Borrower may be extended by agreement among the Borrower and the Seller beyond the prescribed nine or eighteen month period, for a period of six months. In limited circumstances, including among other things, delays to construction due to adverse weather conditions, for medical reasons, limited capacity of the construction company and delays in obtaining building permits an additional extension is granted. A Borrower will receive interest in respect of the Construction Deposit during the initial nine or eighteen month period. However, during any period of extension, the Borrower will not receive any interest in respect of the Construction Deposit. Upon the expiry of any such period, the remaining Construction Deposit will be set off against the Mortgage Receivable up to the amount of the Construction Deposit, in which case the Issuer shall have no further obligation towards the Seller to pay the remaining part of the Relevant Purchase Price, and consequently any remaining part of the amounts of the relevant Construction Deposit Account will be treated as Available Principal Funds. If an

Assignment Notification Event set out under item (a) (see Section 7.1 (*Purchase and Sale*)) has occurred, the Issuer will no longer be under the obligation to pay such remaining part of the Relevant Purchase Price, and the remaining Aggregate Construction Deposit Amount will be treated as Available Principal Funds.

The amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the 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 would exceed 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 Bondholders.

No investigations in relation to the Mortgage Loans and the Mortgaged Assets

None of the Issuer, the Security Trustee or any other person has undertaken or will undertake an investigation, searches or other actions to verify the statements of the Seller concerning itself, the Mortgage Loans, the Mortgage Receivables and the Mortgaged Assets of the connected Pool. The Issuer and the Security Trustee will rely solely on representations and warranties given by the Seller in respect thereof and in respect of itself.

Risks of Losses associated with declining values of Mortgaged Assets

The security for the Bonds created pursuant to the Issuer Mortgage Receivables Pledge Agreement may be affected by, among other things, a decline in the value of the Mortgaged Assets. 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. No assurance can be given that values of the Mortgaged Assets have remained or will remain at the level at which they were on the date of origination of the related Mortgage Loans. A decline in value may result in losses to the Bondholders of a Compartment if the relevant security rights on the Mortgaged Assets of the connected Pool are required to be enforced. The Seller will not be liable for any losses incurred by the Issuer in connection with the Mortgage Receivables.

Risks that the foreclosure proceeds will be insufficient

There can be no assurance that, on 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 or that the proceeds upon foreclosure will be equal to at least the foreclosure value of such Mortgaged Asset (see Section 6.1 (*Description of Mortgage Loans*)) and it is likely that the proceeds will be below the market value.

The higher the Original Loan to foreclosure value ratio or the Current Loan to foreclosure value ratio is, the higher the possibility that this risk will materialise. Materialisation of this risk may lead to losses under the Bonds.

Accordingly, there is a risk that, on the enforcement of security over the relevant property 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 may lead to losses under the Bonds.

There have been, and will be, changes to the maximum rate against which mortgage loan interest payments may be deducted for Dutch income tax purposes

The Dutch tax system allows borrowers to deduct, subject to certain limitations, mortgage loan interest payments for owner-occupied residences from their taxable income. The period allowed for deductibility is restricted to a term of 30 years. Since 2004, the Dutch income tax deductibility of mortgage interest payments has been restricted under the so-called additional borrowing regulation (*bijleenregeling*). On the

basis of this regulation, if a home owner acquires a new home and realises a surplus value on the sale of his old home in respect of which Interest payments were deducted from taxable income, the interest deductibility is limited to the interest that relates to an amount equal to the purchase price of the new home less the net surplus value realized on the sale of the old home. Special rules apply to moving home owners that do not (immediately) sell their previous home.

As of 1 January 2013, deductibility of interest payments in respect of newly originated mortgage loans will only be available for mortgage loans which amortise over 30 years or less and are repaid on at least an annuity basis.

In addition to these changes, two further restrictions on deductibility of mortgage loan interest payments have entered into force. The first restriction, which entered into force per 1 January 2014, gradually reduces the tax rate against which mortgage interest payments can be deducted at a rate of 0.5 per cent-point each year, which will result in a reduction from the main income tax rate of 52 per cent. down to 38 per cent. in 2041. The second restriction was part of the measures presented with the 2019 Tax Bill (*Belastingplan 2019*) and was enacted into law by the Dutch parliament on 18 December 2018. In this Tax Bill the government announced that from 1 January 2020, the annual 0.5 per cent. decrease of the interest deductibility for mortgage loans will be accelerated to 3 per cent. per year for a four-year period, until the rate is equal to the new first-bracket income tax rate of 37.05 per cent. in 2023.

These changes and any other or further changes in the tax treatment of mortgage loan interest payment deductibility could ultimately have an adverse impact on the ability of Borrowers to pay interest and principal on their Mortgage Loans. In addition, changes in tax treatment may lead to different prepayment behaviour by Borrowers on their Mortgage Loans resulting in higher or lower prepayment rates of such Mortgage Loans.

Dutch tax risks related to the government's policy intentions for tax reform

On 10 October 2017, the Dutch government released their coalition agreement (*regerakkoord*) 2017-2021, which included, amongst other items, certain policy intentions for tax reform.

One policy intention relates to the introduction of a conditional withholding tax on interest paid to creditors in low-tax jurisdictions or non-cooperative jurisdictions as of 2021 and may therefore become relevant in the context of the Dutch tax treatment of the Issuer, the Bonds and/or payments under the Bonds. A legislative proposal that introduced a similar conditional withholding tax on dividends and the supporting parliamentary documents thereto mentions that, like the conditional dividend withholding tax, this interest withholding tax would only apply to certain payments made by a Dutch entity directly or indirectly to a related entity in a low-tax or non-cooperative jurisdiction. However, it cannot be ruled out that it will have a wider application and, as such, it could potentially be applicable to payments in respect of the Bonds.

Another policy intention relates to the introduction of a "thin capitalisation rule" that would limit the deductibility of interest payments for Dutch corporate income tax purposes relating to debt exceeding 92 per cent. of a taxpayer's commercial balance sheet total. Although the thin capitalisation rule is primarily aimed at banks and insurers, it may become applicable to other taxpayers, including the Issuer.

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

The Seller has represented or will be required to represent, as the case may be that, when originating Mortgage Loans, New Ported Mortgage Loans and Further Advances, it did so in accordance with underwriting criteria and procedures it has established. The underwriting criteria and procedures may not have identified or appropriately assessed the risk that the interest and principal payments due on a Mortgage Loan (including a New Ported Mortgage Loan or a Further Advance) will be repaid when due, or at all, or whether the value of the Mortgaged Asset will be sufficient to otherwise provide for recovery of such amounts. To the extent exceptions were made to the Seller's underwriting criteria and procedures in originating a Mortgage Loan (including a New Ported Mortgage Loan or a Further Advance), those

exceptions may increase the risk that principal and interest amounts may not be received or recovered and compensating factors, if any, which may have been the premise for making an exception to the underwriting criteria and procedures may not in fact compensate for any additional risk.

Valuations, risks of losses associated with declining property values and the effect on the housing market owing to weakening economic conditions

Valuations commissioned as part of the origination of Mortgage Loans, represent the analysis and opinion of the appraiser performing the valuation at the time the valuation is prepared and are not guarantees of, and may not be indicative of, present or future value. There can be no assurance that another person would have arrived at the same valuation, even if such person used the same general approach to and same method of valuing the property.

The security for the Bonds of a Compartment created under the Pledge Agreements may be affected by, among other things, a decline in the value of those properties subject to the Mortgages securing the Mortgage Receivables of the connected Pool and investments under the related Risk Insurance Policies. No assurance can be given that values of those properties have remained or will remain at the level at which they were on the date of origination of the related Mortgage Loans.

In addition, a forced sale of those properties may, compared to a private sale, result in a lower value of such properties. A decline in value may result in losses to the Bondholders if such security is required to be enforced. To the extent that specific geographic regions within the Netherlands have experienced or may experience in the future weaker economic conditions and housing markets than other regions, a concentration of the loans in such a region could exacerbate certain risks relating to the Mortgage Loans. These circumstances could affect receipts on the Mortgage Loans of a Pool and ultimately result in losses on the related Bonds. See further Section 6.1 (*Description of Mortgage Loans*).

Risks related to Portability

For Mortgage Receivables whereby the New Mortgaged Asset is purchased prior to the transfer of the Old Mortgaged Asset, the Borrower may have two Mortgage Loans outstanding with the Seller, in each case secured against separate Mortgaged Assets and this means an increased exposure of the Seller to such Borrower. If such Borrower would be unable to repay one of its Mortgage Loans this may have an adverse effect on the ability of the Issuer to make payments under the Bonds, however as at the date of this Prospectus, the Seller only offers the Sold Property Portability Option to Borrowers as a result of which this scenario cannot arise.

RISKS RELATING TO THE COLLECTIVE MANDATE PROGRAMME

The Collective Mandate Programme is a programme set up by the Portfolio Manager through which companies, pension funds and other financial institutions can, directly or indirectly (through a special purpose vehicle acting as purchaser or DCDMF), invest in Dutch residential mortgage loans and to which the Programme Investors are participating as party to the Collective Mandate Programme Agreement. The Issuer is only one of the Programme Investors that has acceded the Collective Mandate Programme and other Programme Investors may accede to the Collective Mandate Programme in the future. As such, an investor in the Programme is (indirectly) subject to the characteristics of the Collective Mandate Programme. This means, among other things, the following:

Amendments, variations, waivers and replacements

Pursuant to the terms of the Collective Mandate Programme Agreement, (i) the Servicer may make non material amendments to the Servicing Agreement and (ii) the Seller may agree to certain amendments, supplements, modifications, restatements and waivers without the prior approval of the Programme Investors Meeting if such amendment, restatement, modification, replacement or waiver is:

- (a) technical or administrative in nature, and not material; or
- (b) necessary to correct any manifest error; or
- (c) required as a result of changes in applicable laws or a written request by a supervisory authority.

Other amendments, restatements, modifications, replacements and/or waivers having a Material Adverse Effect need to be approved by the Programme Investors Meeting by way of an unanimous resolution or majority resolution depending on the kind of amendment, restatement, modification, replacement or waiver, which means that (i) resolutions the Issuer is in favour of may not be adopted and (ii) resolutions the Issuer is opposed to may be adopted. Furthermore, investors should note that only Programme Investors, among whom the Issuer, have a vote in the Programme Investors Meeting, and that as such, no investor under this Programme has a vote in the Programme Investors Meeting.

Risks in relation to the Allocation Procedure

The Issuer has as Programme Investor acceded to the Collective Mandate Programme and has committed to fund the origination of Mortgage Loans by purchasing Mortgage Receivables. If these Mortgage Receivables are purchased by the Issuer on an ongoing basis after the Issue Date of Bonds of a Compartment, the mortgage offer letters relating to Mortgage Receivables are allocated to the Issuer in respect of a Compartment in accordance with the Allocation Procedure set out in the Collective Mandate Programme Agreement. Under the Allocation Procedure, each week the Seller provides each Programme Investor, including the Issuer, with the mortgage offer letters that are allocated to such Programme Investor. Such mortgage offer letters are allocated to Programme Investors on a rotational basis, under the condition the corresponding mortgage application falls within such Programme Investors selection of interest rate periods and/or Risk Buckets. In order for the Issuer to build up a Pool of Mortgage Receivables in respect of a Compartment, the Issuer is dependent upon the Allocation Procedure for the purchase of Mortgage Receivables. Other than through unanimous vote in the Programme Investor Meeting, the Issuer cannot exert influence on (amendments being made to) the Allocation Procedure.

Risks relating to the procedure for resetting interest rates in respect of Mortgage Receivables purchased by the Issuer

The interest rate on the Mortgage Loans in respect of any Mortgage Receivable purchased by the Issuer will be reset at the end of an interest period (*rentevast periode*) in accordance with the Mortgage Interest Rate Policy. An investor in the Bonds has no influence on the rate of interest that is offered to the Borrowers, and other than through unanimous vote in the Programme Investor Meeting, the Issuer cannot exert influence on (amendments being made to) the Mortgage Interest Rate Policy. At the end of an interest period, the Borrower can select interest periods as offered by the Seller, whether or not such period is in line with the selection of the Programme Investor. As such, it is possible that an interest rate reset would result in the Issuer holding Mortgage Receivables that are not in line with its preferences. Furthermore, if the interest rate is reset at a rate which is lower than the previous interest rate, the Issuer would have less funds available to it as a result and this could reduce the rate of return, or otherwise cause losses to arise, in respect of the Bonds.

Risk in relation to breach of representations and warranties

In the event of a breach of representations and warranties under the Mortgage Receivables Purchase Agreement, the Seller is not obliged to repurchase and accept re-assignment of any Mortgage Receivables. Furthermore, the liability of the Seller is limited. The Seller has capped its aggregate liability which can be incurred towards the Issuer at EUR 2,500,000 per event and per calendar year for each Compartment, provided that the Issuer in relation to such Compartment shall not be entitled to recover any Loss unless the aggregate amount of such Loss of the Issuer in relation to such Compartment in any year (starting on the relevant Issue Date) exceeds the applicable Own Risk Amount, in which case the Issuer shall be entitled to recover only the amount of Loss exceeding the Own Risk Amount. As such, the Issuer will not be able to retransfer Mortgage Receivables that have caused a breach of any representations and warranties back to the

Seller and it is possible that the Issuer will not be able to claim sufficient damages following from such breach, which may have an adverse effect on its ability to make payments under the Bonds.

3. PRINCIPAL PARTIES

3.1 Issuer

The Issuer was incorporated with limited liability under the laws of the Netherlands on 22 May 2019. The corporate seat (*statutaire zetel*) of the Issuer is in Amsterdam, the Netherlands and its registered office is at Strawinskylaan 3127, 1077 ZX Amsterdam, the Netherlands and its telephone number is +31885609950. The Issuer is registered with the Commercial Register of the Chamber of Commerce under number 74908030.

The Issuer is a special purpose vehicle, whose objects are (a) to acquire, purchase, to manage, to alienate and to encumber (pools of) 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 (in compartments or in any other form) 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 invest any funds held by it, (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, *inter alia* to repay the obligations under the securities mentioned under (b), (ii) to grant and release security rights to third parties and (iii) to enter into agreements relating to bank accounts, administration, custody, asset management and sub participation and (f) to perform all activities which are, in the widest sense of the word, incidental to or which may be conducive to the attainment of these objects.

The Issuer has an issued share capital of EUR 1 which is fully paid-up. The share capital of the Issuer is held by the 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 of this Base 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 Bonds, to acquire the Mortgage Receivables and to enter into and perform its obligations under the Transaction Documents and the Collective Mandate Documents to which it is a party.

The sole managing director of the Issuer is Vistra Capital Markets (Netherlands) N.V. Vistra Capital Markets (Netherlands) N.V. has elected domicile at the registered office of the Issuer at Strawinskylaan 3127, 1077 ZX Amsterdam, the Netherlands, telephone number +31885609950. The managing directors of Vistra Capital Markets (Netherlands) N.V. are R. Langelaar and R. Posthumus.

The Director of the Issuer has entered into the Issuer Management Agreement with the Issuer and the Security Trustee. In the Issuer Management Agreement the Director agrees and undertakes that, *inter alia*, (i) it shall 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 and 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) it shall refrain from taking any action detrimental to the Issuer's ability to meet its obligations under any of the Transaction Documents and the relevant Collective Mandate 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 Director (unless remedied within the applicable grace period), dissolution and liquidation of the Director or the Director being declared bankrupt or granted a suspension of payments, after consultation with the Secured Creditors, other than the Bondholders. Furthermore, the Issuer Management Agreement can be terminated by the Director or the Security Trustee on behalf of the Issuer upon ninety (90) days prior written notice. The Director shall resign upon termination of the Issuer Management Agreement, provided that such resignation shall only be effective as from the moment a new director reasonably acceptable to the Security Trustee has been appointed.

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

The financial year of the Issuer coincides with the calendar year. The first financial year will end on 31 December 2020.

3.2 Shareholder

Stichting Holding DCMB Programme (the **Shareholder**) is a foundation (*stichting*) organised under the laws of the Netherlands on 22 May 2019. The corporate seat (*statutaire zetel*) of the Shareholder is in Amsterdam, the Netherlands and its registered office is at Strawinskylaan 3127, 1077 ZX Amsterdam, the Netherlands, the Netherlands and its telephone number is +31885609950. The Shareholder is registered with the Commercial Register of the Chamber of Commerce under number 74904523. The objectives of the Shareholder are, among other things, to incorporate, to acquire and to hold shares in the capital of the Issuer, to manage and administer the shares in the Issuer, to exercise all rights attached to the shares in the Issuer, to make donations and to do all that is connected with or may be conducive to the foregoing all to be interpreted in the broadest sense.

The Director of the Shareholder has entered into the Shareholder Management Agreement with the Shareholder, the Issuer and the Security Trustee pursuant to which the Director agrees and undertakes to, *inter alia*, (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 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 the Issuer's ability to meet its obligations under any of the Transaction Documents and the relevant Collective Mandate Documents.

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

3.3 Security Trustee

Stichting Security Trustee DCMB Programme (the **Security Trustee**) is a foundation (*stichting*) organised under the laws of the Netherlands on 22 May 2019. The corporate seat (*statutaire zetel*) of the Security Trustee is in Amsterdam, the Netherlands and its registered office is at Schiphol Boulevard 149, 1118BG Schiphol, the Netherlands, and its telephone number is +31 0885609950. The Security Trustee is registered with the Commercial Register of the Chamber of Commerce under number 74904019.

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

The sole director of the Security Trustee is Erevia B.V., having its registered office at Schiphol Boulevard 149, 1118BG Schiphol, the Netherlands. The managing directors of Erevia B.V. are R. Arendsen, R. Langelaar, E. Michels and R. Posthumus.

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 relevant Trust Deed or any other Transaction Document or Collective Mandate 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 in good faith and with due care.

The Director of the Security Trustee has entered into the Security Trustee Management Agreement with the Security Trustee and the Issuer. In the Security Trustee Management Agreement the 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 (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 and Collective Mandate Documents. In addition the Director of the Security Trustee undertakes in the Security Trustee Management Agreement that it will not agree to any alteration of any agreement including, but not limited to, the Transaction Documents other than in accordance with the relevant Trust Deed.

In connection with the exercise of its functions the Security Trustee shall have regard to the interests of Bondholders of each Compartment and shall not have regard to the consequences of such exercise for individual Bondholders (irrespective of such Bondholders having conflicting interest) and the Security Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer any indemnification or payment in respect of any (tax) consequence of any such exercise upon individual Bondholders.

As set out in the relevant Trust Deed, the Security Trustee shall not retire or be removed from its duties under the relevant Trust Deed until all amounts payable to the Secured Creditors under the Transaction Documents and the relevant Collective Mandate Documents have been paid in full.

However, the Bondholders of all Compartments acting jointly shall have the power, exercisable only by an Extraordinary Resolution and in accordance with the articles of association of the Security Trustee and the relevant Trust Deed, to remove the Director of the Security Trustee as the director of the Security Trustee. The Security Trustee Management Agreement with the Director of the Security Trustee 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 Director (unless remedied within the applicable grace period),

dissolution and liquidation of the Director or the Director being declared bankrupt or granted a suspension of payments, after consultation with the Secured Creditors, other than the Bondholders. Furthermore, the Security Trustee Management Agreement can be terminated by the (a) Director of the Security Trustee or (b) the Security Trustee, upon ninety (90) days prior written notice given by (i) the Director to the Security Trustee or (ii) by the Security Trustee to the Director and the other parties to the Security Trustee Management Agreement. In the event of termination, the Director of the Security Trustee shall fully cooperate with the other parties to the Security Trustee Management Agreement and do all such acts as are necessary to appoint a new director. The Director of the Security Trustee shall resign upon termination of the Security Trustee Management Agreement, provided that such resignation shall only be effective as from the moment a new director reasonably acceptable to the Issuer, after having consulted with the Secured Creditors (other than the Bondholders) has been appointed.

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

3.4 The Seller

CORPORATE IDENTITY AND STRUCTURE

Dynamic Credit Hypotheken B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law, incorporated on 13 March 2015, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Fred. Roeskestraat 97 D, 1076 EC Amsterdam, the Netherlands, registered with the trade register of the Dutch Chamber of Commerce under number 62872567.

The shareholder of the Seller is Dynamic Credit Group B.V. Dynamic Credit Group B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Fred. Roeskestraat 97, 1076 EC Amsterdam, the Netherlands, registered with the trade register of the Dutch Chamber of Commerce under number 60558172.

The director of the Seller is Dynamic Credit Management B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office address at Fred. Roeskestraat 97 D, 1076 EC Amsterdam, the Netherlands, registered with the trade register of the Dutch Chamber of Commerce under number 62413481.

The Seller has no employees and all activities of the Seller have been outsourced to third party providers, including but not limited to, the Portfolio Manager and the Servicer.

BUSINESS ACTIVITIES

The Seller originates mortgage loans solely through its agents and through the online platform maintained by Dynamic Credit Services B.V. and holds mortgage loans as lender of record. The objects of the Seller are (a) to on-lend and invest any funds held by the Seller by providing mortgage loans to natural persons for the purpose of financing residential properties situated in the Netherlands, (b) to acquire, purchase, manage, dispose of, alienate and encumber receivables and to exercise any rights connected to such receivables, (c) to take up loans by way of issuing securities, granting participations, entering into of loan agreements or otherwise to fund the mortgage loans referred to under (a), to enter into agreements in connection thereto and to repay such securities, participations, loan agreements and other obligations, (d) to acquire, exploit and alienate residential properties and any of the assets in relation thereto, (e) to bind the Seller as surety or joint and several co-debtor, to secure the debts of a third party, to grant securities over its assets for the Seller's own obligations and/or of third parties and to release such security rights, (f) to acquire, dispose of, hold, manage and/or exploit patents, trade names, trademarks, installations, processes, licenses, know how, copyrights, royalties and other intellectual and/or industrial property rights, and to license such rights and to acquire and exploit licenses, in the Netherlands and abroad, and (g) to perform all activities which are incidental to or which may be conducive to any of the foregoing, all to be interpreted in the broadest sense.

Accordingly, the Seller has no or limited funds and resources available to it to satisfy any obligations owing by it under or in connection with any Transaction Documents and the Collective Mandate Documents. In addition, each of the Secured Creditors (other than the Seller and the Bondholders) 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 resources available to it.

The Seller acts as an offeror (*aanbieder*) of mortgage loans as referred to in article 2:60 Wft. For the purpose thereof, the Seller has obtained a license as offeror (*aanbieder*) of mortgage loans.

The Seller's auditors are Deloitte Accountants B.V.

3.5 The Servicer

Quion Services

The Seller has, in accordance with the terms of the Servicing Agreement, appointed Quion Services B.V. as its Servicer. Quion Services B.V. has, in accordance with the terms of the Servicing Agreement, agreed to provide certain mortgage loan services to the Seller on a day-to-day basis which include, among other things, as follows:

- (a) the mortgage offering process, including registration of requests, declining requests and making offers;
- (b) the upkeep and maintenance of borrower, intermediary and other contact data in client relationship systems;
- (c) assisting with requests for and passing of notarial mortgage deeds;
- (d) registration of partial or full redemption of mortgage loans;
- (e) collections of interest, principal, penalties and other amounts payable by the borrowers, including the calculation of interest penalties;
- (f) financial administration on behalf of the Seller;
- (g) revising of interest conditions;
- (h) preparing mortgage reports and datasets;
- (i) amendments to existing mortgage loans within certain parameters;
- (j) preparing annual statements of outstanding and redeemed mortgage loans;
- (k) electronic archiving;
- (l) review and administration of security for mortgage loans;
- (m) fraud preventing measures; and
- (n) special servicing activities.

Quion Groep

Quion Groep B.V. (**Quion Groep**), whose registered office is in Rotterdam, is an independent mortgage servicer, focused on the total coordination of mortgages for third parties. Quion Groep offers a full range of mortgage servicing activities to financial institutions, from origination and monthly collections, to arrears and foreclosure management of the mortgage loan portfolios. Quion Groep has ratings from Fitch Ratings Limited for both its primary and special services. The head office is located at Fascinatio Boulevard 1302, 2909 VA, Capelle aan den IJssel, the Netherlands.

In 1993, Quion Groep (then named Hypotrust B.V.) was founded to meet the demand by financial institutions for an efficient way to invest directly in the Dutch mortgage market.

To ensure services continuity, Quion Groep has set up a mechanism to safeguard its software, giving the mortgage lenders the ability to obtain the services from Quion Business Continuity B.V. in the event that Quion Groep discontinues its operations. Quion Groep employs special fraud officers and has developed a fraud policy based on its extensive experience in the mortgage industry.

Quion Groep presently services over 400,000 mortgages, a portfolio of about EUR 62 billion.

Quion Groep is one of the highest rated servicers in the Dutch market. In August 2015, Fitch upgraded Quion Groep's Dutch Residential Primary Servicer rating to "RPS2+" from "RPS2" and affirmed its Dutch Residential Special Servicer rating at "RSS2". In October 2016, Fitch upgraded its Dutch Residential Special Servicer rating to "RSS2+". Fitch affirmed Quion Groep's Dutch Residential Primary Servicer Rating at "RSS2+" and its Dutch Residential Special Servicer rating at "RSS2+" in 2017.

Quion Hypotheekbegeleiding B.V., Quion Hypotheekbemiddeling B.V. and Quion Services B.V. are wholly-owned subsidiaries of Quion Groep. By means of its subsidiaries Quion Groep is an independent mortgage servicer that offers a full range of mortgage servicing activities to financial institutions. Its activities range from origination and monthly collections to arrears and foreclosure management of mortgage loan portfolios.

The information under this heading has been provided by Quion Groep.

3.6 The Portfolio Manager

The Seller has appointed Dynamic Credit Partners Europe B.V. to act as Portfolio Manager in accordance with the terms of the Portfolio Management Agreement.

Dynamic Credit Partners Europe B.V. is incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), having its corporate seat in Amsterdam, the Netherlands and its registered office is at Frederik Roeskestraat 97D, 1076 EC in Amsterdam, the Netherlands. The Portfolio Manager is registered with the Commercial Register of the Chamber of Commerce under number 34249587. It has a licence to act as a credit intermediary pursuant to article 2:80 Wft.

The Portfolio Manager was founded in 2006 and is a direct lender, alternative fixed income asset management and advisory firm and risk analysis software provider that is regulated by the AFM. The Portfolio Manager offers expertise on loan origination, lending services and credit management processes and provides active portfolio management over portfolios of asset backed securities and corporate credit. In addition, as a direct lender the Portfolio Manager is an active player in the origination, valuation and direct management of portfolios of various types of loans (at 31 December 2017 the mortgage loans under management, for example, totalled around EUR 7 billion).

The sole shareholder of the Portfolio Manager is Dynamic Credit Group B.V.

3.7 The Issuer Administrator

The Issuer has appointed Vistra FS (Netherlands) B.V. to act as its Issuer Administrator in accordance with the terms of the Administration Agreement.

Vistra FS (Netherlands) B.V. is incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), having its corporate seat in Amsterdam, the Netherlands and its registered office is at Strawinskylaan 3127, 8th floor, 1077 ZX Amsterdam, the Netherlands and its telephone number is +31 88 560 9950. The Issuer Administrator is registered with the Commercial Register of the Chamber of Commerce under number 33202549.

The objectives of the Issuer Administrator are (a) to exploit and trade in patents, trademarks, licenses, know-how and other industrial property rights, (b) to acquire, hold and to dispose of participations in other companies and enterprises, (c) to finance such companies and enterprises, to borrow and lend money, to provide undertakings and guarantees and to bind the Issuer administrator or the Issuer Administrator's assets for the benefit of third parties, including companies with which the Issuer Administrator is affiliated in a group, (d) to acquire, exploit and dispose of registered property and other property, (e) to provide administrative, clerical and other services to other companies and enterprises as well as to provide mediation in the incorporation of other companies and enterprises, (f) to acquire, exploit and dispose of patents, trade names, trade marks, know-how, royalties and rights of intellectual and/or industrial property, as well as to grant a license to such rights and to acquire and exploit licenses as well as (g) all that is related to the above in the widest sense or may be conducive hereto.

The managing director of the Issuer Administrator is Vistra FS (Netherlands) B.V. The sole shareholder of the Issuer Administrator is Vistra FS (Netherlands) B.V. The managing directors of Vistra FS (Netherlands) B.V. is Vistra Capital Markets (Netherlands) N.V.

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

3.8 Other Parties

Collection Foundation	Stichting Derdengelden Dynamic Credit Hypotheken
Issuer Account Bank	ABN AMRO Bank N.V.
Collection Foundation Account Provider	ABN AMRO Bank N.V.
Principal Paying Agent	ABN AMRO Bank N.V.

4. THE BONDS

4.1 Terms and Conditions of the Bonds

*Each Compartment of Bonds will have its own terms and conditions (the **Terms and Conditions of the Bonds**). The following Terms and Conditions of the Bonds apply to all Compartments of Bonds, unless indicated otherwise in the Final Terms or as set forth in any Supplemental Prospectus construed under or in connection with the Base Prospectus.*

The following are the Terms and Conditions of the bonds (the **Bonds**) to be issued by the Issuer which will be incorporated by reference into each Bond. The Terms and Conditions of Bonds apply to each Compartment separately.

References herein to the Bonds shall be references to the Bonds of a Series and shall mean:

- (a) in relation to any Bonds represented by a global Bond (a **Global Bond**), units of the specified Denomination;
- (b) any Global Bond;
- (c) any definitive Bonds in bearer form (**Bearer Bonds**) issued in exchange for a Global Bond in bearer form; and
- (d) any definitive Bonds in registered form (**Registered Bonds**).

The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each Bond. Reference should be made to Section 4.3 (*Form of the Bonds*) for a description of the content of the Final Terms which includes the definition of certain terms used in the following Terms and Conditions of the Bonds.

The Bonds are issued by DCMB Programme B.V. (the **Issuer**) in Compartments only, under the Mortgage Bond Programme (the **Programme**) pursuant to the relevant Trust Deed (as defined below). The Terms and Conditions of the Bonds apply to each Compartment of Bonds. The Bonds of each Series have the benefit of, among other things, the relevant Trust Deed, the Paying Agency Agreement, the Servicing Agreement, the Portfolio Management Agreement, the Collective Mandate Programme Agreement the relevant Parallel Debt Agreement and the Pledge Agreements (as defined below).

Interest bearing Definitive Bearer Bonds have interest coupons (**Coupons**) and, in the case of Bearer Bonds which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Bonds and Global Bonds do not have Coupons or Talons attached on issue.

Any reference herein to **Bondholders** shall mean the holders of the Bonds, and shall, in relation to Bonds represented by a Global Bond, be construed as provided above. Any holders mentioned above include those having a credit balance in the collective depots held by Euroclear Netherlands or one of its participants. Any reference herein to **Mortgage Receivables** and **Beneficiary Rights** shall mean the Pool of Mortgage Receivables related to the Compartment of the relevant Bond and the Beneficiary Rights related to these Mortgage Receivables.

The statements in the Terms and Conditions of the Bonds include summaries of, and are subject to, the detailed provisions of (i) the relevant trust deed, dated on the first Issue Date relating to a Compartment (the **Trust Deed**), which will include the forms of the Bonds and Coupons (if applicable) and the forms of the Temporary Global Bonds and the Permanent Global Bonds, (ii) the paying agency agreement (the **Paying Agency Agreement**) dated on the Programme Closing Date between the Issuer, the Security Trustee, the

Principal Paying Agent and any paying agents named therein (together with the Principal Paying Agent, the **Paying Agents**) and any registrar, if any, named therein (iii) a servicing agreement (the **Servicing Agreement**) dated 16 November 2015 as amended and restated from time to time between, *inter alia*, the Seller and the Servicer, (iv) a portfolio management agreement dated 16 November 2015, between, *inter alia*, the Seller and the Portfolio Manager, (the **Portfolio Management Agreement**), supplemented by an additional agreement entered into between *inter alia*, the Issuer and the Portfolio Manager on or around the date hereof to document the portfolio management services specific to the Programme, (v) a mortgage receivables purchase agreement dated the Programme Closing Date between, *inter alia*, the Seller and the Issuer (the **Mortgage Receivables Purchase Agreement**), (vi) a parallel debt agreement (the **Parallel Debt Agreement**) dated on the first Issue Date relating to a Compartment between the Security Trustee and the Secured Creditors (other than the Bondholders), (vii) the issuer mortgage receivables pledge agreement dated the Programme Closing Date between the Issuer and the Security Trustee (the **Issuer Mortgage Receivables Pledge Agreement**), (viii) the relevant deed of pledge of mortgage receivables dated the first Issue Date relating to a Compartment between the Issuer and the Security Trustee (the **Deed of Pledge of Mortgage Receivables**), (ix) the issuer rights pledge agreement dated the Programme Closing Date between the Issuer, the Security Trustee and others (the **Issuer Rights Pledge Agreement**), (x) the relevant deed of pledge of rights dated the first Issue Date relating to a Compartment between the Issuer, the Security Trustee and others (the **Deed of Pledge of Rights**), (xi) the Collection Foundation Account Pledge Agreement to be dated the Programme Closing Date (jointly with the pledge agreements referred to under (vii) through (x) above, the **Pledge Agreements**) and (xi) the relevant deed of assignment and pledge between the Seller and the Issuer to be dated each Transfer Date (the **Deed of Assignment and Pledge**). Furthermore, on the Programme Closing Date, the Issuer, the Security Trustee and certain other parties entered into a programme agreement, as the same may be amended restated, supplemental or otherwise modified from time to time (the **Programme Agreement**). Certain words and expressions used below are defined in a master definitions schedule (the **Master Definitions Schedule**) attached to the Programme Agreement. Such words and expressions shall, except where the context requires otherwise, have the same meanings in these Terms and Conditions of the Bonds provided that all references to the defined terms should be read as references to these terms to the extent these relate to the relevant Compartment and Pool, unless indicated otherwise or the context requires otherwise. Words and expressions defined used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions of the Bonds unless the context otherwise requires or unless otherwise stated. All references to the agreements listed above and the other Transaction Documents and Collective Mandate Documents should be read as references to these documents to the extent these relate to the relevant Compartment and Pool, unless indicated otherwise or the context requires otherwise as the same may be amended, supplemented, restated or otherwise modified from time to time.

As used herein, **Compartment** means all Bonds of a separate issue of Bonds which all relate to a certain Pool of Mortgage Receivables as indicated in the Final Terms, relating to such Compartment.

Copies of, *inter alia*, the relevant Trust Deed, the Paying Agency Agreement, the relevant Parallel Debt Agreement, the Pledge Agreements and the Master Definitions Schedule are available for inspection. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the relevant Trust Deed, the Master Definitions Schedule, the Paying Agency Agreement, the relevant Parallel Debt Agreement and the Pledge Agreements.

1. Form, Denomination, Title and Partly Paid Bonds

The Bonds will be in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Bonds, serially numbered in minimum denominations as specified in the applicable Final Terms. Bearer Bonds may not be exchanged for Registered Bonds and *vice versa*.

Under Dutch law, the valid transfer of Bearer Bonds requires, *inter alia*, delivery (*levering*) thereof. Title to the Registered Bonds will pass upon registration of transfers in accordance with the provisions of the Paying Agency Agreement. The Issuer, the Security Trustee and the Paying Agents may, to the fullest extent permitted by law, treat the bearer of any Bearer Bond and of any Coupons appertaining thereto and the

registered holder of any Registered Bond as its absolute owner for all purposes (whether or not payment under such Bond or Coupon shall be overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof) for any purposes, including payment and no person shall be liable for so treating such holder. The signatures on the Bonds will be in facsimile.

The Bonds are not allowed to be traded as long as it has not been confirmed in a Portfolio and Performance Report that all Mortgage Receivables that will initially form the related Pool have been sold and assigned to the Issuer. In the event that a Bonds Purchase Agreement is being entered into between the Issuer and the initial Bonds Purchaser(s) of a Series of Bonds of a Compartment it will also be contractually agreed in such agreement that the initial Bonds Purchaser(s) cannot transfer the Bonds as long as it has not been confirmed in a Portfolio and Performance Report that all Mortgage Receivables that will initially form the related Pool have been sold and assigned to the Issuer.

If the Final Terms specify that any Managers will be appointed in relation to an issuance of a Series of Bonds of a Compartment, such Managers shall pursuant to the relevant Subscription Agreement inform the initial Bonds Purchaser(s) of the prohibition to transfer the Bonds as long as it has not been confirmed in a Portfolio and Performance Report that all Mortgage Receivables that will initially form the related Pool have been sold and assigned to the Issuer.

Partly paid Bonds

A Series of Bonds under a Compartment may be issued on a fully paid or on a partly paid basis (such partly paid bonds, **Partly Paid Bonds**) as specified in the applicable Final Terms. If the applicable Final Terms of a Series of Bonds relating to a Compartment specify that Partly Paid Bonds will be issued, the initial phase in relation to such Series of Bonds will commence on the Issue Date of such Series (the **Initial Phase**). During the Initial Phase, the Bonds of a Series are not yet fully paid and may only be held by the Bonds Purchasers (each such Bond Purchaser being referred to as a **Partly Paid Bonds Purchaser**). For an issuance of Partly Paid Bonds, no Manager will be appointed and the Issuer and each Partly Paid Bonds Purchaser will enter into a Bonds Purchase Agreement.

The issuance of a Series of Partly Paid Bonds relating to a Compartment will require the Partly Paid Bonds Purchaser to make an initial payment to purchase the Bonds (the **Initial Instalment Payment**). The issuance shall be subject to a Principal Amount Outstanding of EUR 100,000 per Partly Paid Bond. After the initial issuance of such Series of Bonds, the Seller may at any time send a written request for further funding for the Compartment to the Issuer (each such request a **Funding Request**), with a copy to each Partly Paid Bonds Purchaser, such request specifying the amount of funding that is requested and the timeframe in which the corresponding payment is to be made. If the conditions precedent set out in the applicable Bonds Purchase Agreement have been met, if any, the Partly Paid Bonds Purchaser is obliged to accept the Funding Request and inform the Seller in writing, with a copy to the Issuer, that it will make the corresponding payment within the requested timeframe (each such payment a **Further Instalment Payment**) to the Issuer (each such confirmation a **Funding Confirmation**) subject to the other Partly Paid Bonds Purchasers of Partly Paid Bonds relating to the same Compartment providing a similar Funding Confirmation. Further Instalment Payments may be made on a daily basis but are only being accepted if all Partly Paid Bonds Purchasers of Partly Paid Bonds relating to a Compartment make the same Further Instalment Payment on the same date.

Upon receipt by the Issuer of the Funding Confirmation(s) and receipt of the corresponding Further Instalment Payment(s), the Issuer shall notify the Paying Agent and, if applicable, the Listing Agent, any credit rating agencies in writing and any other relevant third party, with a copy to each Partly Paid Bonds Purchaser, of the increase of the Principal Amount Outstanding of the relevant Bonds. The Paying Agent will on the earliest possible date following such notification increase the Principal Amount Outstanding of each Partly Paid Bond of the relevant Series with the amount of such Further Instalment Payment(s) *pro rata* per Calculation Amount and will inform the relevant clearing system of such increase. If the Partly Paid Bonds are listed on a stock exchange, the Listing Agent will inform the stock exchange of such increase.

The Initial Phase of a Compartment will end at the earlier of (i) the commitment amount as specified in the applicable Final Terms (the **Commitment Amount**) being reached, (ii) the minimum commitment amount as specified in the applicable Final Terms (the **Minimum Commitment Amount**) being reached and the Partly Paid Bonds Purchaser(s), by means of an Unanimous Resolution in the event there is more than one initial Bonds Purchaser, informing the Issuer and the Seller of its or their election to finalise the Initial Phase, (iii) the Change Effective Date, in the event of an Origination Stop Notice being issued and (iv) the Partly Paid Bonds Purchaser(s), by means of an Unanimous Resolution in the event there is more than one Partly Paid Bonds Purchaser, and the Seller otherwise agreeing in writing and informing the Issuer in writing of finalisation of the Initial Phase.

2. Transfers of Registered Bonds

(a) Transfers of interests in Registered Bonds

Transfers of beneficial interests in Registered Bonds will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Bond will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Bonds in definitive form or for a beneficial interest in another Registered Bond of the same Series only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Trust Deed and the Agency Agreement.

(b) Transfers of Registered Bonds in definitive form

Subject as provided in paragraph 2(c), upon the terms and subject to the conditions set forth in the relevant Trust Deed and the Paying Agency Agreement, a Registered Bond in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (a) the holder or holders must (i) surrender the Registered Bond for registration of the transfer of the Registered Bond (or the relevant part of the Registered Bond) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer, the Security Trustee and the Registrar may from time to time prescribe. Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Bond in definitive form of a like aggregate nominal amount to the Registered Bond (or the relevant part of the Registered Bond) transferred. In the case of the transfer of part only of a Registered Bond in definitive form, a new Registered Bond in definitive form in respect of the balance of the Registered Bond not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Bonds under Condition 7 (*Redemption and purchase*), the Issuer shall not be required to register the transfer of any Registered Bond, or part of a Registered Bond, called for partial redemption.

(d) *Costs of registration*

Bondholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. Status, Relationship between the Bonds and Security

- (a) The Bonds are direct and unconditional obligations of the Issuer and rank *pari passu* without any preference or priority among Bonds of the same Compartment.
- (b) The security for the obligations of the Issuer towards the Bondholders (the **Security**) will be created pursuant to, and on the terms set out in the Pledge Agreements, which will create the following security rights:
 - (i) a first ranking pledge by the Issuer to the Security Trustee over the Pool of Mortgage Receivables purchased by the Issuer and the Beneficiary Rights of the related Pool;
 - (ii) (a) a first ranking pledge by the Issuer to the Security Trustee for the benefit of, *inter alia*, the Bondholders of all Compartments on all rights of the Issuer in respect of all Compartments under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Collective Mandate Programme Agreement, (iii) the Receivables Proceeds Distribution Agreement (to the extent that such rights cannot be attributed to a specific Compartment and Pool), (iv) the Issuer Account Agreement (excluding any rights in respect of the Issuer Accounts which relate to each Compartment respectively), (v) the Administration Agreement, and (vi) the Programme Agreement; (b) a first ranking pledge by the Issuer to the Security Trustee for the benefit of the Bondholders of the relevant Compartment on all rights of the Issuer under or in connection with (i) the Issuer Accounts of the relevant Compartment (other than the Pre-Funding Account and the Investment Accounts) and (ii) the Receivables Proceeds Distribution Agreement (to the extent relating to a specific Compartment and Pool). Amounts received in respect of (a) will, to the extent such amounts cannot be attributed to a Compartment, be applied on a *pro rata* basis over the Principal Amount Outstanding of all Compartments and Pools under the Programme and, to the extent such amounts under the Collective Mandate Documents relate to all Programme Investors, on a *pro rata* basis for all Programme Investors; and
 - (iii) on the balances standing to the credit of the Collection Foundation Account a (joint) second ranking right of pledge in favour of the Beneficiaries, including the Issuer, will be vested.

The Bondholders will have no recourse on the assets of the Issuer other than described in Condition 3(c). In particular the Bondholders will not have any recourse against Pools and other assets forming part of or relating to other Compartments.

- (c) The relevant Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of the Bondholders, as regards all powers, trust, authorities, duties and discretions of the Security Trustee (except where expressly provided otherwise). In addition, the Security Trustee shall have regard to the interests of the other Secured Creditors, provided that in case of a conflict of interest between the Secured Creditors the relevant Priority of Payments set forth in the relevant Trust Deed determines which interest of which Secured Creditor prevails.
- (d) If, in the Security Trustee's opinion, there is a conflict between the interests of the Bondholders of other Compartments than the relevant Compartment on one hand and the Bondholders of the relevant Compartment on the other hand, the Security Trustee shall have regard to the interests of the Bondholders of all Compartments equally.

4. Covenants of the Issuer

So long as any of the Bonds under the Programme 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 Mortgage Receivables Purchase Agreement, the Programme Agreement, the Pledge Agreements, the Management Agreements, the Administration Agreement, the Issuer Account Agreement and the, to the extent these agreements are applicable to the relevant Compartment and Pool, the relevant Parallel Debt Agreement, the Paying Agency Agreement, the relevant Bonds Purchase Agreement or the relevant Subscription Agreement, the Bonds, the relevant Deeds of Assignment and Pledge and the relevant Trust Deed (together the **Transaction Documents**) and the Collective Mandate Documents to which it is a party or (ii) with the prior written consent of the Security Trustee or (iii) in connection with the issue of Bonds of another Compartment than the relevant Compartment, provided that (a) such Bonds and liabilities of the Issuer to be incurred in connection with the issuance of such Compartment are limited recourse on (x) the relevant Pool of Mortgage Receivables; (y) any claims of the Issuer under the Transaction Documents or the Collective Mandate Documents of such Compartment and Pool to the extent these claims can be attributed to such Compartments and Pools, and in respect of claims which cannot be attributed to such Compartment, such claims on a *pro rata* basis for all Compartments and, in respect of claims under the Collective Mandate Documents to the extent they relate to all Programme Investors, on a *pro rata* basis for all Programme Investors; and (z) the balances standing to the credit of the relevant Issuer Accounts of such Compartment and Pool; and (b) the Security is not adversely affected by the issuance of such Bonds:

- (a) carry out any business other than as described in the Base Prospectus relating to the issue of the Bonds and as contemplated in the Transaction Documents and the Collective Mandate Documents of all Compartments;
- (b) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness, except as contemplated by the Transaction Documents or the Collective Mandate Documents of all Compartments;
- (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 any part of its assets, except as contemplated in the Transaction Documents or the Collective Mandate Documents of all Compartments;
- (d) consolidate or merge with any other person or convey or transfer its assets substantially or as an entirety to one or more persons;
- (e) permit the validity or effectiveness of the Transaction Documents and the Collective Mandate Documents, or the priority of the security created thereby or pursuant thereto to be amended, terminated, 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 or the Collective Mandate Documents;
- (f) have any employees or premises or have any subsidiary or subsidiary undertaking; or
- (g) have an interest in any bank account other than the Issuer Accounts for all Compartments.

5. Interest

The Bonds shall bear interest on their Principal Amount Outstanding (as defined in Condition 7(d) (*Definitions*)) from and including their Issue Date. Each Bond shall cease to bear interest from its due

date for redemption unless, upon due presentation payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgement) up to but excluding the date on which, on presentation of such Bond, payment in full of the relevant amount of principal is made or (if earlier) the seventh day after notice is duly given by the relevant Paying Agent to the holder thereof (in accordance with Condition 15 (*Notices*)) that upon presentation thereof, such payments will be made, provided that upon such presentation payment is in fact made.

(a) *Accrual and Payment*

Interest shall be payable in arrear on the Bonds Payment Date specified in the applicable Final Terms and shall be payable in respect of the preceding one or three Monthly Calculation Period(s), as specified in the applicable Final Terms.

(b) *Interest Amounts*

Interest on the Bonds of a Compartment will accrue based on the Available Revenue Funds relating to the relevant Pool that have accrued during the relevant Monthly Calculation Period(s), after payments of certain fees and costs have been made in accordance with the Revenue Priority of Payments. Interest on the Bonds of a Compartment cannot be less than zero. Interest in respect of the Bonds shall be calculated per the amount in Principal Amount Outstanding of the Bonds as specified in the applicable Final Terms (the **Calculation Amount**).

(c) *Notification of Interest Amounts*

The Issuer will at or as soon as practicable after each time at which the Interest Amount is to be determined, inform the Paying Agents, the Security Trustee and any competent listing authority, stock exchange and/or quotation system on or by which the relevant Bonds are for the time being listed, quoted and/or traded of the Interest Amount for the relevant Monthly Calculation Period(s) and will provide notice thereof to be published in accordance with Condition 15 (*Notices*) as soon as possible after such determination.

6. **Payment**

(a) *Payments in respect of Bearer Bonds*

Payment of principal and interest (if any) in respect of Bearer Bonds will be made upon presentation of the Bond and against surrender of the relevant Coupon appertaining thereto, at any specified office of any of the Paying Agents. A record of each payment made against presentation or surrender of such global Bearer Bond, distinguishing between any payment of principal and any payment of interest, will be made on such global Bearer Bond by such Paying Agent (and such record shall be *prima facie* evidence that the payment in question has been made) or in the records of Euroclear and Clearstream, Luxembourg, as applicable. All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment.

At the Final Maturity Date (as defined in Condition 7(d) (*Definitions*)), or such earlier date the Bonds become due and payable, the Bonds 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 10 (*Prescription*)).

(b) *Payments in respect of Registered Bonds*

Payments of principal in respect of each Registered Bond will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Bond at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Bond appearing in the register of holders of the Registered Bonds maintained by the Registrar (the **Register**) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, **Designated Account** means the account maintained by a holder with a Designated Bank and identified as such in the Register and **Designated Bank** means any bank which processes payments in euro.

Payments of interest in respect of each Registered Bond will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Bond appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**). Payment of the interest due in respect of each Registered Bond on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Bond.

No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of Registered Bonds.

None of the Issuer, the Security Trustee or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(c) *Payment Day*

If the relevant Bonds Payment Date is not a day on which banks are open for business in the place of presentation of the relevant Bond or Coupon, the holder thereof shall not be entitled to payment until the next following day, or to any interest or other payment in respect of such delay, provided that in the case of payment by transfer to a euro account as referred to above, the relevant Paying Agent shall not be obliged to credit such account until the Business Day immediately following the day on which banks are open for business in the Netherlands. The name of each of the Paying Agents and details of its offices are set out below.

(d) *Paying Agents*

The Issuer reserves the right at any time to vary or terminate the appointment of any of the Paying Agents and to appoint additional or other paying agents provided that no paying agent located in the United States of America will be appointed and that the Issuer will at all times maintain a paying agent having a specified office in the European Union. Notice of any termination or appointment of a Paying Agent and of any changes in the specified offices of such Paying Agent will be given to the Bondholders in accordance with Condition 15 (*Notices*).

7. **Redemption and purchase**

(a) *Final redemption*

Unless previously redeemed as provided below, the Issuer will redeem the Bonds of a Compartment at their respective Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment on the final maturity date specified in the applicable Final Terms (the **Final Maturity Date**).

(b) *Clean-Up Call Option*

The Issuer has the option, but not the obligation to, subject to the notification as set out below in this Condition 7(b) (*Clean-Up Call Option*), redeem all of the Bonds of a Compartment if (i) the aggregate Principal Amount Outstanding of the Bonds of a Compartment is not more than 10 per cent. of the sum of the Principal Amount Outstanding of the Bonds of a Compartment on the Issue Date or in the event of Partly Paid Bonds, the Principal Amount Outstanding of such Bonds at the date of finalisation of the Initial Phase, (ii) the Issuer has arranged another Programme Investor or third party that is willing to become a Programme Investor as purchaser for the relevant Mortgage Receivables within the Collective Mandate Programme and (iii) either (x) the purchase price paid for such Mortgage Receivables is sufficient to redeem the relevant Bonds at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale or (y) the Bondholders of the relevant Compartment have taken an Unanimous Resolution to have the Mortgage Receivables sold at a purchase price that is lower than the amount required to redeem the relevant Bonds at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale. The Issuer shall notify the exercise of such option by giving not less than 30 days' written notice to the Bondholders and the Security Trustee prior to such Bonds Payment Date.

(c) *Transfer Option*

The Bondholders of a Compartment unanimously have the option, but not the obligation, to request the Issuer to (i) sell and assign all or some of the Mortgage Receivables of a Pool to another Programme Investor or third party that is willing to become a Programme Investor and (ii) subsequently redeem all of the Bonds of a Compartment subject to (x) the purchase price paid for such Mortgage Receivables is sufficient to redeem the relevant Bonds at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale or (y) the Bondholders of the relevant Compartment have taken an Unanimous Resolution to have the Mortgage Receivables sold at a purchase price that is lower than the amount required to redeem the relevant Bonds at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale.

(d) *Definitions*

For the purposes of these Terms and Conditions of the Bonds the following terms shall have the following meanings:

"Bonds Calculation Date" means, in relation to a Bonds Payment Date the fourth Business Day prior to such Bonds Payment Date.

"Principal Amount Outstanding" means the principal amount of a Bond upon issue less the aggregate amount of all Redemption Amounts in respect of that Bond that have become due and payable prior to the applicable Bonds Payment Date.

“**Redemption Amount**” means the principal amount redeemable in respect of each Calculation Amount.

8. **Origination Stop Notice**

The Bondholders of a Compartment unanimously have the option, but not the obligation, to request the Issuer, by means of an Unanimous Resolution, to no longer apply the amount standing to the credit of the Pre-Funding Account to purchase Mortgage Receivables, but to distribute such amount in accordance with the Priority of Payments (an **Origination Stop Notice**) subject to the following conditions:

- (i) At least an amount of EUR 100,000,000 has been applied to purchase Mortgage Receivables prior to issuance of the Origination Stop Notice;
- (ii) The Origination Stop Notice will enter into effect on the date designated in the Origination Stop Notice providing such date falls in the time period from ten (10) Business Days to twenty-five (25) Business Days after receipt of the notice by the Issuer (the **Change Effective Date**);
- (iii) The Issuer is obliged (i) to purchase Mortgage Receivables resulting from mortgage offers that have been allocated to a Compartment but have not been funded yet prior to the Change Effective Date and (ii) to pay the Origination Costs related to such Mortgage Receivables. For this purpose the Issuer (or the Issuer Administrator on its behalf) determines on each relevant Bonds Calculation Date after the Change Effective Date the Origination Stop Notice Deductible Amount for as long as there are outstanding mortgage offers allocated to such Compartment. An amount equal to the amount standing to the credit of the Pre-Funding Account on a Bonds Calculation minus the Origination Stop Notice Deductible Amount (the **Origination Stop Notice Available Amount**) will be divided into the Origination Stop Notice Principal Amount and the Origination Stop Notice Interest Amount, if any, and will be distributed in accordance with the Redemption Priority of Payments and the Revenue Priority of Payments respectively on each applicable Bonds Payment Date after the Change Effective Date.

9. **Taxation**

All payments in respect of the Bonds 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, unless the Issuer or any of the Paying Agents (as applicable) is required by applicable law to make any payment in respect of the Bonds subject to the withholding or deduction of such taxes, duties, assessments or charges are required by law. In that event, the Issuer or any of the Paying Agents (as the case may be) shall make such payment after the required withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither any of the Paying Agents nor the Issuer will be obliged to make any additional payments to the Bondholders in respect of such withholding or deduction.

10. **Prescription**

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

11. **Limited Recourse**

The Bondholders of any Bonds will have no recourse on the assets of the Issuer other than described in Condition 3(c). In particular the Bondholders will not have any recourse against Pools and other assets forming part of or relating to other Compartments.

In the event that the Security in respect of the Bonds and any Coupons appertaining thereto has been fully enforced and the proceeds of such enforcement, after payment of all other claims ranking under the relevant Trust Deed in priority to Bonds of a Compartment are insufficient to pay in full all principal and other amounts whatsoever due in respect of such Bonds, the Bondholders of such Bonds shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts.

12. Events of Default

The Security Trustee at its discretion may, and if so directed by an Extraordinary Resolution of the Bondholders of the Bonds outstanding of the relevant Compartment (subject, in each case, to being indemnified to its satisfaction) shall (but in the case of the occurrence of any of the events mentioned in (b) below, only if the Security Trustee shall have certified in writing to the Issuer that such an event is, in its opinion, materially prejudicial to the Bondholders of the Compartment) give notice (an **Enforcement Notice**) to the Issuer that the Bonds are, and each Bond shall become, immediately due and payable at their or its Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment, together with accrued interest, if any of the following shall occur:

- (a) default is made for a period of fifteen (15) days or more in the payment on the due date of any amount due in respect of the Bonds of the relevant Compartment; or
- (b) the Issuer fails to perform any of its other obligations binding on it under the Bonds of the relevant Compartment, the relevant Trust Deed, the Paying Agency Agreement or the Pledge Agreements to the extent related to the relevant Compartment and, except where such failure, in the reasonable opinion of the Security Trustee, is incapable of remedy, such default continues for a period of thirty (30) days after written notice by the Security Trustee to the Issuer requiring the same to be remedied; or
- (c) if a conservatory attachment (*conservatoir beslag*) or an executory attachment (*executoriaal beslag*) on any major part of the Issuer's assets is made and not discharged or released within a period of thirty (30) days; or
- (d) if any order shall be made by any competent court or other authority or a resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its assets; or
- (e) the Issuer makes an assignment for the benefit of, or enters into any general assignment (*akkoord*) with its creditors; or
- (f) the Issuer files a petition for a suspension of payments (*surseance van betaling*) or for bankruptcy (*faillissement*) or is declared bankrupt; or
- (g) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds, the relevant Trust Deed or the Pledge Agreements.

There is no cross-default between the Compartments and an event of default in respect of another Compartment will not result in an Event of Default.

13. Enforcement

- (a) At any time after the Bonds of the relevant Compartment become due and payable, the Security Trustee may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the terms of the relevant Trust Deed, the Pledge Agreements and the relevant Bonds, but it need not take any such proceedings unless (i) it shall have been directed by an Extraordinary Resolution of the Bondholders of the relevant Compartment and (ii) it shall have been indemnified to its satisfaction.
- (b) No Bondholder may proceed directly against the Issuer unless the Security Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.
- (c) The Bondholders may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the latest maturing Bond or any other Bond issued under the Programme is paid in full. The Bondholders accept and agree that the only remedy of the Security Trustee against the Issuer after any of the Bonds have become due and payable pursuant to Condition 12 (*Events of Default*) is to enforce the Security.

14. Indemnification of the Security Trustee

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

15. Notices

With the exception of the publications of the Issuer in Condition 7 (*Redemption and purchase*):

- (a) all notices regarding the Bearer Bonds will only be valid if published in at least one daily newspaper of wide circulation in the Netherlands and in the English language in the Financial Times, or, if all such newspapers shall cease to be published or timely publication therein shall not be practicable, in such newspaper as the Security Trustee shall approve having a general circulation in Europe. Any such notice shall be deemed to have been given on the first date of such publication; and
- (b) all notices regarding the Registered Bonds will be deemed to be validly given if sent by mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Bonds are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.
- (c) Until such time as any definitive Bonds are issued, there may, so long as any Global Bonds representing the Bonds are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg or any other clearing system, be substituted for such publication in such newspaper(s) or such websites or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg or any other clearing system for communication by them to the holders of the Bonds and, in addition, for so long as any Bonds are listed on a stock exchange and the rules of that stock exchange so require, such notice will be published on the website of the relevant stock exchange and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Bonds on the second day after the day on which the

said notice was given to Euroclear and/or Clearstream, Luxembourg or any other clearing system.

16. Meetings of Bondholders; Modification; Consents; Waiver

(a) Meeting of Bondholders

The relevant Trust Deed contains provisions for convening meetings of the Bondholders of the relevant Compartment to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution, of such Bondholders or a change of any of these Terms and Conditions or any provisions of the Transaction Documents and the Collective Mandate Documents. Other than at a general meeting, a resolution of the Bondholders (including Extraordinary Resolutions and Unanimous Resolutions) may also be passed in writing - including by telegram, facsimile or telex transmission, or in the form of a message transmitted by any accepted means of communication and received or capable of being produced in writing - provided that all Bondholders with the right to vote have voted in favour (a **Written Resolution**).

(b) Basic Terms Change

No change of terms by the Bondholders in respect of a Series of Bonds of a Compartment relating to (i) the date of maturity of the relevant Bonds, (ii) postponing the day on which payment of interest or principal in respect of any of the relevant Bonds is due, (iii) the amount of principal payable in respect of the relevant Bonds, (iv) the amounts of interest, if any, payable in respect of the relevant Bonds, (v) the Revenue Priority of Payments or the Redemption Priority of Payments, (vi) the definition of Basic Terms Change, (vii) the quorum or majority required to pass an Extraordinary Resolution or an Unanimous Resolution (viii) the provisions for meetings of Bondholders as set out in Schedule 1 to the Trust Deed (any such change in respect of any such Bonds referred to as a **Basic Terms Change**) shall be effective, unless it is sanctioned by an Extraordinary Resolution of the Bondholders as described below, except that, if the Security Trustee is of the opinion that such a Basic Terms Change) is being proposed by the Issuer as a result of, or in order to avoid, an Event of Default, no such Extraordinary Resolution is required.

(c) Extraordinary Resolution

Quorum and majority

The quorum for any meeting convened to consider an Extraordinary Resolution will be not less than 75 per cent. of the Principal Amount Outstanding of the Bonds of the relevant Compartment, and at such a meeting an Extraordinary Resolution is adopted with at least 75 per cent. of the validly cast votes at that Extraordinary Resolution. If at such meeting the aforesaid quorum is not represented, a second meeting of Bondholders will be held within one month, with due observance of the same formalities for convening the meeting which governed the convening of the first meeting; at such second meeting an Extraordinary Resolution is adopted with not less than 75 per cent. majority of the validly cast votes, regardless of the Principal Amount Outstanding of the Bonds of the relevant Compartment then represented.

Any Extraordinary Resolution duly passed shall be binding on all Bondholders of the relevant Compartment (whether or not they were present at the meeting at which such resolution was passed).

Limitations

No Extraordinary Resolution to sanction a change which would have the effect of accelerating or increasing the maturity of the Bonds of a Compartment, or any date for payment of interest thereon, altering the day of redemption or the amounts of interest payable in respect of Bonds of a Compartment, shall take effect unless the Security Trustee has agreed thereto.

(d) *Unanimous Resolution*

The quorum for any meeting convened to consider an Unanimous Resolution will be not less than 100 per cent. of the Principal Amount Outstanding of the Bonds of the relevant Compartment, and at such a meeting an Unanimous Resolution is adopted with at least 100 per cent. of the validly cast votes at that Unanimous Resolution.

Any Unanimous Resolution duly passed shall be binding on all Bondholders of the relevant Compartment.

(e) *Modifications by the Security Trustee*

The Security Trustee may agree with the other parties to any of the Transaction Documents to the extent related to a specific Compartment, without the consent of the Bondholders and any of the other Secured Creditors of such Compartment, unless such Secured Creditor is a party to such Transaction Document, to (i) any modification of any of the provisions of the Transaction Documents to the extent related to the relevant Compartment which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Transaction Documents which is in the opinion of the Security Trustee not materially prejudicial to the interests of the relevant Bondholders, provided that in the opinion of the Security Trustee such modification is not materially prejudicial to the interests of any of the Bondholders of other Compartments and Pools or other Secured Creditors of other Compartments and Pools or such modification is also proposed for such other Compartment and Pool and is or shall be approved in accordance with the relevant Trust Deed. Any such modification, authorisation or waiver shall be binding on the Bondholders and, if the Security Trustee so requires, such modification shall be notified to the Bondholders in accordance with Condition 15 (*Notices*) as soon as practicable.

(f) *Exercise of Security Trustee's functions*

In connection with the exercise of its functions the Security Trustee shall have regard to the interests of Bondholders of each Compartment and shall not have regard to the consequences of such exercise for individual Bondholders (irrespective of such Bondholders having conflicting interest) and the Security Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer any indemnification or payment in respect of any (tax) consequence of any such exercise upon individual Bondholders.

The Security Trustee cannot be removed from its duties until all amounts due to the Secured Creditors have been paid in full. A director of the Security Trustee can be removed by an Extraordinary Resolution of the holders of the Bonds of each Compartment, provided that, *inter alia*, such Extraordinary Resolution was also passed by the holders of Bonds in respect of the other Compartments then outstanding.

17. Replacements of Bonds and Coupons

Should any Bond or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the office of the relevant Paying Agent or the Principal Paying Agent (in the case of Bearer Bonds) or the Registrar (in the case of Registered Bonds), as the case may be, 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 Bonds or Coupons must be surrendered, in the case of Bonds together with all unmatured Coupons appertaining thereto, in the case of Coupons together with the Bond and all unmatured Coupons to which they appertain (*mantel en blad*), before replacements will be issued.

18. Governing Law

The Bonds and Coupons and any non-contractual obligations arising out of or in connection therewith are governed by, and will be construed in accordance with, the laws of the Netherlands. In relation to any legal action or proceedings arising out of or in connection with the Bonds and Coupons the Issuer irrevocably submits to the jurisdiction of the District Court in Amsterdam, the Netherlands. This submission is made for the exclusive benefit of the holders of the Bonds and the Security Trustee and shall not affect their right to take such action or bring such proceedings in any other courts of competent jurisdiction.

4.2 Form of Final Terms

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Series of Bonds issued under the Programme.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the **Insurance Mediation Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the **Prospectus Directive**). Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II Product Governance

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

FINAL TERMS

[Date]

DCMB Programme B.V.

(incorporated under the laws of the Netherlands with limited liability and having its corporate seat in Amsterdam, the Netherlands)

LEI: 724500KKK2GZTGXP1895

Issue of [Principal Amount of Compartment] [Title of Bonds] under the Mortgage Bond Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 18 July 2019 which constitutes a base prospectus for the purposes of the Prospectus Directive (the **Base Prospectus**). This document constitutes the Final Terms of the Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at and copies may be obtained from the specified offices of the Security Trustee during normal business hours.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

1. **Issuer:** DCMB Programme B.V.
2. (i) **Compartment Identifier:** []
(ii) **Series Number:** []
3. **Currency:** EUR
4. **Aggregate Principal Amount:**
(i) **Series:** []
5. **Issue Price of Series:** [] per cent. of the Aggregate Principal Amount
6. (i) **Denominations:** []

(N.B. Bonds must have a minimum denomination of EUR 100,000 (or equivalent))

(Bond – where multiple denominations above [EUR 100,000] or equivalent are being used the following sample wording should be followed:

“[EUR 100,000]/[EUR []] and integral multiples of [EUR 1,000]/[EUR []] in excess thereof up to and including [EUR 199,000] [EUR []]. No Bonds in definitive form will be issued with a denomination above [EUR 199,000]/[EUR []].”

(ii) **Calculation Amount** []

(If only one Denomination, insert the Denomination)

If more than one Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Denominations.)
7. (i) **Issue Date:** []
(ii) **Interest Commencement Date (if different from Issue Date):** [specify/Issue Date/Not Applicable]
8. **Final Maturity Date:** Bonds Payment Date falling in or nearest to [specify month and year]

(Maximum maturity of 45 years after Issue Date)
9. **Payment Basis** [Partly Paid]

[Fully paid on Issue Date]

(further particulars specified below)

10. Call Option

[Issuer Clean-Up Call]

[Transfer Option]

[Not Applicable]

11. Call Option Notice Period

Notice period: []

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)

12. Method of distribution

[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Interest Provisions:

- (i) Bonds Payment Date(s): [monthly] / [quarterly] on [] in each year up to and including the Maturity Date [(or, if such day is not a Business Day (as defined in the Terms and Conditions), the next succeeding Business Day] (NB: This will need to be amended in the case of long or short coupons)

(Note that the Bonds Payment Date need to falls after the thirteenth Business Day of a calendar month)

GENERAL PROVISIONS APPLICABLE TO THE BONDS

14. Form of Bonds:

[Bearer Bonds:

[Temporary Bearer Global Bond exchangeable for Permanent Bearer Global Bonds which are exchangeable for Definitive Bonds upon an Exchange Event.]

[Temporary Bearer Global Bond exchangeable for Definitive Bonds on and after the Exchange Date]

[Permanent Bearer Global Bond exchangeable for Definitive Bonds upon an Exchange Event]

[Registered Bonds:

Registered Bond registered in the name of a nominee for [a common depositary for Euroclear and

- Clearstream, Luxembourg/ a common safekeeper for Euroclear and Clearstream, Luxembourg]]
- 15. New Global Note:** [Yes] [No]
- 16. Details relating to Partly Paid Bonds** [Applicable][Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Initial Instalment Payment EUR []
- (Note that minimum principal amount of EUR 100,000 per Bond required)*
- (ii) Commitment Amount EUR []
- (iii) Minimum Commitment Amount EUR []
- 17. Registrar** [Specify entity/Not Applicable]
- 18. Transfer Agent** [Specify entity/Not Applicable]

Signed on behalf of DCMB Programme B.V.

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Bonds to be admitted to trading on [Euronext Amsterdam][the Luxembourg Stock Exchange][Euronext Paris][Eurex Deutschland][the London Stock Exchange][specify other stock exchange or market] with effect from [].]
[Application is expected to be made by the Issuer (or on its behalf) for the Bonds to be admitted to trading on [Euronext Amsterdam][the Luxembourg Stock Exchange][Euronext Paris][Eurex Deutschland][the London Stock Exchange][specify other stock exchange or market] with effect from [].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: []
- (iii) Listing Agent: []

2. RATINGS

- Ratings: [The Bonds to be issued [[have been]/[are expected to be]] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms]. [Each of [defined terms] is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**)]/[Not Applicable]

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Bonds has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. – *Amend as appropriate if there are other interests*]

4. REASONS FOR THE OFFER

- (i) Reasons for the offer []
- (See “Use of Proceeds” paragraph in Base Prospectus – if reasons for offer different will need to include those reasons here.)

5. OPERATIONAL INFORMATION

- (i) ISIN: []

- (ii) Common Code: []
- (iii) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): []
- (vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes][No]
- [Note that the designation “yes” simply means that the Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for Registered Bonds which are to be held under the NSS]* and does not necessarily mean that the Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[include this text if “yes” selected in which case Bearer Bonds must be issued in NGN form]*
- [Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Bonds are capable of meeting them the Bonds may then be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for Registered Bonds]*. Note that this does not necessarily mean that the Bonds will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]] *[include this text if “no” selected]*
- (vii) Common Depositary: [Not Applicable / name (only if Bonds are not intended to be issued in NGN form)]
- (viii) Common Service Provider: [Not Applicable / name (only if Bonds are intended to be issued in NGN form)]
- (ix) Common Safekeeper: [Not Applicable / name (only if Bonds are intended

to be issued in NGN form)]

6. DISTRIBUTION

- (i) If syndicated, names of Managers: [Not Applicable / *give names*]
(Include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issues without a firm commitment or on a 'best efforts' basis if such entities are not the same as the Managers.)
- (ii) Date of Syndication Agreement: []
- (iii) If not syndicated, name of relevant Manager: [Not Applicable / *give name*]
- (iv) Stabilising Manager(s) (if any): [Not Applicable / *give name(s)*]
- (v) U.S. Selling Restrictions: [TEFRA D/TEFRA C/Not Applicable]
- (vi) Additional selling restrictions: [Not Applicable/*give details*/During the Initial Phase, the Bonds may only be held by the Partly Paid Bonds Purchaser and the Partly Paid Bonds Purchaser shall not transfer the Bonds to any third party during the Initial Phase. *(only in case of Partly Paid Bonds)*]

PART C – ELIGIBLE INVESTMENTS

1. ELIGIBLE INVESTMENTS

- (i) Details relating to Eligible Investments: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (ii) Available investment amount in Eligible Investments: [Amounts outstanding on the Issuer Collection Account in excess of the Issuer Collection Account Eligible Investment Threshold] and/or [amounts outstanding on the Pre-Funding Account]
- (iii) Issuer Collection Account Eligible Investment Threshold Amount: [Not Applicable] [[] per cent. of the Principal Amount Outstanding of all Bonds on the immediately preceding Bonds Payment Date (after application by the Issuer of the Available Revenue Funds and the Available Principal Funds on such date)]

PART D- FURTHER INFORMATION FOR THE POOL AND COMPARTMENT [INSERT NAME COMPARTMENT]

This paragraph sets out specific information in respect of the Pool which secures the Bonds of Compartment [insert name Compartment].

1. DETAILS OF THE MORTGAGE RECEIVABLES

Risk Buckets and Interest rate periods

- | | |
|---|--|
| (i) NHG ($LTV \leq 106\%$): | <p>>0 year and ≤ 5 year (1 month, 1 year and 5 year resets) <i>[insert percentage]</i></p> <p>>5 year and year ≤ 10 (7 year and 10 year resets) <i>[insert percentage]</i></p> <p>>10 year and ≤ 30 year (15 year, 20 year and 30 year resets) <i>[insert percentage]</i></p> |
| (ii) Non – NHG ($0\% < LTV \leq 75\%$) | <p>>0 year and ≤ 5 year (1 month, 1 year and 5 year resets) <i>[insert percentage]</i></p> <p>>5 year and ≤ 10 year (7 year and 10 year resets) <i>[insert percentage]</i></p> <p>>10 year and ≤ 30 year (15 year, 20 year and 30 year resets) <i>[insert percentage]</i></p> |
| (iii) Non – NHG ($75\% < LTV \leq 90\%$): | <p>>0 year and ≤ 5 year (1 month, 1 year and 5 year resets) <i>[insert percentage]</i></p> <p>>5 year and ≤ 10 year (7 year and 10 year resets) <i>[insert percentage]</i></p> <p>>10 year and ≤ 30 year (15 year, 20 year and 30 year resets) <i>[insert percentage]</i></p> |
| (iv) Non – NHG ($90\% < LTV \leq 106\%$) | <p>>0 year and ≤ 5 year (1 month, 1 year and 5 year resets) <i>[insert percentage]</i></p> <p>>5 year and ≤ 10 year (7 year and 10 year resets) <i>[insert percentage]</i></p> <p>>10 year and ≤ 30 year (15 year, 20 year and 30 year resets) <i>[insert percentage]</i></p> |

Purchase price for the Mortgage Receivables

[Outstanding Principal Amount of the Mortgage Receivable on its Mortgage Origination Date/specify]

[Only include if the Pool which secures the Bonds of Compartment [insert name Compartment) is fully or partially formed at the relevant Issue Date] [The numerical data set out below relate to the Pool as of *[cut-off date]* which secures the Bonds of Compartment *[insert name Compartment]*. Therefore not all of the information set out below in relation to the Pool may necessarily correspond to the details of the Mortgage Receivables as at the Issue Date. Furthermore, after the Issue Date, the portfolio will change from time to time as a result of the repayment, prepayment, amendment and repurchase of Mortgage Receivables as well as the purchase of Further Advance Receivables and New Ported Mortgage Receivables.]

Summary Statistics

1. Commitment Amount

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[•]	[•]	[•]	[•]	[•]
7 - 10 Year	[•]	[•]	[•]	[•]	[•]
15 - 30 Year	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

Amount does not include further advances and portable mortgages.

2. Originated amount

2.1.a Originated amount by fixed rate period (new Mortgage Loans)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[•]	[•]	[•]	[•]	[•]
7 - 10 Year	[•]	[•]	[•]	[•]	[•]
15 - 30 Year	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

2.2.a Originated amount by fixed rate period (Further Advances)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[•]	[•]	[•]	[•]	[•]
7 - 10 Year	[•]	[•]	[•]	[•]	[•]
15 - 30 Year	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

2.3.a Originated amount by fixed rate period (New Ported Mortgage Loans)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[•]	[•]	[•]	[•]	[•]
7 - 10 Year	[•]	[•]	[•]	[•]	[•]
15 - 30 Year	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

2.1.b Originated amount by repayment type (new Mortgage Loans)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[•]	[•]	[•]	[•]	[•]
Linear	[•]	[•]	[•]	[•]	[•]
Interest only	[•]	[•]	[•]	[•]	[•]
Bridge loan	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

2.2.b Originated amount by repayment type (Further Advances)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[•]	[•]	[•]	[•]	[•]
Linear	[•]	[•]	[•]	[•]	[•]
Interest only	[•]	[•]	[•]	[•]	[•]
Bridge loan	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

2.3.b Originated amount by repayment type (New Ported Mortgage Loans)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[•]	[•]	[•]	[•]	[•]
Linear	[•]	[•]	[•]	[•]	[•]
Interest only	[•]	[•]	[•]	[•]	[•]
Bridge loan	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

3. Pipeline amount

3.1.a Pipeline amount by fixed rate period (new Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[•]	[•]	[•]	[•]	[•]
7 - 10 Year	[•]	[•]	[•]	[•]	[•]
15 - 30 Year	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

3.2.a Pipeline amount by fixed rate period (Further Advance offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[•]	[•]	[•]	[•]	[•]
7 - 10 Year	[•]	[•]	[•]	[•]	[•]
15 - 30 Year	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

3.3.a Pipeline amount by fixed rate period (New Ported Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[•]	[•]	[•]	[•]	[•]
7 - 10 Year	[•]	[•]	[•]	[•]	[•]
15 - 30 Year	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

3.1.b Pipeline amount by repayment type (new Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[•]	[•]	[•]	[•]	[•]
Linear	[•]	[•]	[•]	[•]	[•]
Interest only	[•]	[•]	[•]	[•]	[•]
Bridge loan	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

3.2.b Pipeline amount by repayment type (Further Advance offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[•]	[•]	[•]	[•]	[•]
Linear	[•]	[•]	[•]	[•]	[•]
Interest only	[•]	[•]	[•]	[•]	[•]
Bridge loan	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

3.3.b Pipeline amount by repayment type (New Ported Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[•]	[•]	[•]	[•]	[•]
Linear	[•]	[•]	[•]	[•]	[•]
Interest only	[•]	[•]	[•]	[•]	[•]
Bridge loan	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

4. Pipeline amount by phases

Three phases are included in the total pipeline: Applications Received (4.1), Offers Signed (4.2), and Final Approvals Accepted (4.3)

4.1.1.a Applications Received amount by fixed rate period (new Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.1.2.a Applications Received amount by fixed rate period (Further Advance offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.1.3.a Applications Received amount by fixed rate period (New Ported Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.1.1.b Applications Received amount by repayment type (new Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.1.2.b Applications Received amount by repayment type (Further Advance offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.1.3.b Applications Received amount by repayment type (New Ported Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.2.1.a Offers signed amount by fixed rate period (new Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.2.2.a Offers Signed amount by fixed rate period (Further Advance offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.2.3.a Offers Signed amount by fixed rate period (New Ported Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.2.1.b Offers Signed amount by repayment type (new Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.2.2.b Offers Signed amount by repayment type (Further Advance offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.2.3.b Offers Signed amount by repayment type (New Ported Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.3.1.a Final Approvals Accepted amount by fixed rate period (new Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.3.1.b Final Approvals Accepted amount by repayment type (new Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.3.2.a Final Approvals Accepted amount by fixed rate period (Further Advance offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.3.3.a Final Approvals Accepted amount by fixed rate period (New Ported Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.3.2.b Final Approvals Accepted amount by repayment type (Further Advance offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

4.3.3.b Final Approvals Accepted amount by repayment type (New Ported Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

5. Cancelled Applications amount

5.1.a Cancelled Applications amount by fixed rate period (new Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

5.1.b Cancelled Applications amount by repayment type (new Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

5.2.a Cancelled Applications amount by fixed rate period (Further Advance offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

5.2.b Cancelled Applications amount by repayment type (Further Advance offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

5.3.a Cancelled Applications amount by fixed rate period (New Ported Mortgage Loan offers)

Fixed rate period	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Floating - 5 Year	[*]	[*]	[*]	[*]	[*]
7 - 10 Year	[*]	[*]	[*]	[*]	[*]
15 - 30 Year	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

5.3.b Cancelled Applications amount by repayment type (New Ported Mortgage Loan offers)

Repayment type	Risk Class				Total
	NHG LTV ≤ 100%	Non-NHG 0% < LTV ≤ 75%	Non-NHG 75% < LTV ≤ 90%	Non-NHG 90% < LTV ≤ 100%	
Annuity	[*]	[*]	[*]	[*]	[*]
Linear	[*]	[*]	[*]	[*]	[*]
Interest only	[*]	[*]	[*]	[*]	[*]
Bridge loan	[*]	[*]	[*]	[*]	[*]
Total	[*]	[*]	[*]	[*]	[*]

1. Key Characteristics

Description	As per Reporting Date	As per Closing Date
Principal amount		
Value of savings deposits	N.A.	N.A.
Net principal balance		
Construction Deposits		
Net principal balance excl. Construction and Saving Deposits		
Negative balance		
Net principal balance excl. Construction and Saving Deposits and Negative Balance		
Number of loans		
Number of loanparts		
Number of negative loanparts		
Average principal balance (borrower)		
Weighted average current interest rate		
Weighted average maturity (in years)		
Weighted average remaining time to interest reset (in years)		
Weighted average seasoning (in years)		
Weighted average CLTOMV		
Weighted average CLTIMV		
Weighted average OLTOMV		

2. Redemption Type

Description	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Annuity							
Bank Savings							
Interest Only							
Hybrid							
Investments							
Life Insurance							
Linear							
Savings							
Other							
Unknown							
Total							

3. Outstanding Loan Amount

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 25,000							
25,000 – 50,000							
50,000 – 75,000							
75,000 – 100,000							
100,000 – 150,000							
150,000 – 200,000							
200,000 – 250,000							
250,000 – 300,000							
300,000 – 350,000							
350,000 – 400,000							
400,000 – 450,000							
450,000 – 500,000							
500,000 – 550,000							
550,000 – 600,000							
600,000 – 650,000							
650,000 – 700,000							
700,000 – 750,000							
750,000 – 800,000							
800,000 – 850,000							
850,000 – 900,000							
900,000 – 950,000							
950,000 – 1,000,000							
1.000.000 >=							
Unknown							
Total							

Average	
Minimum	
Maximum	

4. Origination Year

From (>=) – Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 2018							
2018 – 2019							
2019 – 2020							
2020 – 2021							
2021 – 2022							
2022 – 2023							
2023 – 2024							
2024 – 2025							
2025 – 2026							
2026 – 2027							
2027 – 2028							
2028 – 2029							
2029 – 2030							
2030 – 2031							
2031 – 2032							
2032 – 2033							
2033 – 2034							
2034 – 2035							
2035 >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

5. Seasoning

From (>=) – Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 1 Year(s)							
1 Year(s) – 2 Year(s)							
2 Year(s) – 3 Year(s)							
3 Year(s) – 4 Year(s)							
4 Year(s) – 5 Year(s)							
5 Year(s) – 6 Year(s)							
6 Year(s) – 7 Year(s)							
7 Year(s) – 8 Year(s)							
8 Year(s) – 9 Year(s)							
9 Year(s) – 10 Year(s)							
10 Year(s) – 11 Year(s)							
11 Year(s) – 12 Year(s)							
12 Year(s) – 13 Year(s)							
13 Year(s) – 14 Year(s)							
14 Year(s) – 15 Year(s)							
15 Year(s) – 16 Year(s)							
16 Year(s) – 17 Year(s)							
17 Year(s) – 18 Year(s)							
18 Year(s) – 19 Year(s)							
19 Year(s) – 20 Year(s)							
20 Year(s) – 21 Year(s)							
21 Year(s) – 22 Year(s)							
22 Year(s) – 23 Year(s)							
23 Year(s) – 24 Year(s)							
24 Year(s) – 25 Year(s)							
25 Year(s) – 26 Year(s)							
26 Year(s) – 27 Year(s)							
27 Year(s) – 28 Year(s)							
28 Year(s) – 29 Year(s)							
29 Year(s) – 30 Year(s)							
30 Year(s) >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

6. Legal Maturity

From (>=) – Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
2018 – 2020							
2020 – 2025							
2025 – 2030							
2030 – 2035							
2035 – 2040							
2040 – 2045							
2045 – 2050							
2050 – 2055							
2055 – 2060							
2060 – 2065							
2065 – 2070							
2070 – 2075							
2075 – 2080							
2080 – 2085							
2085 – 2090							
2090 – 2095							
2095 – 2100							
2100 >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

7. Remaining Tenor

From (>=) – Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 1 Year(s)							
1 Year(s) – 2 Year(s)							
2 Year(s) – 3 Year(s)							
3 Year(s) – 4 Year(s)							
4 Year(s) – 5 Year(s)							
5 Year(s) – 6 Year(s)							
6 Year(s) – 7 Year(s)							
7 Year(s) – 8 Year(s)							
8 Year(s) – 9 Year(s)							
9 Year(s) – 10 Year(s)							
10 Year(s) – 11 Year(s)							
11 Year(s) – 12 Year(s)							
12 Year(s) – 13 Year(s)							
13 Year(s) – 14 Year(s)							
14 Year(s) – 15 Year(s)							
15 Year(s) – 16 Year(s)							
16 Year(s) – 17 Year(s)							
17 Year(s) – 18 Year(s)							
18 Year(s) – 19 Year(s)							
19 Year(s) – 20 Year(s)							
20 Year(s) – 21 Year(s)							
21 Year(s) – 22 Year(s)							
22 Year(s) – 23 Year(s)							
23 Year(s) – 24 Year(s)							
24 Year(s) – 25 Year(s)							
25 Year(s) – 26 Year(s)							
26 Year(s) – 27 Year(s)							
27 Year(s) – 28 Year(s)							
28 Year(s) – 29 Year(s)							
29 Year(s) – 30 Year(s)							
30 Year(s) >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

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

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG							
< 10.00 %							
10.00 % - 20.00 %							
20.00 % - 30.00 %							
30.00 % - 40.00 %							
40.00 % - 50.00 %							
50.00 % - 60.00 %							
60.00 % - 70.00 %							
70.00 % - 80.00 %							
80.00 % - 90.00 %							
90.00 % - 100.00 %							
100.00 % - 110.00 %							
110.00 % - 120.00 %							
120.00 % - 130.00 %							
130.00 % - 140.00 %							
140.00 % - 150.00 %							
150.00 % >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

8b. Original Loan To Original Market Value (NHG)

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Non-NHG							
< 10.00 %							
10.00 % - 20.00 %							
20.00 % - 30.00 %							
30.00 % - 40.00 %							
40.00 % - 50.00 %							
50.00 % - 60.00 %							
60.00 % - 70.00 %							
70.00 % - 80.00 %							
80.00 % - 90.00 %							
90.00 % - 100.00 %							
100.00 % - 110.00 %							
110.00 % - 120.00 %							
120.00 % - 130.00 %							
130.00 % - 140.00 %							
140.00 % - 150.00 %							
150.00 % >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

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

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG							
<= 10.00 %							
10.00 % - 20.00 %							
20.00 % - 30.00 %							
30.00 % - 40.00 %							
40.00 % - 50.00 %							
50.00 % - 60.00 %							
60.00 % - 70.00 %							
70.00 % - 80.00 %							
80.00 % - 90.00 %							
90.00 % - 100.00 %							
100.00 % - 110.00 %							
110.00 % - 120.00 %							
120.00 % - 130.00 %							
130.00 % - 140.00 %							
140.00 % - 150.00 %							
150.00 % >							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

9b. Current Loan To Original Market Value (NHG)

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Non-NHG							
<= 10.00 %							
10.00 % - 20.00 %							
20.00 % - 30.00 %							
30.00 % - 40.00 %							
40.00 % - 50.00 %							
50.00 % - 60.00 %							
60.00 % - 70.00 %							
70.00 % - 80.00 %							
80.00 % - 90.00 %							
90.00 % - 100.00 %							
100.00 % - 110.00 %							
110.00 % - 120.00 %							
120.00 % - 130.00 %							
130.00 % - 140.00 %							
140.00 % - 150.00 %							
150.00 % >							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

10a. Current Loan To Indexed Market Value (Non-NHG)							
From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG							
< 10.00 %							
10.00 % - 20.00 %							
20.00 % - 30.00 %							
30.00 % - 40.00 %							
40.00 % - 50.00 %							
50.00 % - 60.00 %							
60.00 % - 70.00 %							
70.00 % - 80.00 %							
80.00 % - 90.00 %							
90.00 % - 100.00 %							
100.00 % - 110.00 %							
110.00 % - 120.00 %							
120.00 % - 130.00 %							
130.00 % - 140.00 %							
140.00 % - 150.00 %							
150.00 % >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

10b. Current Loan To Indexed Market Value (NHG)

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOM
Non-NHG							
< 10.00 %							
10.00 % - 20.00 %							
20.00 % - 30.00 %							
30.00 % - 40.00 %							
40.00 % - 50.00 %							
50.00 % - 60.00 %							
60.00 % - 70.00 %							
70.00 % - 80.00 %							
80.00 % - 90.00 %							
90.00 % - 100.00 %							
100.00 % - 110.00 %							
110.00 % - 120.00 %							
120.00 % - 130.00 %							
130.00 % - 140.00 %							
140.00 % - 150.00 %							
150.00 % >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

11. Loanpart Coupon (interest rate bucket)

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
<= 0.5 %							
0.5 % - 1.0 %							
1.0 % - 1.5 %							
1.5 % - 2.0 %							
2.0 % - 2.5 %							
2.5 % - 3.0 %							
3.0 % - 3.5 %							
3.5 % - 4.0 %							
4.0 % - 4.5 %							
4.5 % - 5.0 %							
5.0 % - 5.5 %							
5.5 % - 6.0 %							
6.0 % - 6.5 %							
6.5 % - 7.0 %							
7.0 % >							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

12a. Remaining Interest Rate Fixed Period (months)							
From (>=) – Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Floating Rate							
< 12 Month(s)							
12 Month(s) – 24 Month(s)							
24 Month(s) – 36 Month(s)							
36 Month(s) – 48 Month(s)							
48 Month(s) – 60 Month(s)							
60 Month(s) – 72 Month(s)							
72 Month(s) – 84 Month(s)							
84 Month(s) – 96 Month(s)							
96 Month(s) – 108 Month(s)							
108 Month(s) – 120 Month(s)							
120 Month(s) – 132 Month(s)							
132 Month(s) – 144 Month(s)							
144 Month(s) – 156 Month(s)							
156 Month(s) – 168 Month(s)							
168 Month(s) – 180 Month(s)							
180 Month(s) – 192 Month(s)							
192 Month(s) – 204 Month(s)							
204 Month(s) – 216 Month(s)							
216 Month(s) – 228 Month(s)							
228 Month(s) – 240 Month(s)							
240 Month(s) – 252 Month(s)							
252 Month(s) – 264 Month(s)							
264 Month(s) – 276 Month(s)							
276 Month(s) – 288 Month(s)							
288 Month(s) – 300 Month(s)							
300 Month(s) – 312 Month(s)							
312 Month(s) – 324 Month(s)							
324 Month(s) – 336 Month(s)							
336 Month(s) – 348 Month(s)							
348 Month(s) – 360 Month(s)							
360 Month(s) >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

12b. Original Interest Rate Fixed Period (months)

From (>=) – Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Floating Rate							
< 12 Month(s)							
12 Month(s) – 24 Month(s)							
24 Month(s) – 36 Month(s)							
36 Month(s) – 48 Month(s)							
48 Month(s) – 60 Month(s)							
60 Month(s) – 72 Month(s)							
72 Month(s) – 84 Month(s)							
84 Month(s) – 96 Month(s)							
96 Month(s) – 108 Month(s)							
108 Month(s) – 120 Month(s)							
120 Month(s) – 132 Month(s)							
132 Month(s) – 144 Month(s)							
144 Month(s) – 156 Month(s)							
156 Month(s) – 168 Month(s)							
168 Month(s) – 180 Month(s)							
180 Month(s) – 192 Month(s)							
192 Month(s) – 204 Month(s)							
204 Month(s) – 216 Month(s)							
216 Month(s) – 228 Month(s)							
228 Month(s) – 240 Month(s)							
240 Month(s) – 252 Month(s)							
252 Month(s) – 264 Month(s)							
264 Month(s) – 276 Month(s)							
276 Month(s) – 288 Month(s)							
288 Month(s) – 300 Month(s)							
300 Month(s) – 312 Month(s)							
312 Month(s) – 324 Month(s)							
324 Month(s) – 336 Month(s)							
336 Month(s) – 348 Month(s)							
348 Month(s) – 360 Month(s)							
360 Month(s) >=							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

13. Interest Payment Type							
Description	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Fixed							
1M Floating							
Unknown							
Total							

14. Property Description							
Description	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Flat/apartment							
Flat/apartment with garage							
Single family house							
Single family house with garage							
Other property / unknown							
Total							

15. Geographical Distribution (by province)							
Province	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Drenthe							
Flevoland							
Friesland							
Gelderland							
Groningen							
Limburg							
Noord-Brabant							
Noord-Holland							
Overijssel							
Utrecht							
Zeeland							
Zuid-Holland							
Unknown/Not specified							
Total							

16. Geographical Distribution (by economic region)

Economic Region	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NL111 – Oost-Groningen							
NL112 – Delfzijl en omgeving							
NL113- Overig Groningen							
NL121- Noord-Friesland							
NL122- Zuidwest-Friesland							
NL123- Zuidoost-Friesland							
NL131- Noord-Drenthe							
NL132- Zuidoost-Drenthe							
NL133- Zuidwest-Drenthe							
NL211- Noord-Overijssel							
NL212- Zuidwest-Overijssel							
NL213- Twente							
NL221- Veluwe							
NL224- Zuidwest-Gelderland							
NL225- Achterhoek							
NL226- Arnhem/Nijmegen							
NL230- Flevoland							
NL310- Utrecht							
NL321- Kop van Noord-Holland							
NL322- Alkmaar en omgeving							
NL323- IJmond							
NL324- Agglomeratie Haarlem							
NL325- Zaanstreek							
NL326- Groot-Amsterdam							
NL327- Het Gooi en Vechtstreek							
NL331- Agglomeratie Leiden en Bollenstreek							
NL332- Agglomeratie 's-Gravenhage							
NL333- Delft en Westland							
NL334- Oost-Zuid-Holland							
NL335- Groot-Rijnmond							
NL336- Zuidoost-Zuid-Holland							
NL341- Zeeuwsch-Vlaanderen							
NL342- Overig Zeeland							
NL411- West-Noord-Brabant							
NL412- Midden-Noord-Brabant							
NL413- Noordoost-Noord-Brabant							
NL414- Zuidoost-Noord-Brabant							
NL421- Noord-Limburg							
NL422- Midden-Limburg							
NL423- Zuid-Limburg							
Unknown/Not specified							
Total							

17. Construction Deposits (% of net principal amount)

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0 %							
0 % - 10 %							
10 % - 20 %							
20 % - 30 %							
30 % - 40 %							
40 % - 50 %							
50 % - 60 %							
60 % - 70 %							
70 % - 80 %							
80 % - 90 %							
90 % - 100 %							
100 % >							
Total							

Weighted Average	
Minimum	
Maximum	

18. Occupancy

Description	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Owner Occupied							
Temporary Letting							
Unknown							
Total							

19. Employment Status Borrower

Description	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Employed							
Self-employed							
Retired							
Other							
Unknown							
Total							

20. Loan To Income

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Self Certified							
<= 0.50							
0.50 – 1.00							
1.00 – 1.50							
1.50 – 2.00							
2.00 – 2.50							
2.50 – 3.00							
3.00 – 3.50							
3.50 – 4.00							
4.00 – 4.50							
4.50 – 5.00							
5.00 – 5.50							
5.50 – 6.00							
6.00 – 6.50							
6.50 – 7.00							
7.00 >							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

21. Debt Service to Income

From (>) – Until (<=)	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
<= 0.00 %							
0.00 % - 5.00 %							
5.00 % - 10.00 %							
10.00 % - 15.00 %							
15.00 % - 20.00 %							
20.00 % - 25.00 %							
25.00 % - 30.00 %							
30.00 % - 35.00 %							
35.00 % - 40.00 %							
40.00 % - 45.00 %							
45.00 % - 50.00 %							
50.00 % - 55.00 %							
55.00 % - 60.00 %							
60.00 % - 65.00 %							
65.00 % - 70.00 %							
70.00 % >							
Unknown							
Total							

Weighted Average	
Minimum	
Maximum	

22. Loanpart Payment Frequency

Description	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Monthly							
Quarterly							
Semi-annually							
Annually							
Unknown							
Total							

23. Guarantee Type

Description	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG Guarantee							
Non-NHG Guarantee							
Unknown							
Total							

24. Originator

Originator	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Dynamic Credit Hypotheken B.V.							
Total							

25. Servicer

Servicer	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
QUION							
Total							

26. Capital Insurance

Insurance Policy Provider	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
No policy attached							
Total							

]

4.3 Form of the Bonds

A Series of Bonds issued under a Compartment will either be in bearer form (**Bearer Bonds**), with or without interest coupons (**Coupons**) attached, or in registered form (**Registered Bonds**), without Coupons attached. Bearer and Registered Bonds will be issued outside the United States in reliance on Regulation S under the Securities Act (**Regulation S**).

Bearer Bonds

A Series of Bearer Bonds will be in bearer form and will be initially represented by in the form of a temporary global bond (a **Temporary Bearer Global Bond**) (or, if so specified in the applicable Final Terms, a permanent global bond (a **Permanent Bearer Global Bond**)), which will either:

- (a) if the Bearer Global Bonds are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the relevant Issue Date of the Series of Bonds relating to a Compartment to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, S.A. (**Clearstream, Luxembourg**) and/or any other agreed clearing system or be deposited with the Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (**Euroclear Nederland**); and
- (b) if the Bearer Global Bonds are not intended to be issued in NGN form, be delivered on or prior to the relevant Issue Date of the Series to a common depository (the **Common Depository**) for, Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system or be deposited with Euroclear Nederland.

Where the Bearer Global Bonds issued in respect of any Series are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Bonds are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Bonds are to be so held does not necessarily mean that the Bearer Bonds of the relevant Series will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Bond is represented by a Temporary Bearer Global Bond and subject to TEFRA D selling restrictions, payments of principal and interest (if any) and any other amount payable in respect of the Bonds due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Bond if the Temporary Bearer Global Bond is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Bearer Global Bond are not United States persons or persons who have purchased for resale to any United States person, as required by U.S. Treasury regulations, has been received by the relevant clearing system(s) and the relevant clearing system(s) have given a like certification (based on the certifications they have received) to the relevant Paying Agent. Any reference in this Section 4.3 (*Form of the Bonds*) to the relevant clearing system(s) shall mean the clearance and/or settlement system(s) specified in the applicable Final Terms and/or any Supplemental Prospectus.

On and after the date (the **Exchange Date**) which is 40 days after the date on which a Temporary Bearer Global Bond is issued, interests in the Temporary Bearer Global Bond will be exchangeable (free of charge), upon request as described therein, either for interests in a Bearer Global Bond of the same Series or for Definitive Bearer Bonds of the same Series (as indicated in the applicable Final Terms), in each case (if the Bearer Bonds are subject to TEFRA D selling restrictions) against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain United States persons will not be able to receive Definitive Bearer Bonds. The holder of a Temporary Bearer Global Bond will not be entitled to collect any payment of interest or principal or other amount due on or after the Exchange Date, unless upon due certification, exchange of the Temporary Bearer

Global Bond for an interest in a Permanent Bearer Global Bond or for Definitive Bearer Bonds is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Bond will be made through the relevant clearing system(s) (against presentation or surrender (as the case may be) of the Permanent Bearer Global Bond if the Permanent Global Bond is not intended to be issued in NGN form) without any requirement for certification. A Permanent Bearer Global Bond will only be exchangeable upon an Exchange Event (free of charge), in whole or (subject to the Bearer Bonds which continue to be represented by the Permanent Bearer Global Bond being regarded by the relevant clearing system(s) as fungible with the Bearer Bonds in definitive form issued in partial exchange for such Permanent Bearer Global Bond) in part in accordance with the applicable Trust Deed and the Terms and Conditions of the Bonds, for security printed Bearer Bonds in definitive form. Such exchange may be made, as specified in the applicable Final Terms, either: (i) upon not less than 30 days' written notice being given to the relevant Paying Agent by a relevant clearing system (acting on the instructions of any of its participants) as described therein or (ii) upon the occurrence of an Exchange Event, subject to mandatory provisions of applicable laws and regulations. If and for as long as a Permanent Bearer Global Bond is deposited with Euroclear Nederland, such laws include the Securities Giro Transfer Act (*Wet giraal effectenverkeer*) and delivery (*uitlevering*) will only be possible in the limited circumstances prescribed by the Securities Giro Transfer Act.

An **Exchange Event** means (1) an Event of Default (as defined in Condition 12 (*Events of Default*)) has occurred and is continuing, (2) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or if applicable Euroclear Nederland has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system is available or (3) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 9 (*Taxation*) which would not be required were the Bearer Bonds represented by the Permanent Global Bond in definitive form. The Issuer will promptly give notice to Bondholders in accordance with Condition 15 (*Notices*) upon the occurrence of an Exchange Event. In the event of the occurrence of an Exchange Event, a relevant clearing system or the common depositary or the common safekeeper for Euroclear and Clearstream, Luxembourg, as the case may be, acting on the instructions of any holder of an interest in the global Bond may give notice to the relevant Paying Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (3) above, the Issuer may also give notice to the relevant Paying Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date on which the relevant notice is received by the relevant Paying Agent. Bearer Global Bonds and Definitive Bearer Bonds will be issued pursuant to the Paying Agency Agreement. At the date hereof, neither Euroclear nor Clearstream, Luxembourg, as opposed to Euroclear Nederland, regard Bearer Bonds in global form as fungible with Bearer Bonds in definitive form.

The following legend will appear on all Bearer Bonds which have an original maturity of more than one year and on all interest coupons (including talons) relating to such Bearer Bonds (other than Temporary Global Bonds) which are issued in compliance with the TEFRA D Rules:

‘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.’

The sections referred to in such legend provide that a United States person who holds a Bearer Bond will generally not be entitled to deduct any loss on Bonds or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Bonds or interest coupons.

The following legend will appear on all global Bearer Bonds held in Euroclear Nederland:

‘NOTICE: THIS BOND IS ISSUED FOR DEPOSIT WITH NEDERLANDS CENTRAAL INSTITUUT VOOR GIRAAL EFFECTENVERKEER B.V. (‘EUROCLEAR NEDERLAND’) AT AMSTERDAM, THE NETHERLANDS. ANY PERSON BEING OFFERED THIS BOND FOR TRANSFER OR ANY OTHER PURPOSE SHOULD BE AWARE THAT THEFT OR FRAUD IS ALMOST CERTAIN TO BE INVOLVED.

NOTICE: THE CUSTODY OF THIS GLOBAL CERTIFICATE BY EUROCLEAR NEDERLAND SHALL BE SUBJECT TO EUROCLEAR NEDERLAND’S CONDITIONS AS IN FORCE FROM TIME TO TIME. THE ISSUER HEREBY DECLARES THAT IT WILL ABIDE BY THESE CONDITIONS.’

Registered Bonds

The Registered Bonds of a Series will initially be represented by a bond in registered form (a **Registered Bond**). Registered Bonds will be deposited with a common depositary or, if the Registered Bonds are to be held under the new safe-keeping structure (the **NSS**), a common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of the nominee for the Common Depositary of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Bonds will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Bonds in fully registered form.

Where the Registered Bonds issued in respect of any Series is intended to be held under the NSS, the applicable Final Terms will indicate whether or not such Registered Bonds are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Bonds are to be so held does not necessarily mean that the Bonds of the relevant Series will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Registered Bond held under the NSS will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Payments of principal, interest and any other amount in respect of the Registered Bonds that are not in definitive form will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6(b) (*Payments in respect of Registered Bonds*))) as the registered holder of the Registered Bonds. None of the Issuer, any Paying Agent, the Security Trustee or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Bonds in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6(b) (*Payments in respect of Registered Bonds*))) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Bond will be exchangeable (free of charge), in whole but not in part, for definitive Registered Bonds without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (1) an Event of Default (as defined in Condition 12 (*Events of Default*)) has occurred and is continuing, (2) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or if applicable Euroclear Nederland has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system is available or (3) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 9 (*Taxation*) which would not be required were the Registered Bonds represented by the Registered Bond in definitive form.

In the event of the occurrence of an Exchange Event, a relevant clearing system or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Bond) may give notice to the Registrar requesting exchange (and in the event of the occurrence of an Exchange Event as described in (3) above, the Issuer may also give notice to the Registrar requesting exchange). Any such exchange shall occur no later than 15 days after the date on which the relevant notice is received by the Registrar.

No beneficial owner of an interest in a Registered Bond will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg or Euroclear Nederland, in each case to the extent applicable.

General

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or Euroclear Nederland shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

4.4 Subscription and Sale

If the Final Terms specify that any Managers will be appointed in relation to an issuance of a Series of Bonds of a Compartment, such Managers and the Seller shall, pursuant to the relevant Subscription Agreement severally agree with the Issuer, on terms and subject to certain conditions, to purchase such Bonds at their respective issue prices

Prohibition of Sales to EEA Retail Investors

Each Manager shall be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the **Insurance Mediation Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the **Prospectus Directive**); 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 Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

France

Each Manager will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Bonds to the public in France, and has not made and will not make any communication by any means about the offer to the public in France, and has not distributed, released or issued or caused to be distributed, released or issued and will not distribute, release or issue or cause to be distributed, released or issued to the public in France, or used in connection with any offer for subscription or sale of the Bonds to the public in France, this Base Prospectus, or any other offering material relating to the Bonds, and that such offers, sales, communications and distributions have been and shall be made in France only to (a) authorised providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals or (c) a restricted circle of investors (*cercle restreint d'investisseurs*), in each case, acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-4 of the French *Code monétaire et financier*.

In addition, pursuant to article 211-4 of the *Règlement Général* of the French *Autorité des Marchés Financiers* (AMF), each Manager must disclose to any investors in a private placement as described in the above that: (i) the offer does not require a prospectus to be submitted for approval to the AMF, (ii) persons or entities mentioned in article L. 411-1 of the French *Code monétaire et financier* (i.e., qualified investors (*investisseurs qualifiés*) or a restricted circle of investors (*cercle restreint d'investisseurs*) mentioned above) may take part in the offer solely for their own account, as provided in articles D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French *Code monétaire et financier* and (iii) the financial instruments thus acquired cannot be distributed directly or indirectly to the public otherwise than in accordance with articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French *Code monétaire et financier*.

Italy

No application has been or will be made by any person to obtain an authorization from Commissione Nazionale per le Società e la Borsa (**CONSOB**) for the public offering (*offerta al pubblico*) of the Bonds in the Republic of Italy. Accordingly, no Bonds may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Bonds be distributed in the Republic of Italy, except:

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

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

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Italian Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and
- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No 25 of 1948, as amended) (the **FIEA**) and each Manager has represented and agreed, and each further manager appointed will be required to represent and agree, that it will not offer or sell Bonds, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or re-sale, directly or indirectly, in Japan or to or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Japanese FIEA and any other applicable laws and regulations and ministerial guidance of Japan.

United Kingdom

Each Manager will be required to represent and agree that:

- (i) 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 UK Financial Services and Markets Act 2000 (the **FSMA**)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the United Kingdom.

United States

The Bonds have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not just subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

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

Each Manager will be required to agree that it will not offer, sell or deliver the Bonds (i) as part of its distribution at any time or (ii) otherwise until forty (40) days after the completion of the distribution as determined and certified by each Manager within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Bonds during the distribution compliance period (as defined in Regulation S) a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds 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 under the Securities Act.

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

General

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

Each Manager will be required to undertake not to offer or sell directly or indirectly any Bonds, or to distribute or publish this Base Prospectus or any other material relating to the Bonds in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

4.5 Use of Proceeds

The net proceeds of a Series of Bonds issued under a Compartment will be applied (i) to pay (part of) the Relevant Purchase Price for the Mortgage Receivables purchased on the relevant Transfer Date pursuant to the Mortgage Receivables Purchase Agreement, (ii) to pay costs incurred by the Issuer in connection with the Programme and/or Collective Mandate Programme, (iii) to credit the Sold Property Portable Mortgage Account with an amount equal to the Sold Property Portable Mortgage Required Amount and (iv) to credit the Further Advance and Unsold Property Portable Mortgage Account with an amount equal to the Further Advance and Unsold Property Portable Mortgage Required Amount.

If (part of) the net proceeds of a Series of Bonds have been received by the Issuer but not yet applied to purchase Mortgage Receivables, these amounts will (i) be deposited on the relevant Pre-Funding Account, for purchase of Mortgage Receivables (directly or indirectly) from the Seller for the Compartment at the next following Transfer Date or at a later stage (ii) be used to pay (A) costs incurred by the Issuer in connection with the Programme and/or Collective Mandate Programme and (B) costs of the Seller that are related to the new origination of Mortgage Loans that will form part of the Pool relating to such Compartment (iii) be used for payment of fees and costs in accordance with item (a), (b) and (c) of the Revenue Priority of Payments to the extent not covered under (ii)(A) above, (iv) be credited to the Further Advance and Unsold Property Portable Mortgage Account with an amount up to the Further Advance and Unsold Property Portable Mortgage Required Amount and/or (v) if the applicable Final Terms so specify, be used for investment by the Issuer in Eligible Investments.

An amount as specified in the Deed of Assignment and Pledge of the Relevant Purchase Price payable on the relevant Transfer Date will be withheld by the Issuer and deposited in the Construction Deposit Account.

4.6 Taxation in the Netherlands

General

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

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

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

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

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

Withholding Tax

All payments made by the Issuer under the Bonds may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein provided that the Bonds do not qualify as equity of the

Issuer within the meaning of article 10, paragraph 1, under d of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Corporate and Individual Income Tax

Residents of the Netherlands

Corporate entities

If a holder of Bonds is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands corporate income tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Bonds are attributable, income derived from the Bonds and gains realised upon the redemption, settlement or disposal of the Bonds are generally taxable in the Netherlands (in 2019 at a rate of 19 per cent. for taxable profits up to EUR 200,000 and at a rate of 25 per cent. for the remainder).

Individuals

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands individual income tax purposes, income derived from the Bonds and gains realised upon the redemption, settlement or disposal of the Bonds are taxable at the progressive rates (at up to a maximum rate of 51.75 per cent. in 2019), if:

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

If neither condition (i) nor condition (i) above applies, an individual that holds the Bonds, must determine taxable income with regard to the Bonds on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Bonds will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 30 per cent in 2019.

Non-residents of the Netherlands

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

Corporate entities

- (i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Bonds are attributable, or (2) is

(other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Bonds are attributable.

This income is subject to Netherlands corporate income tax at a rate of 19 per cent. for taxable profits up to EUR 200,000 and 25 per cent. for the remainder (in 2019).

Individuals

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

Income derived from the Bonds as specified under (1) and (2) is subject to individual income tax at progressive rates up to a maximum rate of 51.75 per cent. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments (as described above under “Residents of the Netherlands”). The fair market value of the share in the profits of the enterprise (which includes the Bonds) will be part of the individual’s Netherlands yield basis.

Gift and Inheritance Tax

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

- (i) the holder of a Note is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (ii) in the case of a gift of Bonds 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 in the Netherlands.

Value Added Tax

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

Other Taxes and Duties

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

Residence

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

4.7 Security

In respect of each Compartment, in the relevant Parallel Debt Agreement the Issuer will irrevocably and unconditionally undertake to pay to the Security Trustee an amount equal to the aggregate amount, from time to time, due (*verschuldigd*) by the Issuer to the Secured Creditors under the relevant Compartment (the **Parallel Debt**).

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

To the extent that the Security Trustee irrevocably (*onherroepelijk*) and unconditionally (*onvoorwaardelijk*) receives any amount in payment of the Parallel Debt, the Security Trustee shall distribute such amount among the Secured Creditors in accordance with the relevant Priority of Payments. The amounts available to the Secured Creditors, will be the sum of (a) amounts recovered (*verhaald*) by the Security Trustee (i) on the Mortgage Receivables and (ii) other assets pledged pursuant to the Pledge Agreements and (b) the *pro rata* part of amounts received from any of the Secured Creditors, as received or recovered by any of them pursuant to the relevant Parallel Debt Agreement; less (y) any amounts already paid by the Security Trustee to the Secured Creditors pursuant to the relevant Parallel Debt Agreement and (z) the *pro rata* part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, *inter alia*, any legal advisor, auditor or accountant appointed by the Security Trustee).

On each first Issue Date relating to a Compartment the Issuer will vest a right of pledge or agrees to pledge in advance (*bij voorbaat*) pursuant to the Issuer Mortgage Receivables Pledge Agreement in favour of the Security Trustee on the Mortgage Receivables to be assigned on such date and the Beneficiary Rights and Existing Rights relating thereto and in respect of any New Ported Mortgage Receivables and Further Advance Receivables and undertakes to grant a first ranking right of pledge on such New Ported Mortgage Receivables and Further Advance Receivables and, if applicable, the Beneficiary rights and Existing Rights relating thereto on the date on which they are acquired. The right of pledge on the Mortgage Receivables will not be notified to the Borrowers, except in case a Pledge Notification Event occurs. Prior to notification of the right of pledge to the Borrowers, the pledge will be a 'silent' right of pledge (*stil pandrecht*) within the meaning of Section 3:239 of the Dutch Civil Code. The right of pledge on the Beneficiary Rights and Existing Rights will also be an undisclosed right of pledge (*stil pandrecht*).

In addition, on the relevant Issue Date the Issuer will vest a right of pledge pursuant to the Issuer Rights Pledge Agreement in favour of the Security Trustee on all rights of the Issuer under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Collective Mandate Programme Agreement, (iii) the Administration Agreement, (iv) the Receivables Proceeds Distribution Agreement, (v) the Issuer Account Agreement and (vi) in respect of the Issuer Accounts (other than the Pre-Funding Account and the Investment Accounts). This right of pledge will be notified to the relevant obligors and will, therefore, be a disclosed right of pledge (*openbaar pandrecht*). However, the Security Trustee will grant a power to collect (*bevoegdheid tot inning*) to the Issuer which will be withdrawn upon the occurrence of any of the Pledge Notification Events.

Upon the occurrence of a Pledge Notification Event and, consequently, notification to the Borrowers and the Insurance Companies and withdrawal of the power to collect, the Security Trustee will collect (*innen*) all amounts due to the Issuer whether by Borrowers or parties to the Transaction Documents or the Collective Mandate Documents. Pursuant to the relevant Trust Deed the Security Trustee will, until the delivery of an Enforcement Notice, for the sole purpose of enabling the Issuer to make payments in accordance with the relevant Priority of Payments, pay or procure the payment to the Issuer, whilst for that sole purpose terminating (*opzeggen*) its right of pledge.

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 relevant Parallel Debt Agreement and any other Transaction Documents and Collective Mandate Documents.

Pursuant to the Collection Foundation Account Pledge Agreement the Collection Foundation shall grant a second 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, after the first ranking right of pledge of the Collection Foundation Account Provider, in favour of the Beneficiaries, subject to the agreement that current and future beneficiaries under the Collection Foundation Documents will also have the benefit of a right of pledge and agree to cooperate to facilitate such security. Such right of pledge will be notified to the Collection Foundation Account Provider where the Collection Foundation Account is maintained.

Pursuant to the Collective Mandate Documents, the balances standing to credit of the Pre-Funding Account and the Investment Accounts in relation to each Compartment will be pledged to the Seller and these accounts will not be pledged to the Security Trustee to secure the obligations of the Issuer under the various Compartments.

5. CREDIT STRUCTURE

The structure of the credit arrangements for the proposed issue of the Bonds may be summarised as follows.

5.1 Separate Compartments and Pools

Each Compartment and Pool is separated and segregated from other Compartments and Pools and is structured in such a manner that each Pool will, *inter alia*, have separate and segregated cash flows, its own Issuer Accounts, Trust Deed, Parallel Debt Agreement and Priorities of Payments. See *One Issuer for all Compartments, Issuer has limited resources available to meet its obligations* in Section 2 (*Risk Factors*) for a more detailed description.

5.2 Available Funds

Available Revenue Funds

The sum of the following amounts to the extent these amounts relate to such Compartment and the related Pool, calculated as at each Bonds Calculation Date and which have been received during the Monthly Calculation Period(s) immediately preceding such Bonds Calculation Date or, if specifically set out below, on the relevant Bonds Payment Date, will pursuant to the terms of the relevant Trust Deed be applied in accordance with the Revenue Priority of Payments in relation to each Compartment, (the **Available Revenue Funds**):

- (i) interest on the Mortgage Receivables;
- (ii) Prepayment Penalties and penalty interest under the Mortgage Receivables;
- (iii) Net Foreclosure Proceeds on any Mortgage Receivables to the extent such proceeds do not relate to principal;
- (iv) amounts received as Post-Foreclosure Proceeds, to the extent such amounts (a) do not relate to principal and (b) are not due and payable to Stichting WEW to satisfy its claim resulting from payment made by it under the NHG Guarantees, if applicable, on the Mortgage Receivables;
- (v) amounts received in connection with a sale of Mortgage Receivables to the extent such amounts do not relate to principal;
- (vi) interest accrued and received on the relevant Issuer Accounts;
- (vii) interest, dividend, profit or any other form of return on the Eligible Investments, if applicable;
- (viii) amounts to be drawn from the relevant Issuer Collection Account with a corresponding debit to the Interest Reconciliation Ledger on the immediately succeeding Bonds Payment Date;
- (ix) amounts standing to the credit of the Pre-Funding Account to cover any shortfall in the payment of fees and costs in accordance with item (a), (b) and (c) of the Revenue Priority of Payments;
- (x) amounts received by the Seller from a potential Borrower prior to the granting of a Mortgage Loan, such as cancellation fees or fees for extension of the offer period, to the extent such amounts have been allocated to a Compartment;
- (xi) amounts received by the Issuer as indemnity payments, compensation payments or reimbursements in connection with the Mortgage Receivables to the extent such amounts do not relate to principal;

- (xii) any amounts available pursuant to item (e) of the Redemption Priority of Payments on the immediately succeeding Bond Payment Date;
- (xiii) any Sold Property Portable Mortgage Interest Amount;
- (xiv) any Further Advance and Unsold Property Portable Mortgage Interest Amount;
- (xv) any Origination Stop Notice Interest Amount;
- (xvi) on the Bonds Payment Date on which the Bonds of such Compartment will be or have been redeemed in full subject to and in accordance with Condition 7 (*Redemption and purchase*), any (remaining) amounts standing to the credit of the relevant Issuer Collection Account which are not included in items (i) up to and including (xv) on such Bonds Payment Date;

less:

- (i) on the first Bonds Payment Date of each year, an amount of euro 2,500;
- (ii) any amount to be credited to the Interest Reconciliation Ledger on the immediately succeeding Bonds Payment Date;
- (iii) any amounts paid by or on behalf of the Seller towards insurance premiums that have not been paid by the relevant Borrower; and
- (iv) the Revenue Ledger Retention Amount.

Available Principal Funds

The sum of the following amounts to the extent these amounts relate to such Compartment and the related Pool, calculated as at any Bonds Calculation Date and which have been received during the immediately preceding Monthly Calculation Period(s) will pursuant to the terms of the relevant Trust Deed be applied in accordance with the Redemption Priority of Payments in relation to each Compartment (the **Available Principal Funds**):

- (i) repayment and prepayment of principal in part or in full under the Mortgage Receivables, excluding Prepayment Penalties but including payments under insurance policies towards redemption of the Mortgage Receivables;
- (ii) Net Foreclosure Proceeds on any Mortgage Receivable to the extent such proceeds relate to principal;
- (iii) amounts received as Post-Foreclosure Proceeds, to the extent such amounts (a) do not relate to interest and (b) are not due and payable to Stichting WEW to satisfy its claim resulting from payment made by it under the NHG Guarantees, if applicable, on the Mortgage Receivables;
- (iv) in connection with a sale of Mortgage Receivables to the extent such amounts relate to principal;
- (v) amounts to be drawn from the Issuer Collection Account with a corresponding debit to the Principal Reconciliation Ledger on the immediately succeeding Bonds Payment Date;
- (vi) amounts standing to the credit of the Construction Deposit Account in excess of the Construction Deposit Required Amount;

- (vii) amounts received during the preceding Monthly Calculation Period(s), whether relating to interest or principal, relating to a Mortgage Receivable in respect of which a Realised Loss has been previously recorded, up to the amount of the Realised Loss;
- (viii) as amounts received by the Issuer as indemnity payments, compensation payments or reimbursements in connection with the Mortgage Receivables to the extent such amounts do relate to principal;
- (ix) any Sold Property Portable Mortgage Principal Amount;
- (x) any Further Advance and Unsold Property Portable Mortgage Principal Amount;
- (xi) any Origination Stop Notice Principal Amount;

less:

- (i) any amount to be credited to the Principal Reconciliation Ledger on the immediately succeeding Bonds Payment Date.

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 Collection Foundation Account maintained by the Collection Foundation with the Collection Foundation Account Provider. Intertrust Management B.V. is the director of the Collection Foundation and the Collection Foundation Account is operated by the Transaction Servicer. The 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 the Seller is entitled vis-à-vis the Collection Foundation and may in the future also be used in connection with new transactions involving the Seller. The Transaction Servicer determines from time to time but at least on a monthly basis what the entitlement is of each 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. The Seller and the Beneficiaries have undertaken to provide the Collection Foundation with such information as the Collection Foundation, the Transaction Servicer or the Collection Foundation Account Provider may reasonably require to determine whether moneys paid into the Collection Foundation Account are payable to the relevant Beneficiary. Each of the Beneficiaries has agreed to co-operate with the foreclosure of the co-owned pledge right if the Collection Foundation is in default regarding its obligations under the sharing agreement included in the Collection Foundation Account Pledge Agreement.

The Collection Foundation Account will be pledged in favour of the Beneficiaries pursuant to the Collection Foundation Account Pledge Agreement.

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 right of pledge created under the Collection Foundation Account Pledge Agreement 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 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 Account Provider Requisite Credit Rating, the Collection Foundation, will as soon as reasonably possible, but at least within 30 calendar days (i) ensure that payments to be made by the Collection Foundation Account Provider in respect of amounts received on the Collection Foundation Account relating to the mortgage receivables will be fully guaranteed pursuant to an unconditional and irrevocable guarantee which complies with the criteria of S&P,

Fitch and Moody's or transfer the Collection Foundation Account to a new account provider, provided that such guarantor or new account provider meets certain criteria, or (ii) implement any other actions acceptable at that time to three quarters of the Beneficiaries jointly. If the Collection Foundation Account Provider is assigned a rating below (i) in respect of Fitch, a long term issuer default rating of at least "A" by Fitch and/or (ii) in respect of Moody's, a rating of its unsecured, unsubordinated and unguaranteed debt obligations of at least "A-2" by Moody's and/or (iii) in respect of S&P, a rating of its long-term unsecured, unsubordinated and unguaranteed debt obligations of at least "A" by S&P by any two of the aforementioned credit rating agencies, the Portfolio Manager shall consult the Programme Investors whether the Collection Foundation Account should be replaced or any other action should be taken.

All reasonable costs and expenses incurred by the Collection Foundation in relation to the Receivables Proceeds Distribution Agreement are for the account of the Programme Investors and shall be deducted when calculating their entitlement under the Collection Foundation Documents.

In the event of a transfer to an alternative bank as referred to under (i) above, the Collection Foundation shall enter into a pledge agreement – and create a right of pledge over such bank account in favour of the Beneficiaries – upon terms substantially the same as the Collection Foundation Account Pledge Agreement

The Collection Foundation and the Issuer have undertaken that (i) all amounts of scheduled interest and scheduled principal payments under the Mortgage Loan received by the Collection Foundation on the Collection Foundation Account during the then current calendar month and (ii) all other payments under the Mortgage Loans, including but not limited to unscheduled principal prepayments or repayments, Prepayment Penalties or interest penalties under the Mortgage Loans received by the Collection Foundation on the Collection Foundation Account during the immediately preceding calendar month will be credited to the Issuer Collection Account on or prior to the relevant Mortgage Collection Payment Date.

Eligible Investments

If the applicable Final Terms so specify, (i) funds held on the Issuer Collection Account in excess of the Issuer Collection Account Eligible Investment Threshold Amount may be invested by the Issuer on a daily basis in Eligible Investments with a maximum maturity date up to the Business Day immediately preceding the next Bonds Payment Date and (ii) funds held on the Pre-Funding Account may be invested by the Issuer on a daily basis in Eligible Investments with a maximum maturity of one year.

In the event the Bonds of a Compartment are rated by one or more Credit Rating Agencies, Euro denominated (i) money market funds, (ii) liquidity products similar to money market funds, and (iii) debt securities, in each case meeting the then current criteria of each of the Credit Rating Agencies that has rated the Bonds of the Compartment, qualify as Eligible Investments.

In the event the Bonds of a Compartment are not rated by one or more Credit Rating Agencies, Euro denominated (i) money market funds that have been assigned the highest money market fund rating available at such time from at least one of the Credit Rating Agencies, and (ii) debt securities that have been assigned at least the Eligible Investments Minimum Ratings by one of the Credit Rating Agencies, qualify as Eligible Investments.

Securities that qualify as equity securities will not be considered to be Eligible Investments.

5.3 Priorities of Payments

Revenue Priorities Payments

In respect of the relevant Compartment the Available Revenue Funds and, following delivery of an Enforcement Notice, any amounts collected by the Security Trustee under the relevant Trust Deed and the relevant Parallel Debt Agreement to the extent not relating to Principal in respect of such Compartment, will pursuant to the terms of the relevant Trust Deed be applied by the Issuer or the Security Trustee on the immediately succeeding Bonds Payment 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 **Revenue Priority of Payments**):

- (a) *first*, in or towards satisfaction, *pari passu* and *pro rata*, according to the respective amounts thereof, of (i) the fees, costs, expenses, charges, liabilities or other remuneration due and payable to the Directors in connection with the Management Agreements, (ii) any fees, costs, expenses, charges, or liabilities payable to the Collection Foundation under or in connection with any of the Transaction Documents and the Collective Mandate Documents, and (iii) any fees, costs, charges, liabilities or expenses incurred by the Issuer or the Security Trustee under or in connection with any of the Transaction Documents or the Collective Mandate Documents (which includes any fees, costs, Origination Costs, expenses, charges, or liabilities payable to the Portfolio Manager, the Seller and the Servicer), to the extent related to the relevant Compartment or Pool and in respect of fees and remuneration which cannot be attributed to a certain Compartment or Pool, such fees and remuneration multiplied by the relevant Pool Fraction;
- (b) *second*, in or towards satisfaction, *pari passu* and *pro rata*, according to the respective amounts thereof, of (i) the fees and expenses due and payable to the Issuer Administrator under the Administration Agreement, (ii) the fees and expenses due and payable to the relevant Agents, (iii) any fees and expenses due and payable to the Listing Agent, and (iv) any amounts due to the Issuer Account Bank under the Issuer Account Agreement (for the avoidance of doubt including negative interest on the Issuer Accounts), to the extent related to the relevant Compartment or Pool and in respect of such fees and expenses which cannot be attributed to a certain Compartment or Pool, such amounts multiplied by the relevant Pool Fraction;
- (c) *third*, in or towards satisfaction, *pari passu* and *pro rata*, according to the respective amounts thereof, of (i) any amounts due and payable to third parties under obligations incurred in the Issuer's business (other than under the Transaction Documents and the Collective Mandate Documents), including, without limitation, in or towards satisfaction of sums due or provision for any payment of the Issuer's liability, if any, to tax, (ii) any amount due to any credit rating agency, legal advisor, auditor and accountant, appointed by the Issuer or the Security Trustee and (iii) any amounts due in connection with the listing of the Bonds, if applicable;
- (d) *fourth*, in or towards replenishment of the Sold Property Portable Mortgage Account in an amount equal to the Sold Property Portable Mortgage Supplement Interest Amount;
- (e) *fifth*, in or towards replenishment of the Further Advance and Unsold Property Portable Mortgage Account in an amount equal to the Further Advance and Unsold Property Portable Mortgage Account Supplement Interest Amount; and
- (f) *sixth*, in or towards satisfaction of interest amounts payable in respect of the Bonds of the relevant Compartment.

Redemption Priority of Payments

In respect of the relevant Compartment, the Available Principal Funds and, following delivery of an Enforcement Notice, any amounts collected by the Security Trustee under the relevant Trust Deed and the relevant Parallel Debt Agreement to the extent relating to Principal in respect of such Compartment will

pursuant to the terms of the relevant Trust Deed be applied by the Issuer or the Security Trustee on the immediately succeeding Bonds Payment 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 **Redemption Priority of Payments**),

- (a) *first*, in or towards replenishment of the Construction Deposit Account up to the Construction Deposit Required Amount;
- (b) *second*, in or towards replenishment of the Sold Property Portable Mortgage Account in an amount equal to the Sold Property Portable Mortgage Supplement Principal Amount;
- (c) *third*, in or towards replenishment of the Further Advance and Unsold Property Portable Mortgage Account in an amount equal to the Further Advance and Unsold Property Portable Mortgage Account Supplement Principal Amount;
- (d) *fourth*, in or towards satisfaction of principal amounts due under the Bonds of the relevant Compartment until fully redeemed in accordance with the Terms and Conditions; and
- (e) *fifth*, any remaining proceeds will be treated as Available Revenue Funds to be distributed in accordance with the Revenue Priority of Payments.

Payments outside Priority of Payments

Any amount due and payable to third parties (other than pursuant to any of the Transaction Documents) under obligations incurred in the Issuer's business at a date which is not a Bonds Payment Date may be made on the relevant due date by the Issuer from any of the Issuer Accounts to the extent that the funds available on such Issuer Account are sufficient to make such payment.

5.4 Loss Allocation

Realised Loss Ledger

A Realised Loss Ledger for each Compartment will be established by or on behalf of the Issuer in order to record any Realised Loss on the Mortgage Receivables of such Compartment.

Realised Loss means, in relation to a Compartment, on any Bonds Payment Date the sum of:

- (a) where the Seller, the Issuer, the Servicer or the Security Trustee has completed the foreclosure in the immediately preceding Monthly Calculation Period, the amount by which (i) the aggregate Outstanding Principal Amount of all such Mortgage Receivables relating to the relevant Compartment 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 relating to the relevant Compartment;
- (b) where the Borrower (x) has successfully asserted set-off or defence to payments or (y) repaid or prepaid any amount in the immediately preceding Monthly Calculation Period, the amount by which (i) the aggregate Outstanding Principal Amount of such Mortgage Receivables relating to a Compartment prior to such set-off or defence or repayment or prepayment exceeds (ii) the aggregate Outstanding Principal Amount of such Mortgage Receivables relating to such Compartment, after such set-off or defence or repayment or prepayment having been made, unless, and to the extent, such amount is received from the Seller;
- (c) where a breach of one of the representations and warranties (see Section 7.2 (*Representations and Warranties*)) relating to the relevant Compartment has been identified which is not cured within the applicable Remedy Period and as a result of which a Loss is established, the amount of such Loss; and
- (d) with respect to Mortgage Receivables relating to the relevant Compartment sold by the Issuer pursuant to the Mortgage Receivables Purchase Agreement in the Monthly Calculation Period immediately preceding such Bonds Calculation Date, (i) the amount of the aggregate Outstanding Principal Amount of all such Mortgage Receivables, less the purchase price, in respect of such Mortgage Receivables to the extent relating to principal and any costs associated with such sale or (ii) zero, if the purchase price is higher than the aggregate Outstanding Principal Amount of all such Mortgage Receivables.

Less

Any amounts received with respect to Mortgage Receivables relating to the relevant Compartment that have been previously itemised under (a) through (d) above.

5.5 Issuer Accounts

Issuer Collection Account

The Issuer will maintain an Issuer Collection Account for each Compartment with the relevant Issuer Account Bank to which on each Mortgage Collection Payment Date (i) all amounts of scheduled interest and scheduled principal payments under the Mortgage Loan received during the then current calendar month, (ii) all other payments under the Mortgage Loans, including but not limited to unscheduled principal prepayments or repayments, Prepayment Penalties or interest penalties under the Mortgage Loans received during the immediately preceding calendar month and (iii) all other amounts received from the other relevant parties under the Transaction Documents and the Collective Mandate Documents will be transferred.

The Issuer Administrator will identify all amounts paid into the relevant Issuer Collection Account in respect of the relevant Pool of Mortgage Receivables by crediting such amounts to ledgers established for such purpose. Payments received on each relevant Mortgage Collection Payment Date in respect of the Mortgage Loans will be identified as principal or revenue receipts and credited to the Issuer Collection Account of the relevant Compartment and recorded in the Principal Ledger or the Revenue Ledger, as the case may be.

Payments may be made from the relevant Issuer Collection Account other than on a Bonds Payment Date to satisfy amounts due to third parties (other than pursuant to the Transaction Documents and the Collective Mandate Documents) and payable in connection with the Issuer's business or to transfer amounts, if so instructed by the Portfolio Manager, from the relevant Issuer Collection Account (if such amount is available on the Principal Ledger) to the Further Advance and Unsold Property Portable Mortgage Account.

If the applicable Final Terms so specify, funds held on the Issuer Collection Account in excess of the Issuer Collection Account Eligible Investment Threshold Amount may be invested by the Issuer on a daily basis in Eligible Investments with a maximum maturity date up to the Business Day immediately preceding the next Bonds Payment Date.

Pre-Funding Account

The Issuer will maintain a Pre-Funding Account for each Compartment with the relevant Issuer Account Bank on which payments of the net proceeds for the Bonds relating to such Compartment less any amounts to be deposited on the Further Advance and Unsold Property Portable Mortgage Account and, in the case of Partly Paid Bonds, Initial Instalment Payments and Further Instalment Payments will be made.

Such funds may be held on the Pre-Funding Account and if so instructed by the Portfolio Manager, be used for the purchase of Mortgage Receivables (including New Ported Mortgage Receivables and Further Advance Receivables) on each relevant Transfer Date, either directly or indirectly from the Seller, for the Pool relating to the relevant Compartment and/or payment of fees and costs in accordance with item (a), (b) and (c) of the Revenue Priority of Payments. If the applicable Final Terms so specify, funds held on the Pre-Funding Account may be invested by the Issuer on a daily basis in Eligible Investments with a maximum maturity of one year.

Construction Deposit Account

The Issuer will maintain with the relevant Issuer Account Bank a Construction Deposit Account for each Compartment to which on the relevant Transfer Date an amount corresponding to the relevant Aggregate Construction Deposit Amount withheld from the Relevant Purchase Price of the Mortgage Receivables purchased on such date will be credited.

Payments may be made from the relevant Construction Deposit Account on a daily basis only for payment by the Issuer to the Seller for amounts to be distributed in respect of (part of) the Construction Deposit by the Seller to the relevant Borrowers. In addition, the relevant Construction Deposit Account will be debited with the amount of the relevant Construction Amount which has been set off against the relevant Mortgage

Receivables of such Pool or upon the occurrence of a Notification Event as a result of which the Issuer has no further obligation to pay (such part of) the Relevant Purchase Price. Such amount will be treated as Available Principal Funds.

Sold Property Portable Mortgage Account

The Issuer will maintain with the relevant Issuer Account Bank a Sold Property Portable Mortgage Account for each Compartment to facilitate portability of mortgage loans or one or more Loan Parts comprising such Mortgage Loan (*meeneemregeling*) pursuant to the Seller's Mortgage Conditions in case the transfer of title to the Old Mortgaged Asset by the Borrower takes place prior to the acquisition of title to the New Mortgaged Asset by the Borrower. If the transfer of title to the Old Mortgaged Asset by the Borrower and the subsequent acquisition of title to the New Mortgaged Asset by the Borrower happen within the same Monthly Calculation Period the principal proceeds received by the Collection Foundation for the benefit of the Issuer on the Collection Foundation Account in relation to the redemption of the relevant Mortgage Loan will be applied by the Servicer on behalf of the Issuer to purchase and accept assignment of the related New Ported Mortgage Receivables and an amount equal to a varying percentage of such principal proceeds will be drawn from the Issuer Collection Account of the relevant Compartment (if such amount is available on the Revenue Ledger) in order for the Issuer to pay any related Origination Costs. If the transfer of title to the Old Mortgaged Asset by the Borrower takes place prior to the acquisition of title to the New Mortgaged Asset by the Borrower but they do not happen in the same Monthly Calculation Period, the Servicer on behalf of the Issuer will (i) deposit the principal repayment amount of the relevant Mortgage Loan in the Sold Property Portable Mortgage Account and (ii) transfer an amount equal to a varying percentage of such principal repayment amount from the Issuer Collection Account of the relevant Compartment (if such amount is available on the Revenue Ledger) to the Sold Property Portable Mortgage Account. The sum of these amounts does not form part of the Available Principal Funds and shall be applied towards the purchase and acceptance of assignment of the related New Ported Mortgage Receivable in a subsequent Monthly Calculation Period and payment of the Origination Costs related to such New Ported Mortgage Receivable.

The Issuer will apply the relevant funds deposited in the Sold Property Portable Mortgage Account outside of any Priority of Payments to purchase and accept assignment (if required in advance) of the New Ported Mortgage Receivable if the related New Ported Mortgage Loan is not granted in the same Monthly Calculation Period, but within six months or such longer period as agreed with the Borrower after the deposit was made into the Sold Property Portable Mortgage Account.

The deposited amount, or the remaining part thereof will be divided into the Sold Property Portable Mortgage Interest Amount and the Sold Property Portable Mortgage Principal Amount and will be distributed in accordance with the Revenue Priority of Payments and the Redemption Priority of Payments respectively on the immediately following Bonds Payment Date.

An amount equal to the Sold Property Portable Mortgage Required Amount will be credited on the Sold Property Portable Mortgage Account for each Compartment on each Issue Date. The Sold Property Portable Mortgage Account will be replenished in accordance with the Priorities of Payments.

Further Advance and Unsold Property Portable Mortgage Account

The Issuer will maintain with the relevant Issuer Account Bank a Further Advance and Unsold Property Portable Mortgage Account to (i), once applicable, facilitate portability of Mortgage Loans or one or more Loan Parts comprising such Mortgage Loan (*meeneemregeling*) pursuant to the Seller's Mortgage Conditions in case the transfer of title to the Old Mortgaged Asset by the Borrower takes place after the acquisition of title to the New Mortgaged Asset by the Borrower and (ii) to purchase and accept assignment of any Further Advance Receivables resulting from Further Advances granted by the Seller to a Borrower.

If the balance of the Further Advance and Unsold Property Portable Mortgage Account is not sufficient to satisfy the Relevant Purchase Price and related Origination Costs for the relevant New Ported Mortgage Receivables or Further Advance Receivables the Issuer Administrator, if so instructed by the Portfolio

Manager, will transfer on behalf of the Issuer the amount requested by the Portfolio Manager, if available, from (i) the Issuer Collection Account (if such amount is available on the relevant Principal Ledger), (ii) the Pre-Funding Account to the Further Advance and Unsold Property Portable Mortgage Account and, with respect to Origination Costs only, (iii) and the Issuer Collection Account (if such amount is available on the relevant Revenue Ledger).

An amount equal to the Further Advance and Unsold Property Portable Mortgage Required Amount will be credited on the Further Advance and Unsold Property Portable Mortgage Account for each Compartment on each Issue Date and will be replenished in accordance with the Priorities of Payments.

Investment Accounts

If the Issuer invests in Eligible Investments it will open the Investment Securities Account and deposit the Eligible Investments on such account. The Issuer can also dispose of Eligible Investments. In addition, the Issuer will maintain with the Issuer Account Bank the Investment Cash Account and will deposit the monies resulting from Eligible Investments on such account.

Rating Issuer Account Bank

If at any time the rating of the relevant Issuer Account Bank falls below the Account Provider Requisite Credit Rating, the Issuer, will as soon as reasonably possible, but at least within 30 calendar days (i) ensure that payments to be made by the relevant Issuer Account Bank in respect of amounts received on the Issuer Accounts will be fully guaranteed pursuant to an unconditional and irrevocable guarantee which complies with the criteria of S&P, Fitch and Moody's or transfer the Issuer Accounts to a new account provider, provided that such guarantor or new account provider meets certain criteria or (ii) implement any other actions acceptable at that time to the Portfolio Manager. If the relevant Issuer Account Bank is assigned a rating below (i) in respect of Fitch, a long term issuer default rating of at least "A" by Fitch and/or (ii) in respect of Moody's, a rating of its unsecured, unsubordinated and unguaranteed debt obligations of at least "A-2" by Moody's and/or (iii) in respect of S&P, a rating of its long-term unsecured, unsubordinated and unguaranteed debt obligations of at least "A" by S&P by any two of the aforementioned credit rating agencies, the Portfolio Manager shall determine, without accepting any liability for such determination, whether the Issuer Accounts should be replaced or any other action should be taken.

5.6 Administration Agreement

Issuer Services

In the Administration Agreement, the Issuer Administrator will agree to provide certain administration, calculation and cash management services to the Issuer, including:

- (a) procuring that all calculations to be made pursuant to the Terms and Conditions are made and request (if not provided) the receipt of the Mortgage Reports provided by the Servicer during the relevant Monthly Calculation Period;
- (b) subject to receipt of the required information, on each Bonds Calculation Date the determination of the Available Revenue Funds and Available Principal Funds and the calculation of the Priority of Payments with respect to interest and principal (including each separate item of such Priorities of Payments and any underlying calculations to be made in relation thereto);
- (c) subject to receipt of the required information, preparation and procurement of publication of the Bonds and Cash Report on each Bonds Calculation Date;
- (d) subject to receipt of the required information, preparation and procurement of publication of the Portfolio and Performance Report on a monthly basis;
- (e) subject to receipt of the required information, preparation and procurement of publication of the Data Tapes on a monthly basis;
- (f) the application of amounts received by the Issuer on the Issuer Accounts in accordance with the applicable Priority of Payments and the Trust Deed;
- (g) ensuring that all payments to be made by the Issuer to third parties according to the Revenue Priority of Payments and the Redemption Priority of Payments are made on each Bonds Payment Date or, if so agreed, any other dates;
- (h) ensuring that amount due and payable to third parties (other than pursuant to any of the Transaction Documents) under obligations incurred in the Issuer's business at a date which is not a Bonds Payment Date are being paid, which payment may occur on the relevant due date for such payment, to the extent that the funds available on the Issuer Accounts are sufficient to make such payment;
- (i) ensuring that all payments to be made by the Issuer under the Bonds are made by the Paying Agent on each Bonds Payment Date;
- (j) verifying that the amounts that need to be retained on each relevant Issuer Account are outstanding on the relevant Issuer Accounts following each Bonds Payment Date and, if required, transferring amounts between the Issuer Accounts in order to replenish an Issuer Account;
- (k) maintaining the following ledgers: the Revenue Ledger, the Principal Ledger, the Realised Loss Ledger, the Principal Reconciliation Ledger and the Interest Reconciliation Ledger;
- (l) operating the Issuer Accounts on a daily basis, including making payments from the Issuer Accounts and transferring amounts, where applicable upon instruction from the Portfolio Manager only, between the Issuer Accounts;
- (m) at the request of the Portfolio Manager, informing the Portfolio Manager about the balance of each Issuer Account and each ledger maintained in the books of the Issuer;
- (n) distributing Origination Stop Notices to the Seller and the Portfolio Manager;

- (o) informing the Portfolio Manager about any request from the Bondholders to make the Bonds and Cash Reports, Portfolio and Performance Reports and/or Data Tapes accessible on an information sharing portal, and if so agreed by the Portfolio Manager procuring that Bondholders are provided access to such portal;
- (p) investing in and disposing of Eligible Investments upon instruction of the Portfolio Manager;
- (q) if applicable, depositing the Eligible Investments on the Investment Securities Account and deposit the monies resulting from Eligible Investments on the Investment Cash Account;
- (r) submit certain information regarding the Issuer as referred to above to certain governmental authorities if and when requested;
- (s) on behalf of the Issuer or the Security Trustee, pay, or procure the payment of, all costs and expenses incurred in the performance of the Issuer Administrator's duties hereunder including without limitation:
 - (i) all taxes which may be due or payable by the Issuer and (if any) the Security Trustee;
 - (ii) all registration, transfer, filing and other fees, stamp duty and other charges payable in respect of the purchase by the Issuer and its acceptance of the assignment of the Mortgage Receivables and/or any rights relating thereto;
 - (iii) all necessary filing and other fees in compliance with regulatory requirements;
 - (iv) all legal and audit fees and other professional advisory fees;
 - (v) all communication expenses including postage, telephone and telex charges;
- (t) monitor the legal disclosure requirements of the Issuer;
- (u) assist the auditors of the Issuer and provide information to them upon reasonable request;
- (v) all administrative actions in relation with the above;
- (w) in the case of Partly Paid Bonds only, providing notices in accordance with Schedule 10 of the Programme Agreement;
- (x) in the case of Partly Paid Bonds only, calculating the Bond Factor upon payment of a Further Instalment Amount;
- (y) perform any other obligations imposed on the Issuer Administrator under the Administration Agreement;
- (z) procure that any amounts resulting from the enforcement of the second 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, after the first ranking right of pledge of the Collection Foundation Account Provider, will be distributed to each relevant Compartment in accordance with the entitlement of each such Compartment; and

- (aa) take all other actions and do all other things which it would be reasonable to expect to give full effect to the above mentioned activities.

Termination

The Administration Agreement may be terminated by the Issuer and the Security Trustee, acting jointly, by giving notice in writing to the Issuer Administrator with effect from a date (not earlier than the date of the notice) specified in the notice upon the occurrence, or at any time thereafter while such default continues, of certain termination events, including but not limited to, a failure by the Issuer Administrator to comply with its obligations (unless remedied within the applicable grace period), dissolution or liquidation of the Issuer Administrator or the Issuer Administrator being declared bankrupt or granted a suspension of payments. In addition, the Administration Agreement may be terminated by the Issuer Administrator and by the Issuer upon the expiry of not less than twelve months' notice, subject to (i) written approval of the Security Trustee, which may not be unreasonably withheld, (ii) appointment of a substitute administrator and (iii) the Issuer pledging its interest in the agreement with such substitute administrator in favour of the Security Trustee. A termination of the Administration Agreement by either the Issuer and the Security Trustee or the Issuer Administrator will only become effective if a substitute administrator is appointed.

Calculations and reconciliation

The Issuer Administrator will calculate the amounts available to the Issuer on the basis of information received by it, including but not limited to the Mortgage Reports provided by the Servicer.

If on any Mortgage Report Date no Mortgage Report for a Pool is delivered to the Issuer Administrator by the Servicer, as applicable, in accordance with the Servicing Agreement, the Issuer Administrator will in respect of such Pool use all reasonable endeavours to make all determinations, necessary, in order for the Issuer Administrator to continue to perform the Issuer Services, as further set out in the Administration Agreement. The Issuer Administrator will in respect of such Pool make such determinations until such time it receives from the Servicer or a substitute servicer the Mortgage Report for such Pool. Upon receipt by the Issuer Administrator of such Mortgage Report, the Issuer Administrator will in respect of such Pool apply the reconciliation calculations as further set out in the Administration Agreement in respect of payments made as a result of determinations made by the Issuer Administrator during the period when no Mortgage Report for such Pool was available and will debit or credit the underpaid or overpaid amounts to the relevant Reconciliation Ledger, which amounts will be deducted or added to the Available Revenue Funds or the Available Principal Funds, as applicable.

6. PORTFOLIO INFORMATION

6.1 Description of Mortgage Loans

The Mortgage Receivables to be sold and assigned to the Issuer on a relevant Transfer Date represent the rights (whether actual or contingent) of the Seller against any Borrower under or in connection with the Mortgage Loans selected by agreement between the Seller and the Issuer.

The New Ported Mortgage Receivables and the Further Advance Receivables to be sold by the Seller to the Issuer on any Transfer Date will be originated by the Seller. The terms of the Mortgage Loans (or any Loan Parts forming part of a Mortgage Loan) from which these New Ported Mortgage Receivables and Further Advance Receivables derive will not substantially deviate from the terms of the Mortgage Loans described in this Section 6.1 (*Description of Mortgage Loans*).

The Mortgage Loans are loans secured by a mortgage, evidenced by notarial mortgage deeds (*notariële akten van hypotheekstelling*) each entered into by the Seller and the relevant Borrowers.

For a description of the representations and warranties given by the Seller reference is made to Section 7.2 (*Representations and Warranties*).

Subject to what is set out in Section 2 (*Risk Factors*), the Mortgage Receivables backing the issue of the Bonds shall have characteristics that demonstrate capacity to produce funds to service payments due and payable on the Bonds. However, for the avoidance of doubt, amounts of interest and principal in respect of the Bonds of each Compartment will be paid on a pass-through basis from interest and principal collections received under the relevant Pool relating to such Compartment, minus any amounts payable in priority to the Bonds in accordance with the relevant Priority of Payments. Losses on the Mortgage Loans will be for the account of the Bondholders. Therefore the return on the Bonds may be lower than anticipated by an investor and the full principal amount of the Bonds may not be repaid.

The Mortgage Loans (or any Loan Parts comprising a Mortgage Loan) (which may include Bridge Mortgage Loans (*overbruggingshypotheek*)) may consist of any of the following types of redemption:

- (a) linear mortgage loans (*lineaire hypotheek*);
- (b) annuity mortgage loans (*annuïteitenhypotheek*);
- (c) interest-only mortgage loans (*aflossingsvrije hypotheek*); and/or
- (d) a combination of the above.

Redemption Types

Description

Linear Mortgage Loans

A portion of the Mortgage Loans (or parts thereof) may be in the form of Linear Mortgage Loans. Under a Linear Mortgage Loan, the Borrower pays a decreasing monthly payment, made up of an initially high and subsequently decreasing interest portion and a fixed principal portion, and calculated in such a manner that the Linear Mortgage Loan will be fully redeemed at maturity.

Annuity Mortgage Loans

A portion of the Mortgage Loans (or parts thereof) may be in the form of Annuity Mortgage Loans. Under an Annuity Mortgage Loan, the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner

Redemption Types	Description that the Annuity Mortgage Loan will be fully redeemed at maturity.
Interest-only Mortgage Loans	A portion of the Mortgage Loans (or parts thereof) may be in the form of Interest-only Mortgage Loans. Under an Interest-only Mortgage Loan, the Borrower is only required to pay interest until maturity and is not required to pay principal until maturity. A bullet payment for the (remainder of the) principal is due upon maturity.

A Borrower may use the overvalue in its old house as collateral to purchase a new house by obtaining a Bridge Mortgage Loan to bridge the period the Borrower temporarily owns two properties. Unlike the other Mortgage Loans, a Bridge Mortgage Loan generally carries two mortgage rights: (a) a first ranking mortgage right on the property purchased under the same mortgage right as the non-Bridge Mortgage Loan (i.e. “normal” Mortgage Loan) used to (partially) purchase the property and (b) a first or lower ranking mortgage right on the property to be sold. The Bridge Mortgage Loan is redeemed with the proceeds of the sale of the property to be sold and has a maximum maturity of 24 months. A Bridge Mortgage Loan can be granted (a) if the old property is sold, but not yet transferred on the transfer date of the new property, and if any applicable conditions precedent in the deed of sale have lapsed, (b) if the old property is sold, but not yet transferred on the transfer date of the new property, but any applicable conditions precedent in the deed of sale have not yet lapsed or (c) if the old property is not yet sold.

Mortgaged Assets and certain characteristics

The mortgage rights securing the Mortgage Loans are vested on:

- (a) real estate (*onroerende zaak*);
- (b) an apartment right (*appartementsrecht*) and/or
- (c) a long lease (*erfpacht*).

If a Mortgage Loan consists of one or more Loan Parts, the Seller will sell and assign and the Issuer shall purchase and accept the assignment of all rights associated with all, but not some, Loan Parts of such Mortgage Loan at the relevant Transfer Date.

The Mortgage Loans have a maturity up to a maximum of 30 years at origination.

Portability

The Seller offers certain Borrowers, the flexibility to “port” certain characteristics of their existing Mortgage Loan or one or more Loan Parts comprising such Mortgage Loan to a new property.

Pursuant to the Mortgage Conditions, the Seller may at any time agree with a Borrower to vest certain conditions of its existing Mortgage Loan on another Mortgaged Asset pursuant to the “*meeneemregeling*” provided that the then current loan-to-market value of the Mortgage Loan related to the new Mortgaged Asset is equal or lower than the high end of the loan-to-value Risk Bucket that applies to the Mortgage Loan related to the Old Mortgaged Asset on the Mortgage Origination Date and provided any other applicable conditions are met.

The portability feature may be exercised by a Borrower in two circumstances for the purpose of porting their existing mortgage loan to a new property: (i) the Borrower transfers title to its Old Mortgaged Asset prior to it acquiring title to its New Mortgaged Asset (the **Sold Property Portability Option**) or (ii) the Borrower acquires title to its New Mortgaged Asset prior to it transferring title to its Old Mortgaged Asset (the **Unsold Property Portability Option**).

Product names

These types of Mortgage Loans are offered by the Seller, *inter alia*, under the product name bijBouwe (online) Hypotheek.

6.2 Origination by the Seller

Introduction

All Mortgage Loans are administered and serviced on behalf of the Seller by Quion Services B.V. in its capacity as Servicer. The Mortgage Loans are originated under the bijBouwe (online) Hypotheek brand. Whilst the bijBouwe (online) Hypotheek is a relatively new origination label, the origination is built on the systems and processes of the Servicer. The marketing and distribution of the bijBouwe (online) Hypotheek brand are delegated by the Seller to Dynamic Credit Services B.V. (**DCS**). DCS has a contract with the Servicer that allows use of the Quion Servicing Platform (**QSP**) system for underwriting processes pre and post final approval for all mortgages. DCS is responsible to provide the staffing and management of the underwriting, utilising the QSP system, up to and inclusive of final approval of the mortgages. Responsibility remains with the Servicer for all post completion requirements inclusive of the management of insurance pledging and monitoring of the registration of charges.

The Servicer provides collection and other services to and on behalf of the Seller on a day-to-day basis in relation to the Mortgage Loans, as set out in more detail in Section 7.4 (*Servicing Agreement*).

Origination

All mortgage loan origination is made either through the bijBouwe online channel or through selected professional intermediaries (including independent financial advisors and intermediary chains). All selected intermediaries have to be licensed according to the Wft.

The origination process starts when a borrower opts for the Seller's mortgage product through the online channel or as advised by an intermediary. When a borrower applies for a mortgage loan through the online channel, the borrower can choose whether to purchase advice from a licensed advisor or to apply without advice (execution-only). In case the borrower applies without advice a knowledge and experience test (*kennis- en ervaringstoets*) must be done and passed.

The intermediary or advisor has access to the relevant mortgage loan product brochure, as well as a manual outlining the mortgage loan lending criteria and conditions and application forms. Intermediaries and advisors collect data from the prospective borrower which they then analyse and advise upon. In principle, intermediaries make use of mortgage loan application software enabling them to make all necessary calculations, check the applicable mortgage loan criteria and send the application electronically, via the mortgage data network (HDN), to the QSP system. The activities are provided in a completely automated and paperless digital format.

If the application complies with a limited set of underwriting conditions, DCS will send an indicative mortgage loan offer to the borrower, either directly or through the intermediary. The borrower must accept, sign and return the indicative offer within 3 weeks, otherwise it will expire. The indicative mortgage loan offer will be valid for 4 months, calculated from the date of sending the indicative mortgage loan offer to the borrower, and granting the mortgage loan is subject to receipt and approval of all required documents, compliance with all underwriting conditions and final approval. After final approval the mortgage loan offer is sent to the borrower. The borrower must accept, sign and return the offer within 2 weeks, otherwise it will expire. A maximum offer period extension of 2 months after the initial offer period of 4 months is possible at no cost to the borrower.

As soon as the application enters QSP, QSP automatically processes the application and performs checks on compliance with underwriting criteria, potential fraud based on a score of fraud indicators and Dutch fraud registry database as well as borrower credit history. DCS's mortgage loan processing department processes all relevant documents with QSP. When all documents have been received and approved by DCS, a senior underwriter reviews the file for final approval. When final approval is given, a binding offer is sent to the borrower, which the borrower must accept, sign and return within 2 weeks. Subsequently, a mortgage approval notification is sent to the applicant. The Servicer informs the civil law notary, who confirms the

date of closing to the Servicer. The money is transferred from the account of the Seller to the civil law notary who temporarily places the money in a segregated account. The civil law notary is responsible for the execution of the mortgage deed, after which all executed mortgage and related documents are sent to the Servicer.

Overrules

The underwriting criteria are applied by DCS, on behalf of the Seller, in respect of each Mortgage Loan which is originated by the Seller and each Further Advance granted in respect of such Mortgage Loan. During the underwriting process or during the life of the Mortgage Loan, DCS, or one of its delegates, could encounter situations where decisions need to be made on events related to mortgage loan applications and mortgage loan files, which are not (fully) described in the underwriting criteria. These cases are then put forward to the Portfolio Manager, which analyses these cases in its mortgage credit committee, which in turn operates in line with the applicable charter of the mortgage credit committee.

Proposals for potential material adjustments to underwriting criteria are subject to approval of the Programme Investors. Where applicable, clarifications and adjustments are provided to DCS and the Servicer in the form of an instruction from the Portfolio Manager. Based on the instruction DCS updates the underwriter working instructions and/or the underwriting criteria and, if applicable, the Servicer updates the underwriting criteria in the QSP system.

Underwriting Criteria

The principal items in the underwriting protocol are:

(a) Maximum amounts and maximum LTV

The maximum amount of a Mortgage Loan is EUR 1,000,000 (including any Bridge Mortgage Loan). The maximum original LTV ratio of a Mortgage Loan is 100 per cent of the Market Value of the property or 106 per cent of the Market Value of the property in case of energy savings measures fulfilling the requirements in the underwriting criteria.

(b) Borrowers

All Borrowers must be aged 18 or over, legally competent and not be under administration. If the Borrower is within 10 years of planned retirement and the Mortgage Loan term will extend into the Borrowers' retirement, the Seller will consider the Borrower's income in retirement within the affordability assessment. If the Seller determines the Borrower will not be able to afford the Mortgage Loan into retirement, the application will be declined.

The maximum number of applicants on any one residential mortgage application is two.

To be accepted for a Mortgage Loan:

- all applicants must be resident in the Netherlands at the time of application;
- all applicants on which the affordability of the Mortgage Loan is dependent, must be owners of the property at time of transfer;
- all owners of the property must reside in the property after any construction/renovation work is complete; and
- all owners of the property must be jointly and severally liable for the Mortgage Loan.

(c) *Creditworthiness*

Where an applicant is in salaried employment and the income of that applicant is required to support the Mortgage Loan, the Seller generally requires the applicant to be in a permanent position and not under notice of termination. However, fixed term/temporary workers are accepted where the applicant meets certain minimum requirements. At all times the Seller requires (a) an employer's reference and recent pay slips or (b) income statements as administered and reported by the Dutch Employee Insurance Agency (**UWV**) as evidence of income supported by a recent salary slip and/or employment contract.

In the event of self-employed applicants, the Seller requires a declaration of income from a reputable specialised external provider that has assessed the annual accounts, the income tax declarations and the income tax assessments for a pre-determined time period in order to review affordability.

(d) *Collateral*

Properties need to have a Market Value of at least EUR 70,000. The property needs to be free of rent, designated for and suitable for permanent occupation by the Borrower, located in the European part of the Kingdom of the Netherlands and needs to be owned by the Borrower no later than the transfer date. Non-eligible properties include (i) business premises, (ii) holiday homes, (iii) mobile homes, (iv) trailers, (v) aircrafts, (vi) houseboats (vii) vessels, (viii) agricultural properties, (ix) let houses, (x) investment properties, (xi) rights of superficies, (xii) properties located on an industrial estate, (xiii) separate garage boxes, (xiv) houses sold by auction, (xv) properties on a polluted site unsuitable for permanent occupation, and (xvi) service homes where the right of residence is joined to the function.

(e) *Market Value*

The market value (**Market Value**) is equal to:

- (i) The market value free from rent and use (after construction work, if applicable) as determined by an appraiser in a valuation report, or.
- (ii) The purchase and/or contract sum, reduced with any savings from a reduction of construction work, and increased with any:
 - purchase price of the land;
 - costs of additional work and/or the costs of energy savings measures;
 - construction interest;
 - interest loss during construction period (for Mortgage Loans with NHG guarantee only), or.
- (iii) The WOZ value, defined according to the *Wet waardering onroerende zaken* (Real Estate Valuation Act), or;
- (iv) The value as determined by an Automated Valuation Method (AVM) as performed by a specialised and reputable external provider.

Which of these four definitions is used depends on the purpose of the Mortgage loan and the corresponding LTV. The first definition is used in all cases, unless the second, third or fourth definition applies. The second definition is used in case of newly-built properties. The third definition in case of refinancing with an LTV below the statutory limit for Mortgage Loans without NHG guarantee, where no renovation takes place and where the property is not an apartment. The fourth definition for certain cases where no renovation takes

place and in case of an LTV up to 90%. As at the date of this Prospectus, the fourth definition is not yet applied by the Seller.

(f) *Other underwriting conditions*

The maximum term for Mortgage Loans is 30 years at origination. The interest rate can be fixed for a period of 1 year, 5 years, 7 years, 10 years, 15 years, 20 year or 30 years or a Borrower can apply for a floating interest rate.

Mortgage Processing Procedures

Payment Collections (inningen) Procedures

The Seller has been authorised by the Borrower, to draw the amounts due from the Borrower's bank account through direct debit directly into the Collection Foundation Account. The computer system of the Servicer requests for payment on the day before the first Business Day of each month and the payment is collected on the first Business Day of each month in arrear. Certain payment information is monitored daily by the mortgage servicing department of the Servicer.

The Mortgage Loan related to a payment must be recognised in order to allocate the payment to the relevant Mortgage Loan. The Servicer has business rules in place to automate this process, e.g. through the loan number in the description of the payment or the bank account number of the relevant Borrower. A direct debit payment will always be linked to the appropriate Mortgage Loan. However, if the system does not recognise the Borrower, the payment is allocated manually to a Mortgage Loan. If a Borrower has multiple Mortgage Loans, the Mortgage Loan with the oldest arrears is chosen.

The payment is allocated within the Mortgage Loan in the following priority:

- towards satisfaction the most senior outstanding amounts based on due date;
- if the outstanding amounts are due on the same date, towards satisfaction of (i) any charges, (ii) penalties, (iii) interest, and then (iv) principal;
- if, within a category, there are amounts outstanding on multiple Loan Parts, then first towards satisfaction of amount due on Loan Part 1, then Loan Part 2, then Loan Part 3 etc.

Arrears and Defaults Procedures

The framework for the arrears management process includes: (i) prompt client contact after a missed payment, (ii) focus on client relation, (iii) strict and firm follow up, (iv) use all means of communication and contact, (v) use personal visits and budget counseling, and (vi) secure collateral.

The purpose of the framework is to collect unpaid amounts from Borrowers with a focus on problem analysis in the early stage of arrears, realization of a long-term solution for the Borrower in the stage of late arrears and maximising the amount collected from the Borrower. In case the Mortgage Loan is covered by the NHG Guarantee, the Conditions and Norms (*Voorwaarden en Normen*) are followed.

Daily process

In case of arrears, two Business Days after the arrears have come into existence, the Servicer (on behalf of the Seller) will send a letter to the Borrower to remind the Borrower of the payment due. Furthermore, within 10 Business Days after the arrears have come into existence, the Servicer (on behalf of the Seller) will send a formal collection letter, including a warning on a possible negative BKR registration. The tone of voice of the letter is adjusted to reflect whether the Borrower is in arrears for the first-time or a recidivist.

Within 30 days, the Servicer will attempt to contact the Borrower, who is asked whether he/she is aware of the unpaid amount. The Servicer's objective is to identify the cause of the arrears. After this service call, the Servicer will make an initial assessment on whether the arrears are structural (i.e. due to unemployment or divorce) or not. In case the Borrower indicates immediate payment of unpaid amount is not possible, a payment arrangement will be made. If the Borrower does not honour previously made payment arrangements, the Servicer will call the Borrower within three Business Days to inform them of the consequences of non-payment. The Servicer will aim to preserve the ownership of the property by the Borrower.

If the Borrower does not answer the Servicer's calls, the Servicer will try to contact the Borrower by repeatedly making service calls and sending letters, e-mails and text messages. In addition, the Servicer will call the intermediary who originated the mortgage and use other means to get in contact with the Borrower.

When, 30 days after the arrears occur, the arrears amount has not been paid, the Servicer has the opportunity to appoint a bailiff for the duration of 30 days. If after this period, no payments or payment arrangements have been made, the Servicer will close the case at the bailiff and will implement any further action through its servicing department.

During this period, the Servicer can visit the Borrower at the property if the Borrower does not honour previously made payment agreements, does not fully cooperate and/or does not answer to attempts to contact him or her.

90 days after the arrears occur, the Servicer can appoint a bailiff to obtain wage garnishing and seize part of the Borrower's income directly from the employer.

90 days after the arrears occur, and if instructed by the Seller, the Servicer can appoint a budget coach who will provide guidance to the Borrower on the management of personal finances.

120 days after the arrears occur, the Servicer will inform the BKR of the arrears. If the total amount in arrears is repaid, the BKR will be informed of the repayment.

If preservation of ownership by the Borrower is no longer feasible and a sale of the property is inevitable, the Servicer will assist with the sale of the property. The Servicer can only progress with a sale of the property after the Seller has agreed upon the terms and conditions of the sale. In addition, the Servicer will have a real estate agent value the property and estimate the time required for the sale. The real estate agent will inform the Servicer weekly on progress made. All offers will be assessed with regards to the agreed terms and conditions between the Seller and the Servicer, or the Seller will be asked to provide their approval. In case the power of attorney has not been granted and/or a private sale of the property appears not to be feasible, the property will be sold by public auction. The Servicer will lead and observe both the public and the private sale of the property.

Foreclosures

As a first ranking mortgage holder, the Seller has an 'executorial title' (*executoriale titel*) and therefore does not have to obtain permission from the court prior to foreclosure if the Borrower fails to fulfil his/her obligations and no other solutions are reached. 60 days after the arrears occur, the Servicer can, on behalf of the Seller, sell the property either through a public sale (auction) or private sale (where it has been provided with a mandate by the Borrower). If the proceeds do not fully cover the Seller's claims, and the Mortgage Loan is not covered by the NHG Guarantee, the remaining amount still has to be paid by the Borrower.

Public sale (auction)

Conditional upon the agreement of the Seller, the notary will be instructed and the property will be valued to determine the possible proceeds of the sale. The Borrower and other stakeholders need to be informed on the upcoming auction and expected proceeds of the property. A notary will also inform the Borrower on the

auction date and (an) advertisement(s) announcing the public sale will be published. A full repayment of the outstanding amounts in arrears will allow the Borrower to cancel the auction. Offers on the property preceding the auction will be sent to the Portfolio Manager who can decide to accept or reject the offer. After the public sale, the Servicer will administer the proceeds and inform the Seller.

Outstanding Amounts

In case the Mortgage Loan is not covered by the NHG Guarantee and amounts are still outstanding after the sale of the property has been completed and any other collateral has been executed and Beneficiary Rights have been exercised, the Servicer, on behalf of the Seller, will notify the Borrower of their residual debt, as they will remain liable for the repayment of this amount. All communication hereafter will be handed over to the Seller.

As a result, the Seller continues to manage the remaining claims if it considers it likely that it will be able to recover such losses. If possible, a settlement agreement between the Borrower and the Seller will be signed. If the Borrower does not comply with the settlement agreement or does not wish to cooperate on finding a solution to repay the unpaid amounts, other measures can be taken, such as attachments on assets and/or (future) income of the debtor.

6.3 Dutch Residential Mortgage Market

This section 6.3 is derived from the overview which is available at the website of the Dutch Securitisation Association (<https://www.dutchsecuritisation.nl/dutch-mortgage-and-consumer-loan-markets>) regarding the Dutch residential mortgage market over the period until 31 December 2018. The Issuer believes that this source is reliable and as far as the Issuer is aware and are able to ascertain from the Dutch Securitisation Association, no facts have been omitted which would render the information in this section 6.3 inaccurate or misleading.

Dutch residential mortgage market

The Dutch residential mortgage debt stock is relatively sizeable, especially when compared to other European countries. Since the 1990s, the mortgage debt stock of Dutch households has grown considerably, mainly on the back of mortgage lending on the basis of two incomes in a household, the introduction of tax-efficient product structures such as mortgage loans with deferred principal repayment vehicles and interest-only mortgage loans, financial deregulation and increased competition among originators. Moreover, Loan-to-Value (LTV) ratios have been relatively high, as the Dutch tax system implicitly discouraged amortisation, due to the tax deductibility of mortgage interest payments. After a brief decline between 2012 and 2015, mortgage debt reached a new peak of EUR 702 billion in Q3 2018¹. This represents a rise of EUR 8.8 billion compared to Q3 2017.

Tax system

The Dutch tax system plays an important role in the Dutch mortgage market, as it allows for almost full deductibility of mortgage interest payments from taxable income. This tax system has been around for a very long time, but financial innovation has resulted in a greater leverage of this tax benefit. From the 1990s onwards until 2001, this tax deductibility was unconditional. In 2001 and 2004, several conditions have been introduced to limit the usage of tax deductibility, including a restriction of tax deductibility to (mortgage interest payments for) the borrower's primary residence and a limited duration of the deductibility of 30 years.

A further reform of the tax system was enforced on 1 January 2013. Since this date, all new mortgage loans have to be repaid in full in 30 years, at least on an annuity basis, in order to be eligible for tax relief (linear mortgage loans are also eligible). The tax benefits on mortgage loans, of which the underlying property was bought before 1 January 2013, have remained unchanged and are grandfathered, even in case of refinancing and relocation. As such, new mortgage originations still include older loan products, including interest-only. However, any additional loan on top of the borrower's grandfathered product structure, has to meet the mandatory full redemption standards to allow for tax deductibility.

Another reform imposed in 2013 to reduce the tax deductibility is to lower the maximum deduction percentage. This used to be equal to the highest marginal tax bracket (52%), but since 2013 the maximum deduction is lowered by 0.5% per annum (2019: 49%). The new government coalition has the intention to speed up this decrease. According to their policy agenda, they will reduce the maximum deduction percentage by 3.0% per annum, starting in 2020. In 2023, the maximum deduction percentage will be 37%, which will then be equal to the second highest marginal income tax rate.

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 (stamp duty) of 2% is applied when a house changes hands. 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.

¹ Statistics Netherlands, household data.

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).² The new government coalition has indicated not to lower the maximum LTV further beyond 2018. 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.³

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

² In deviation of the Dutch Securitisation Standard the Issuer notes that the maximum original LTV ratio of a mortgage loan is 106 per cent of the market value of the property in case of energy savings measures fulfilling the requirements in the underwriting criteria in accordance with the special underwriting legislation (“*Tijdelijke regeling hypothecair krediet*”).

³ The “*Tijdelijke regeling hypothecair krediet*” allows mortgage lenders, in a limited number of predefined circumstances and when meeting specific requirements, to deviate from the NIBUD limits. In general, lenders only make use of the option to deviate in a limited number of circumstances. As an underlying principle the Seller does not deviate from the NIBUD limits when underwriting mortgage loans as is outlined in its underwriting criteria.

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” clause⁴. 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 shown clear signs of recovery since the second half of 2013. Important factors are among others the economic recovery, high consumer confidence and low mortgage rates.

Existing house prices (PBK-index) in Q4 2018 rose by 1.4% compared to Q3 2018. Compared to Q4 2017 this increase was 8.4%. A new peak was reached this quarter. The average house price level was 6.5% above the previous peak of 2008. The continued increase in house prices is mostly caused by an increasing supply scarcity in the market. Indeed, existing homes sales are trending down. Compared to a year ago, sales numbers declined by 14.8% in Q4 2018. The twelve month total of existing home sales now stands at 218,366, which is still well above pre-crisis levels.

Forced sales

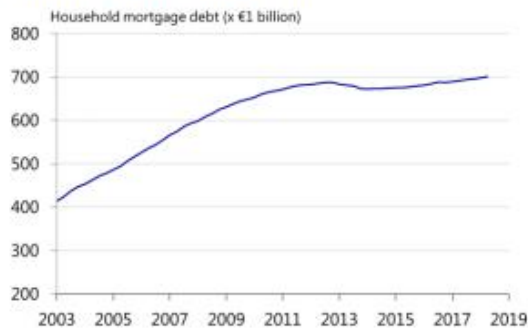
Compared to other jurisdictions, performance statistics of Dutch mortgage loans show relatively low arrears and loss rates⁵. The most important reason for default is relationship termination, although the increase in unemployment following the economic downturn in recent years is increasingly also a 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. In Q3 2018, only 133 sales were forced, which is 0.2% of the total number of sales in this period.

⁴ 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.

⁵ Comparison of S&P RMBS index delinquency data.

Chart 1: Total mortgage debt



Source: Statistics Netherlands, Rabobank

Chart 2: Sales and prices



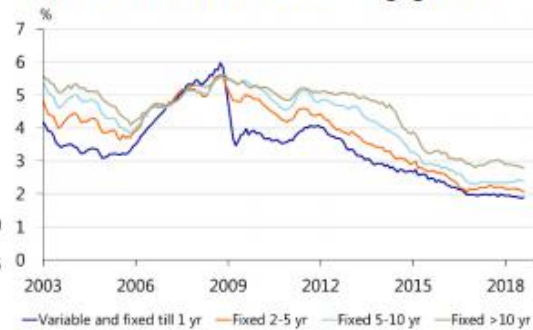
Source: Statistics Netherlands, Rabobank

Chart 3: Price index development



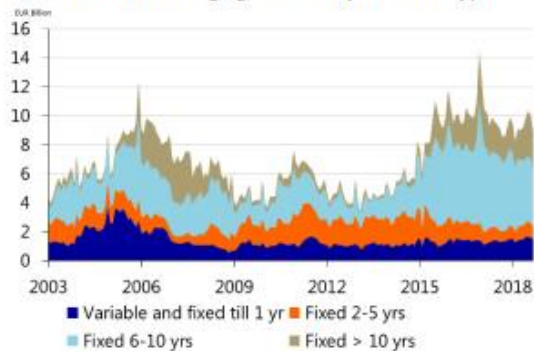
Source: Statistics Netherlands, Rabobank

Chart 4: Interest rate on new mortgage loans



Source: Dutch Central Bank

Chart 5: New mortgage loans by interest type



Source: Dutch Central Bank

Chart 6: Confidence



Source: Delft University OTB, Rabobank

6.4 NHG Guarantee Programme

NHG Guarantee

In 1960, the Netherlands government introduced the 'municipal government participation scheme', an open ended scheme in which both the Dutch State and the municipalities guaranteed, according to a set of defined criteria, residential mortgage loans made by authorised lenders to eligible borrowers to purchase a primary family residence. The municipalities and the Dutch State shared the risk on a 50/50 basis. If a municipality was unable to meet its obligations under the municipality guarantee, the Dutch State would make an interest free loan to the municipality to cover its obligations. The aim was to promote home ownership among the lower income groups.

Since 1 January 1995 the “*Stichting Waarborgfonds Eigen Woningen*” (WEW), a central, privatised entity, has been responsible for the administration and granting of the NHG Guarantee (*Nationale Hypotheek Garantie*), under a set of uniform rules which must be approved by the Minister of Finance. The NHG Guarantee covers the outstanding principal, accrued unpaid interest and disposal costs. Irrespective of scheduled repayments or prepayments made on a mortgage loan, the NHG Guarantee is reduced on a monthly basis by an amount which is equal to the principal repayment part of the monthly instalment as if such mortgage loan were to be repaid on a thirty year annuity basis. In respect of each mortgage loan, the NHG Guarantee decreases further to take account of scheduled repayments and prepayments under such mortgage loan. Also, amounts paid as savings or investment premium under savings insurance policies or life insurance policies, respectively, are deducted from the amount outstanding on such mortgage loan for purposes of the calculation of the amount guaranteed under the NHG Guarantee.

Transition from Municipality to NHG Guarantee

The Dutch State has effectively transferred its reimbursement obligations with respect to amounts guaranteed by a Municipality to the WEW. All municipalities have transferred their obligations under guarantees issued pursuant to the previous State terms and conditions to the WEW.

The transfer of obligations by the Dutch State and the municipalities to the WEW is set forth, respectively, in a ‘buy-off’ agreement (*afkoopovereenkomst*) dated 8 December 1994 between the Dutch State and the WEW and in standard buy-off agreements entered into between each participating municipality and the WEW. The buy-off agreements basically provide for WEW to assume all payment obligations of the Dutch State and the municipalities under guarantees issued (but not enforced) prior to 1 January 1995 against payment by the Dutch State and the participating municipalities of an up-front lump sum (and, if necessary, additional payments) to the WEW

Financing of the WEW

The WEW finances itself, *inter alia*, by an annually reviewed one-off charge to the borrower at origination of 0.90 per cent. of the principal amount of the mortgage loan. If the WEW is not able to meet its obligations under guarantees issued relating to mortgage loans originated after 1 January 2011, the Dutch State will provide subordinated interest free loans to the WEW for up to 100 per cent. of the difference between the WEW’s own funds and the pre-determined average loss level. Both the ‘keep well’ agreement entered into between the Dutch State and the WEW and the ‘keep well’ agreements entered into between the municipalities and the WEW contain general undertakings of the Dutch State and the municipalities to enable the WEW at all times (including in the event of bankruptcy (*faillissement*), suspension of payments (*surseance van betaling*) or liquidation (*ontbinding*) of the WEW) to meet its obligations under guarantees issued.

Terms and Conditions of the NHG Guarantees

Under the NHG scheme, the lender is responsible for ensuring that the guarantee application meets the NHG terms and conditions. If the application meets these terms and conditions, various reports are produced that

are used in the processing of the application, including the form that will eventually be signed by the relevant lender and forwarded to the NHG to register the mortgage and establish the guarantee. The WEW has, however, no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the relevant mortgaged property if such lender has not complied with the terms and conditions of the NHG Guarantee which were applicable at the date of origination of the mortgage loan, unless such non-payment is unreasonable towards the lender.

The specific terms and conditions for the granting of NHG Guarantees, such as eligible income, purchasing or building costs etc., are set forth in published documents by the WEW.

The NHG has specific rules for the level of credit risk that will be accepted. The creditworthiness of the applicant must be verified with the BKR, a central credit agency used by all financial institutions in The Netherlands. All financial commitments over the past five years that prospective borrowers have entered into with financial institutions are recorded in this register. In addition, as of 1 January 2008, the applicant itself must be verified with the Foundation for Fraud Prevention of Mortgages (*Stichting Fraudepreventie Hypotheken*, SFH). If the applicant has been recorded in the SFH system, no NHG Guarantee will be granted.

To qualify for an NHG Guarantee various conditions relating to valuation of the property must be met. In addition, the mortgage loan must be secured by a first ranking mortgage right (or a second ranking mortgage right in case of a further advance). Furthermore, the borrower is required to take out insurance in respect of the mortgaged property against risk of fire, flood and other accidental damage for the full restitution value thereof. The borrower is also required to create a right of pledge in favour of the lender on the rights of the relevant borrower against the insurance company under the relevant life insurance policy connected to the mortgage loan or to create a right of pledge in favour of the lender on the proceeds of the investment funds. The terms and conditions also require a risk insurance policy which pays out upon the death of the borrower/insured, for the period that the amount of the mortgage loan exceeds 80 per cent. of the value of the relevant property.

The mortgage conditions applicable to each mortgage loan should include certain provisions such as the provision that any proceeds of foreclosure on the mortgage right and the right of pledge on the life insurance policy or the investment funds shall be applied firstly towards repayment of the mortgage loan guaranteed under the NHG scheme.

The maximum amount of the NHG Guarantee was reduced to EUR 245,000 (two hundred forty-five thousand euros) as of 1 July 2015. As from 1 January 2017, the maximum amount is adjusted each year to match the average house price in The Netherlands (source is Statistics Netherlands (CBS)).

On 31 October 2013, the Dutch government announced various changes to the NHG Guarantee which have become effective as of 1 January 2014. One of the changes is the introduction of a loss-sharing mechanism for new originations under which lenders take 10 per cent. of losses if a mortgage defaults. According to the Dutch government, historically lenders in respect of NHG guaranteed loans bore some risk due to the amortizing nature of the NHG Guarantee given that mortgages were predominantly of an interest-only nature creating a gap between the guaranteed amount and the outstanding loan amount of the life of the mortgage. As a result of fiscal regulatory changes, mortgage loans taken out for houses purchased after 1 January 2013 are predominantly repaid on annuity basis and this risk has therefore disappeared. To maintain a lender risk, the Dutch government has now introduced a risk for lenders of 10 per cent. on the realised loss in case of a defaulted mortgage loan.

One of the other changes announced by the Dutch government in respect of the NHG Guarantee is that as of 1 January 2014 homeowners can, after they sold their house, finance an outstanding residual debt into a new mortgage subject to the NHG Guarantee, provided the residual debt arises from the sale of a property that is financed with an NHG Guarantee. One of the conditions is that the costs of the new property and the residual debt remain below the overall limit as mentioned above. Any exceeding outstanding debt must be financed alternatively.

Claiming under the NHG Guarantees

When a borrower is in payment arrears under a mortgage loan for a period of four months, a lender informs the WEW in writing within 30 calendar days of the outstanding payments, including the guarantee number, the borrower's name and address, information about the underlying security, the date of the start of late payments and the total of outstanding payments. When the borrower is in arrears the WEW may approach the lender and/or the borrower to attempt to solve the problem and make the borrower aware of the consequences. If an agreement cannot be reached, the WEW reviews the situation with the lender to endeavour to generate the highest possible proceeds from the property. The situation is reviewed to see whether a private sale of the property, rather than a public auction, would generate proceeds sufficient to cover the outstanding mortgage loan. Permission of the WEW is required in case of a private sale, unless the property is sold for an amount higher than 95 per cent. of the foreclosure value, as well as in case of a forced sale and execution sale.

Within one month after receipt of the proceeds of the private or forced sale of the property, the lender must make a formal request to the WEW for payment, using standard forms, which request must include all of the necessary documents relating to the original mortgage loan and the NHG Guarantee. After receipt of the claim and all the supporting details, the WEW must make payment within two months. If the payment is late, provided the request is valid, the WEW must pay interest for the late payment period.

In the event that a borrower fails to meet its obligation to repay the mortgage loan and no or no full payment is made to the lender under the NHG Guarantee by the WEW because of the lender's culpable negligence (*verwijtbaar handelen of nalaten*), the lender must act *vis-à-vis* the borrower as if the WEW were still guaranteeing the repayment of the mortgage loan during the remainder of the term of the mortgage loan. In addition, the lender is not entitled to recover any amounts due under the mortgage loan from the borrower in such case. This is only different if the borrower did not act in good faith with respect to his inability to repay the mortgage loan and has failed to render his full cooperation in trying to have the mortgage loan repaid to the lender to the extent possible.

Additional loans

Furthermore, on 1 July 2005 provisions were added to the NHG terms and conditions pursuant to which a borrower who is or threatens to be in arrears with payments under the existing mortgage loan may request that the WEW grants a second guarantee in respect of an additional mortgage loan to be granted by the relevant lender (*woonlastenfaciliteit*). The aim of the so-called *woonlastenfaciliteit* is to avoid a forced sale of the property. The monies drawn down under the additional loan have to be placed on deposit with the relevant lender and may, up to a maximum period of two years, be used for, among other things, payment of the amounts which are due and payable under the existing mortgage loan, interest due and payable under the additional mortgage loan and the costs made with respect to the granting of the additional mortgage loan. The granting of such an additional loan is subject to certain conditions, including, among other things, the fact that the financial difficulties are caused by a divorce, unemployment, disability or death of the partner of the borrower.

Main NHG underwriting criteria (Normen) as of 1 January 2019 (Normen 2019-1)

With respect to a borrower, the underwriting criteria include but are not limited to:

- (a) The lender must perform a BKR check.
- (b) As a valid source of income the following qualifies: indefinite contract of employment, temporary contract of employment if the employer states that the employee will be provided an indefinite contract of employment in case of equal performance of the employee and equal business circumstances, for workers with flexible working arrangements or during a probational period (*proeftijd*) a three year history of income statements, for self-employed three year (annual) statements.

- (c) The maximum loan based on the income of the borrowers is based on the “*financieringslast acceptatiecriteria*” tables and an annuity style redemption (even if the actual loan is (partially) interest only). The mortgage lender shall calculate the borrowing capacity of a borrower of a mortgage loan with a fixed interest terms of less than 10 years on the basis of a percentage determined and published by the AFM or, in case of a mortgage loan with a fixed interest term of ten (10) years or longer or if the mortgage loan is redeemed within the fixed interest term of less than ten (10) years, on the basis of the binding offer.

With respect to the mortgage loan, the underwriting criteria include but are not limited to:

- (a) As of 1 January 2013, for new borrowers the redemption types are limited to annuity mortgage loans and linear mortgage loans with a maximum term of 30 years.
- (b) As of 1 January 2018 the maximum amount of the mortgage loan is dependent on the average house price level in The Netherlands (based on the information available from the Land Registry) multiplied with the statutory loan to value, if there are no energy saving improvements and 106 per cent. if there are energy saving improvements. As a consequence, there will be two maximum loan amounts:
- €290,000 for loans without energy saving improvements.
 - €307,400 for loans with energy saving improvements

The loan amount is also limited by the amount of income and the market value of the property. With respect to the latter:

- (a) For the purchase of existing properties, the maximum loan amount is broadly based on the sum of (i) the lower of the purchase price and the market value based on a valuation report, (ii) the costs of improvements and (iii) a maximum of 6 per cent. of the amount under (i) plus (ii). In case an existing property can be bought without paying transfer taxes (*vrij op naam*), the purchase amount under (i) is multiplied by 97 per cent.
- (b) For the purchase of new-build properties, the maximum loan amount is broadly based on the purchase price or amount contracted for, increased with a number of costs such as the cost of construction interest or loss of interest during the construction period (to the extent not already included in the purchase or construction cost).

7. PORTFOLIO DOCUMENTATION

The Portfolio Manager has set up the Collective Mandate Programme, which is a platform through which Programme Investors can invest in Dutch mortgages. Programme Investors can select certain investment criteria, on the basis of which mortgage receivables are transferred to them via undisclosed assignment. The Seller remains lender of record and the Mortgage Loans are serviced by the Servicer. The Issuer is a Programme Investor, and has acceded to the Collective Mandate Programme and entered into or, as the case may be, acceded to certain Collective Mandate Documents and the Transaction Documents to which it is a party. Pursuant to these documents, the Issuer (i) is able to invest in the Mortgage Loans originated by the Seller and has committed to fund the origination of such Mortgage Loans by purchasing Mortgage Receivables (including New Ported Mortgage Receivables) allocated to the Issuer in accordance with the Allocation Procedure from the Seller up to the Total Committed Amount from time to time together with any Further Advance Receivables and/or, at its option, (ii) may purchase Mortgage Receivables from another Programme Investor and (iii) may sell Mortgage Receivables to other Programme Investors or third party subject to the conditions of the Mortgage Receivables Purchase Agreement. Under the Programme, investors can purchase Bonds and indirectly invest through the Collective Mandate Programme.

7.1 Purchase and Sale

Allocation Procedure

Each Programme Investor, including the Issuer, provides an Investment Notice to the Seller and the Portfolio Manager, setting out the amount of Mortgage Loans it is committed to fund and specifying interest rate periods and/or Risk Buckets of Mortgage Loans that the Programme Investor is willing to commit to. Under the Allocation Procedure, each week the Seller provides each Programme Investor, including the Issuer, with the mortgage offer letters that are allocated to such Programme Investor and, in case of the Issuer, to the relevant Compartment. Such mortgage offer letters are allocated to Programme Investors on a rotational basis, under the condition the corresponding mortgage application falls within such Programme Investor's commitment and selection of interest rate periods and/or Risk Buckets.

Purchase of Mortgage Receivables

Pursuant to the Mortgage Receivables Purchase Agreement the Seller shall sell and assign and the Issuer shall, in respect of a Compartment, purchase and accept the assignment of the Mortgage Receivables of the relevant Pool and/or Further Advance Receivables and/or New Ported Mortgage Receivables resulting from such Mortgage Loans and/or Further Advances and/or New Ported Mortgage Loan which are set forth in the list of loans attached to the relevant Deed of Assignment and Pledge.

On each date on which Mortgage Receivables are to be assigned to the Issuer, which may be every two weeks, (the **Transfer Date**), the Issuer and the Seller shall sign a Deed of Assignment and Pledge pursuant to which the relevant Mortgage Receivables of the relevant Pool and any Further Advances and new Ported Mortgage Loans (as further set out below) will be sold and assigned by means of a Deed of Assignment and Pledge and registration thereof with the Dutch tax authorities as a result of which legal title to the relevant Mortgage Receivables will be transferred to the Issuer by the Seller and the Issuer will purchase and accept assignment of such relevant Mortgage Receivables. It is a condition for the purchase of the relevant Mortgage Receivables that (i) any Beneficiary Rights, to the extent legally possible and required, will be assigned to the Issuer and (ii) any and all Existing Rights will be assigned or assigned in advance (*bij voorbaat*) to the Issuer. The Seller has agreed to assign, or as the case may be assign in advance such Beneficiary Rights and Existing Rights) to the Issuer and the Issuer has agreed to accept such assignment.

The assignment of the relevant Mortgage Receivables of the relevant Pool from the Seller will not be notified to the relevant Borrowers, except in case of the occurrence of any of the Assignment Notification Events. Until such notification the relevant Borrower will only be entitled to validly pay (*bevrijdend betalen*) to the Seller.

The Issuer will be entitled to all proceeds in respect of the relevant Mortgage Receivables of a Pool from and including the first day of the pending Monthly Calculation Period on the relevant Transfer Date or, in case of a newly originated Mortgage Receivable, the relevant Mortgage Origination Date, unless agreed differently in a Mortgage Receivables Purchase Agreement.

Accordingly, the Transaction Servicer will transfer, to the Issuer on or prior to each Mortgage Collection Payment Date or such earlier time as required pursuant to the Receivables Proceeds Distribution Agreement and ultimately on the fifth Business Day thereafter (i) all amounts of scheduled interest and scheduled principal payments under the Mortgage Loan received during the then current calendar month and (ii) all other payments under the Mortgage Loans, including but not limited to unscheduled principal prepayments or repayments, Prepayment Penalties or interest penalties under the Mortgage Loans received during the immediately preceding calendar month.

Purchase Price

The purchase price for the Mortgage Receivables of each Pool assigned on the relevant Transfer Date is, unless specified otherwise in the Final Terms, equal to the Outstanding Principal Amount of such relevant Mortgage Receivable on its Mortgage Origination Date (the **Relevant Purchase Price**).

A part of each Relevant Purchase Price equal to any Construction Deposit relating to the relevant Mortgage Receivables shall be withheld from the Relevant Purchase Price and be deposited by the Issuer or remain to be deposited on the relevant Construction Deposit Account.

Purchase of Further Advance Receivables

The Mortgage Receivables Purchase Agreement provides that on each Transfer Date, the Seller shall sell and assign and the Issuer shall purchase and accept the assignment of the Further Advance Receivables resulting from Further Advances and, to the extent legally possible and required, the Seller shall assign the Beneficiary Rights, subject to the conditions set forth in the Mortgage Receivables Purchase Agreement, including the condition stipulated by the Issuer that all Existing Rights will be from time to time assigned by the Seller to the Issuer. The Seller agrees to assign such Existing Rights on each and any relevant Transfer Date.

When Further Advances are granted to the relevant Borrower and the Issuer purchases and accepts assignment of the relevant Further Advance Receivable and the Beneficiary Rights relating thereto, the Issuer will at the same time create a right of pledge on such Further Advance Receivable and the Beneficiary Rights relating thereto in favour of the Security Trustee.

Purchases of Further Advance Receivables are funded from the Further Advance and Unsold Property Portable Mortgage Account. If the balance of the Further Advance and Unsold Property Portable Mortgage Account is not sufficient to satisfy the Relevant Purchase Price for the Further Advance Receivables the Issuer Administrator, if so instructed by the Portfolio Manager, will transfer on behalf of the Issuer the amount requested by the Portfolio Manager, if available, from (i) the Issuer Collection Account (if such amount is available on the relevant Principal Ledger) and (ii) the Pre-Funding Account to the Further Advance and Unsold Property Portable Mortgage Account.

Purchase of New Ported Mortgage Receivables

Pursuant to the Mortgage Conditions, the Seller may at any time agree with a Borrower to vest certain conditions of its existing Mortgage Loan on another Mortgaged Asset pursuant to the “*meeneemregeling*” to provided that the then current loan-to-market value of the Mortgage Loan related to the new Mortgaged Asset is equal or lower than the high end of the loan-to-value Risk Bucket that applies to the Mortgage Loan related to the Old Mortgaged Asset on the Mortgage Origination Date and provided any other applicable conditions are met.

The Issuer, or where applicable, the Servicer on its behalf shall (a) apply the principal proceeds received by the Collection Foundation for the benefit of the Issuer in relation to the redemption of the related Mortgage Loan in the Collection Foundation Account to purchase and accept assignment of a New Ported Mortgage Receivable if the transfer of title to the Old Mortgaged Asset by the Borrower and the subsequent acquisition of title to the New Mortgaged Asset by the Borrower happen within the same Monthly Calculation Period, (b) apply the relevant funds deposited in the Sold Property Portable Mortgage Account outside of the Redemption Priority of Payments to purchase and accept assignment (if required in advance) of a New Ported Mortgage Receivable if the related New Ported Mortgage Loan was not granted in the same Monthly Calculation Period, but was granted within six months or such longer period as agreed with the Borrower after the deposit was made into the Sold Property Portable Mortgage Account and (c) draw under the Further Advance and Unsold Property Portable Mortgage Account to purchase and accept assignment of New Ported Mortgage Receivables if the acquisition of title to the New Mortgaged Asset by the Borrower takes place prior to the transfer of title to the Old Mortgaged Asset by the Borrower. If the balance of the Further Advance and Unsold Property Portable Mortgage Account is not sufficient to satisfy the Relevant Purchase Price for the relevant New Ported Mortgage Receivables the Issuer Administrator, if so instructed by the Portfolio Manager, will transfer on behalf of the Issuer the amount requested by the Portfolio Manager, if available, from (i) the Issuer Collection Account (if such amount is available on the relevant Principal Ledger) and (ii) the Pre-Funding Account to the Further Advance and Unsold Property Portable Mortgage Account.

When New Ported Mortgage Loans are granted to the relevant Borrower and the Issuer purchases and accepts assignment of the relevant New Ported Mortgage Receivable and the Beneficiary Rights relating thereto, the Issuer will at the same time create a right of pledge on such New Ported Mortgage Receivable and the Beneficiary Rights relating thereto in favour of the Security Trustee.

In the event of newly to be originated New Ported Mortgage Loans it may be that the relating mortgage rights have not been vested yet at the relevant Transfer Date. In such event the Existing Rights are transferred to the Issuer on the relevant Transfer Date.

Interest Rate Resets

The interest rate on the Mortgage Loans will be reset at the end of an interest period (*rentevast periode*) in accordance with the Mortgage Interest Rate Policy. At the end of an interest period, the Borrower can select interest periods as offered by the Seller with corresponding interest rates. These may not be in line with the selection of interest rate periods and/or Risk Buckets of Mortgage Loans that the Programme Investor is willing to commit to as specified in the applicable Investment Notice. If the reset is not in accordance with the selections made in the Investor Notice, the Programme Investor may sell the relevant Mortgage Receivable in accordance with the following paragraph.

The Mortgage Interest Rate Policy states that interest rates shall be determined and set or reset in on the basis of certain criteria of the Seller, linked to the offerings of other mortgage credit providers in the market and in accordance with the Mortgage Conditions, any applicable laws and regulations, instructions received from regulatory authorities and applicable industry self-regulation.

Sale of Mortgage Receivables

Pursuant to Condition 7(c) the Bondholders of the relevant Compartment can instruct the Issuer by means of an Unanimous Resolution to sell and assign all or some of the Mortgage Receivables (including New Ported Mortgage Receivables) of a Pool to another Programme Investor or third party that is willing to become a Programme Investor subject to the conditions set out in the Mortgage Receivables Purchase Agreement. The relevant purchase price may be below the par value of the Mortgage Receivables.

Each of the following conditions (collectively the **Pool Level Conditions**) applies in respect of a sale of all or some of the Mortgage Receivables of a Pool to another Programme Investor or a third party that is willing to become a Programme Investor:

- (a) the sale and assignment will take place on a Mortgage Collection Payment Date and the assignee will be entitled to any proceeds (*vruchten*), such as interest and principal collections, from and including the first day of the pending Monthly Calculation Period or, in case of a newly originated Mortgage Receivable, the relevant Mortgage Origination Date;
- (b) the Issuer shall represent and warrant the matters set out in the Deed of Assignment and Pledge;
- (c) any Beneficiary Rights and Existing Rights relating to such Mortgage Receivables will be assigned to such assignee, to the extent legally possible and required;
- (d) the terms and conditions of a sale and assignment of the relevant Mortgage Receivables by the Seller to the Issuer will apply *mutatis mutandis* to the sale and assignment of the relevant Mortgage Receivables which are subject to the Deed of Assignment and Pledge by the Issuer to such assignee;
- (e) the purchase price in relation to the relevant Mortgage Receivables which are subject to the Deed of Assignment and Pledge is agreed upon between the Issuer (an Unanimous Resolution of the Bondholders having been taken to that effect) and the relevant Programme Investor or third party;
- (f) the Issuer shall apply the proceeds of such sale to redeem the Bonds in whole or in part, as the case may be.

If at the time of an assignment the previous assignment to the Issuer has already been notified, the assignment by the Issuer to another Programme Investor or third party may, at the option of the Issuer be notified to the Borrowers. If at such time the Programme Investor or third party purchasing and accepting the assignment of (part of) the Mortgage Receivables decides not to request the Seller to provide the Services in respect of such Mortgage Receivables, a termination payment in respect of such Mortgage Receivables may be due and payable by the Programme Investor or the third party. If the third party wishes direct servicing to be provided by the Seller, this will be considered and separately negotiated by the Seller with such third party.

Clean-up Call Option

If the Issuer exercises the Clean-up Call Option the Issuer will use the proceeds of the sale of the Mortgage Receivables towards redemption of the Bonds.

The Issuer may only sell and assign the Mortgage Receivables in accordance with Condition 7(b) (*Clean-Up Call Option*) if (i) the purchase price of such Mortgage Receivables shall be sufficient to redeem the Bonds of the relevant Compartment in whole but not in part at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale or (ii) the Bondholders of the relevant Compartment have taken an Unanimous Resolution to have the Mortgage Receivables sold for a purchase price that is lower than the amount required to redeem the relevant Bonds at their Principal Amount Outstanding minus any Realised Losses standing to the balance of the Realised Loss Ledger relating to the relevant Compartment and to pay any costs associated with such sale.

Breach of representations and warranties

With respect to a breach of representations and warranties the following applies:

If there is a breach by the Seller of the representations and warranties in respect of any Mortgage Receivable where such breach is capable of being remedied, the Seller will have 14 days after receipt of a written notice of such breach by or on behalf of the Issuer to remedy the breach (the **Remedy Period**).

If any breach is not remedied within the Remedy Period or not capable of being remedied the liability of the Seller and the right of the Issuer to be indemnified for such breach is limited as follows.

- The Seller is not liable in respect of any loss, liability, claim, expense or damage suffered or incurred by the Issuer (or any other person) as a result of the breach of representations and warranties (including but not limited to any losses arising from properly incurred legal fees, costs and expenses but only to the extent that the separate legal advisor uses resources and staff efficiently, taking account of the nature of the advice, with the appropriate level of experience required to properly provide its advice and assistance and to avoid unnecessary duplication) (each such amount a **Loss**), save where such Loss is incurred as a result of any gross negligence (*grove nalatigheid*), wilful misconduct (*opzet*), fraud (*fraude*) or breach in any respect (*wanprestatie*) by the Seller of any of the representation and warranties, unless in case of such a breach the Seller proves that such Loss is not attributable to it (*toerekenbaar*).
- If the Seller is liable to indemnify the Issuer and such liability or the relevant part of the liability is a result of default in any respect attributable to it (*toerekenbare tekortkoming*) by it or a Delegate belonging to the DC Group, the Issuer may at its option, request the Seller and/or such Delegate to be indemnified in respect of any such Loss whereby, if the Issuer decides to request both the Seller and such Delegate to be indemnified the obligation of the Delegate to indemnify shall rank first and the Seller shall only be obliged to indemnify to the extent the Loss of the Issuer is not indemnified in full by the relevant Delegate, provided that the total amount of indemnification to be paid by the Seller for Loss in such event will be the lower of (i) the amount on the Loss less the amount indemnified by the relevant Delegate and (ii) the amount set forth under *Limitation of the Seller's liability below*.

Limitation of the Seller's liability

The Seller has capped its aggregate liability which can be incurred towards the Issuer. The liability of the Seller is limited to a total amount of EUR 2,500,000.- (two million five hundred thousand euro) per event and per calendar year for each Compartment, provided that the Issuer shall not be entitled to recover any Loss in relation to such Compartment unless the aggregate amount of such Loss of the Issuer in relation to such Compartment in any year (starting on the relevant Issue Date) exceeds the applicable Own Risk Amount, in which case the Issuer in relation to such Compartment shall be entitled to recover only the amount of Loss exceeding the Own Risk Amount.

The only assets of the Seller available to satisfy any claims in respect of a breach representations and warranted shall be the right of the Seller *vis-à-vis* the Delegates and any (third) other party and the balances on the Seller Funding Account and in respect of the Parent, the Shares.

Assignment Notification Events

if:

- (a) the Seller takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution (*ontbinding*) and liquidation (*vereffening*) or legal demerger (*juridische splitsing*) involving the Seller or for its conversion (*omzetting*) into a foreign entity or any of its assets are placed under administration (*onder bewind gesteld*);
- (b) the Seller has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its suspension of payments (*surséance van betaling*) or for

bankruptcy or for any analogous insolvency proceedings under any applicable law for the appointment of a receiver or a similar officer of it or of any or all of its assets;

- (c) at any time it becomes unlawful including under the Wft for the Seller to perform all or a material any of the Transaction Documents or the Collective Mandate Documents to which it is a party to the extent relating to the relevant Pool;
- (d) the Issuer ceases to be a party to the Collective Mandate Programme Agreement;
- (e) the Issuer sells and assigns any or all of the Mortgage Receivables to the extent relating to the relevant Pool and notification of the assignment to the Issuer and/or the assignee to the Borrowers is made pursuant thereto at any point in time;
- (f) a default is made by the Seller in the payment on the due date of any amount due and payable by the Seller under the Mortgage Receivables Purchase Agreement or under any Collective Mandate Document or any Transaction Document to which it is a party to the extent relating to the relevant Pool and such failure is not remedied within 10 Business Days after having knowledge thereof or after thereof has been given by the Issuer or the Security Trustee to the Seller;
- (g) the Seller fails duly to perform or comply with any of its obligations under the Mortgage Receivables Purchase Agreement and, if such failure is capable of being remedied, such failure is not remedied within 10 Business Days after having knowledge thereof or notice thereof has been given by the Issuer or the Security Trustee to the Seller;
- (h) any representation, warranty or statement made by the Seller in any Deed of and Assignment and Pledge to the extent relating to the relevant Pool proves to have been, and continues to be after the expiration of any applicable grace period, untrue or incorrect in any material respect;
- (i) the Collection Foundation has been declared bankrupt (*faillissement*) or been subjected to suspension of payments (*surseance van betaling*) or analogous insolvency procedures under any applicable law;
- (j) a Pledge Notification Event occurs; or
- (k) the Issuer has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its suspension of payments (*surséance van betaling*) or for bankruptcy or for any analogous insolvency proceedings under any applicable law for the appointment of a receiver or a similar officer of it or of any or all of its assets,

then the Seller unless the Security Trustee instructs it otherwise, shall forthwith notify the relevant Borrowers of the relevant Pool or, as the case may be, the relevant Pools, and any other relevant parties indicated by the Issuer and/or the Security Trustee of the assignment of the Mortgage Receivables and the Beneficiary Rights and the Existing Rights relating thereto of such Pool to the Issuer or, at its option, the Issuer shall be entitled to make such notifications itself.

7.2 Representations and Warranties

The Seller will represent and warrant on the relevant Transfer Date with respect to the relevant Mortgage Receivables that it will sell and assign on such date and the relevant Mortgage Loans that, *inter alia*:

- (a) the relevant Mortgage Receivable is duly and validly existing;
- (b) it has full right and title (*titel*) to the relevant Mortgage Receivable;
- (c) it has the power of disposition (*is beschikkingsbevoegd*) to sell and assign the relevant Mortgage Receivables and the Beneficiary Rights relating thereto;
- (d) the particulars of each relevant Mortgage Receivables as set forth in the list of loans attached to the relevant Deed of Assignment and Pledge and the Escrow List of Loans are correct and complete in all material respect;
- (e) it can be determined without any uncertainty in the administration of the Servicer which Beneficiary Rights relate to the relevant Mortgage Receivables;
- (f) outside the Collective Mandate Programme, neither it nor a Delegate has (i) vested on the relevant Mortgage Receivable and the Beneficiary Rights any encumbrances or (ii) granted any option rights to acquire the relevant Mortgage Receivables and (iii) agreed to any restrictions on the sale and assignment of the relevant Mortgage Receivables and the Beneficiary Rights;
- (g) the amount disbursed under the relevant Mortgage Loan to the Borrower is equal to the Outstanding Principal Amount at the Mortgage Origination Date, other than any Construction Deposits;
- (h) each existing receivable under a Mortgage Loan which is secured by the Mortgage is assigned to the Issuer.

7.3 Mortgage Loan Criteria

On the relevant Transfer Date, each of the Mortgage Loans and Mortgage Receivables of each Pool will meet following criteria:

- (a) the Mortgage Loans, which may include Bridge Mortgage Loans (*overbruggingshypotheeken*), are in the form of:
 - (i) interest-only mortgage loans (*aflossingsvrije hypotheeken*);
 - (ii) annuity mortgage loans (*annuïteitenhypotheeken*);
 - (iii) linear mortgage loans (*lineaire hypotheeken*); or
 - (iv) mortgage loans which combine any of the above mentioned mortgage loans (*combinatiehypotheeken*);
- (b) in respect of a Mortgage Loan which consists of one Loan Part that qualifies as an Interest-only Mortgage Loan or in respect of a Mortgage Loan which is made up of a combination of loan types, the interest-only Loan Part thereof, does not exceed fifty (50) per cent. of the Market Value of the relevant Mortgaged Asset upon creation of the Mortgage Loan;
- (c) each Mortgage Loan is governed by Dutch law;
- (d) the Borrower is, at the time of origination, a resident of the Netherlands and a natural person and not an employee of the Seller or any Dynamic Credit entity;
- (e) it is a requirement that each Mortgaged Asset is occupied by the Borrower at the moment of (or shortly after) origination and the Seller has no indication that this is not the case;
- (f) each Mortgage Loan is (i) secured by a first priority Mortgage (*eerste recht van hypotheek*) or, in the case of Mortgage Loans (for the avoidance of doubt including any Further Advance, as the case may be) secured on the same Mortgaged Asset, first and sequentially lower priority Mortgages over real estate (*onroerende zaak*), an apartment right (*appartementsrecht*), or a long lease (*erfpacht*) situated in the Netherlands and (ii) governed by Dutch law;
- (g) it is a requirement that the Mortgaged Assets are not the subject of letting and there is no indication that this is the case;
- (h) the Mortgaged Asset is located in the Netherlands;
- (i) it is a requirement that the Mortgaged Asset has residential purpose in the zoning plan and the Seller is not aware this is not the case;
- (j) the maximum Original Principal Amount of a Mortgage Loan equals EUR 1,000,000 and the aggregate principal sum outstanding under an NHG Mortgage Loan does not exceed the maximum guaranteed amount as was applicable pursuant to the NHG conditions at the time of origination thereof;
- (k) the maximum Outstanding Principal Amount of each Mortgage Loan, or all Mortgage Loans secured on the same Mortgaged Asset, as the case may be, which does not have the benefit of a NHG Guarantee does not exceed the maximum amount as may be applicable under the relevant regulations at the time of origination;
- (l) each of the Mortgage Loans have a maximum legal maturity of 30 years at origination;

- (m) in case of a Mortgage Loan that has the benefit of an NHG Guarantee (i) each NHG Guarantee connected to the relevant Mortgage Loan is granted for the full amount of the relevant Mortgage Loan at origination (subject to the limitations set out in the applicable terms and conditions of the NHG Guarantee) and (ii) it is a requirement that all terms and conditions (*voorwaarden en normen*) applicable to the NHG Guarantee at such time are complied with and the Seller has no indication that (ii) is not the case;
- (n) it is a requirement that each Mortgaged Asset concerned is valued by an independent qualified valuer and valued according to the guidelines of the Seller unless the loan-to-value is below 60%, in which case the WOZ-value suffices;
- (o) it is a requirement set forth in the form of Mortgage Loans that the Mortgage is vested for a principal sum which is at least equal to the Outstanding Principal Amount of the Mortgage Loan when originated, increased with interest, penalties, costs and any insurance premium paid by the Seller on behalf of the Borrower;
- (p) if a risk insurance policy is required under the NHG criteria for NHG Mortgage Loans, and for other Mortgage Loans, under the Acceptance Criteria, it is a requirement that the Seller has the benefit of a valid right of pledge on the rights under a risk insurance policy and either (i) the Seller has been validly appointed as beneficiary under such policy or (ii) the relevant insurance company is irrevocably authorised to apply the insurance proceeds in satisfaction of the relevant Mortgage Receivables;
- (q) it is a requirement that the Mortgage Loan has not been based on a self-certified income statement or advisor-verified income statement of the Borrower and does not result from an equity release mortgage loan where the Borrower has monetised its property for either a lump sum of cash or regular periodic income;
- (r) it is a requirement that the Borrower did not have a BKR negative registration (*BKR codering*) upon origination;
- (s) it is a requirement that payments in respect of the relevant Mortgage Receivables by the Borrowers are made directly into the relevant account with the Collection Foundation;
- (t) each Mortgage Loan constitutes the entire Mortgage Loan granted to the relevant Borrower and not merely one or more Loan Parts (*leningdelen*); and
- (u) each Mortgage Loan is originated after 1 December 2015.

The same Eligibility Criteria apply also to the selection of New Ported Mortgage Receivables and Further Advance Receivables unless stated otherwise.

7.4 Servicing Agreement

Pursuant to the Collective Mandate Programme Agreement, the Seller has agreed to provide management services to the Issuer relating to the Mortgage Loans and the Mortgage Receivables resulting from such Mortgage Loans. The Seller has delegated performance of these services to the Servicer. Pursuant to the Servicing Agreement, the Servicer has agreed to provide administration services to the Seller on a day-to-day basis in relation to the Mortgage Loans and the Mortgage Receivables resulting from such Mortgage Loans, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the Mortgage Receivables and the implementation of arrears procedures including the enforcement of mortgage rights and any other collateral. The services are also being provided for the benefit of the Issuer.

The Servicing Agreement may be terminated by the Seller and the Portfolio Manager, upon the occurrence of any of the following events:

- (a) the Seller or Portfolio Manager is no longer authorised to continue being a party to the Servicing Agreement for reasons outside of its free will; or
- (b) authorised authorities have given instructions to terminate the activities following from the Servicing Agreement; or
- (c) bankruptcy or administration proceedings or suspension of payments in respect of the Servicer have been instigated or it has been declared bankrupt or a meeting of creditors is held; or
- (d) the Servicer defaults in its performance of a material obligation under the Servicing Agreement or has repeatedly defaulted in its performance of any obligation under the Servicing Agreement; which is not remedied during the applicable remedy period, unless such default does not justify the termination of the Servicing Agreement; or
- (e) the shares in the Servicer are no longer directly or indirectly held by Quion Groep B.V.; or
- (f) the Servicer is no longer a subsidiary of Quion Groep B.V. by any other means; and
- (g) Quion Groep B.V. loses control over the Servicer or loses the right to approve its directors for any other reason.

In addition thereto the Seller and the Portfolio Manager may terminate the Servicing Agreement if the Servicer is no longer duly licensed under the Wft to act as an intermediary (*bemiddelaar*) or offeror of credits (*aanbieder van krediet*).

The Servicer shall provide the services specific to the Programme for the benefit of the Issuer subject to separately agreed terms, in addition of the terms of the Servicing Agreement.

7.5 Portfolio Management Agreement

Pursuant to the Collective Mandate Programme Agreement, the Seller has agreed to provide certain portfolio management services to the Issuer. The Seller has delegated performance of these services to the Portfolio Manager. The Portfolio Manager has, in accordance with the terms of the Portfolio Management Agreement, agreed to provide certain portfolio management services to the Seller on a day to day basis, which include, among other things, as follows:

- (a) ongoing credit management services which include instructing the Servicer (i) regarding the approval or rejection of applications for mortgage loans which are forwarded to the Portfolio Manager by the Seller for which it is not clear whether such applications meet the applicable mortgage loan criteria, (ii) regarding any decision on borrower special servicing situations in relation to defaulted mortgage loans and (iii) regarding any decision with respect to a request of a Borrower to extend the term of the Construction Deposits, including any proposal for the duration of the extension period;
- (b) ongoing management services which include (i) the validation of any suggested changes proposed or required to be made to the applicable mortgage loan criteria, the mortgage interest rate policy and the mortgage loan documentation as a result of changes in applicable laws and (ii) instructing the relevant Delegates on behalf of the Seller regarding any decision on any complaints from Borrowers where the relevant Delegate requests or requires guidance from the Seller; and
- (c) set the mortgage interest rates for (i) mortgage loans in respect of which the interest rates are to be reset and (ii) to be included in mortgage loan offer letters subject to and accordance with the applicable mortgage interest rate policy.

The Portfolio Manager will discuss the services performed by it with all Programme Investors and the Seller at the end of each quarterly period during quarterly investor calls. Furthermore, at the end of every quarterly period, the Portfolio Manager will provide to the Seller, for distribution to the Programme Investors, an overview of the mortgage interest rates for three mortgage buckets versus market leaders, as further specified in the Interest Rate Policy.

The Portfolio Management Agreement may be terminated on the fifth anniversary of the Portfolio Management Agreement by the Seller and the Portfolio Manager taking into account a notice period of 18 months. Furthermore, both the Seller and the Portfolio Manager may terminate the Portfolio Management Agreement if (i) either party is no longer authorised to continue the Portfolio Management Agreement and/or has received an instruction from regulatory authorities to cease the activities in relation to the Portfolio Management Agreement, (ii) there is an application for moratorium or petition for bankruptcy or similar measure in relation to the other party or the other party has been declared bankrupt, a private composition with its creditors has been made or it has relinquished control of its assets, or (iii) the other party fails to perform its material obligations under the Portfolio Management Agreement and continues to do so after receipt of a notice of default.

The Portfolio Manager shall provide the portfolio management services specific to the Programme for the benefit of the Issuer subject to separately agreed terms, in addition of the terms of the Portfolio Management Agreement.

8. GENERAL

1. The establishment of the Programme has been authorised by a resolution of the managing director of the Issuer passed on 9 July 2019.
2. Application may be made for any Series of Bonds relating to a Compartment to be listed on a stock exchange as specified in the applicable Final Terms. Notice of the aggregate nominal amount of the relevant Bonds, the issue price of such Bonds and any other terms and conditions not contained herein which are applicable to such Bonds issued on the relevant Issue Date will be set out in the Final Terms which will, in the case of the relevant Series of Bonds being listed on a stock exchange, be filed with the AFM on or before the Issue Date of such Bonds and, to the extent required, be delivered to such stock exchange.
3. 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.
4. Since its incorporation, the Issuer is not involved in any legal, arbitration or governmental proceedings which may have a significant effect on the Issuer's financial position or profitability nor are any such proceedings pending or, as far as the Issuer is aware, threatened against the Issuer.
5. Copies of the following documents are available for inspection as long as the Bonds are outstanding:
 - (a) the Deed of Incorporation dated 22 May 2019, including the articles of association of the Issuer, the Security Trustee and the Shareholder;
 - (b) the Mortgage Receivables Purchase Agreement;
 - (c) the Programme Agreement with scheduled thereto the Master Definitions Schedule;
 - (d) the relevant Deed of Assignment and Pledge;
 - (e) the relevant Bonds Purchase Agreement;
 - (f) the relevant Subscription Agreement;
 - (g) the Paying Agency Agreement;
 - (h) the relevant Trust Deed;
 - (i) the relevant Parallel Debt Agreement;
 - (j) the Issuer Mortgage Receivables Pledge Agreement;
 - (k) the relevant Deed of Pledge of Mortgage Receivables;
 - (l) the Issuer Rights Pledge Agreement;
 - (m) the relevant Deed of Pledge of Rights;
 - (n) the Servicing Agreement;
 - (o) the Portfolio Management Agreement;
 - (p) the Administration Agreement;
 - (q) the Issuer Account Agreement;

(r) the Management Agreements; and

(s) any Final Terms.

6. The articles of association of the Issuer are incorporated herein by reference. The Issuer's articles of association will be available free of charge at the registered office of the Issuer, the Security Trustee and the Paying Agents as long as any Bonds are outstanding.
7. This Base Prospectus constitutes a base prospectus for the purpose of the Prospectus Directive. A free copy of this Base Prospectus is available at the offices of the Issuer.
8. US tax legend:

The Bonds (other than the Temporary Global Bonds) 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'.

9. The Issuer has not yet commenced operations and as of the date of this Base Prospectus no financial statements have been produced. As long as any Series of Bonds relating to a Compartment are listed on a stock exchange and the rules of such stock exchange so require, 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 Agents. The Issuer does not publish interim accounts.
10. The accountants at Deloitte Accountants B.V. are registered accountants (*registeraccountants*) and are a member of the Netherlands Institute for Registered Accountants (*NBA*).
11. Responsibility Statements

The Issuer is responsible for the information contained in this Base Prospectus. To the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third parties contained and specified as such in this Prospectus has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly. The Issuer accepts responsibility accordingly.

In addition to the Issuer, the Servicer is responsible for the information referred to in the paragraph below.

The Servicer is responsible solely for the information contained in the Section 3.5 (*The Servicer*) of this Base Prospectus. To the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. The Servicer accepts responsibility accordingly.

Any Listing Agent specified in the applicable Final Terms will act solely in its capacity as Listing Agent for the Issuer in connection with any Series of Bonds relating to a Compartment that are specified in the applicable Final Terms to be listed on a stock exchange, and is not itself seeking admission of such Bonds to any such stock exchange. Any Listing Agent is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Bonds.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with

the offering of the Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer and the Seller.

9. GLOSSARY OF DEFINED TERMS

9.1 Definitions

Except where the context otherwise requires, the following defined terms used in this Base Prospectus have the meaning set out below:

ABN AMRO means ABN AMRO Bank N.V.;
Acceptance Criteria means the acceptance criteria set out in the Collective Mandate Programme Agreement;
Account Provider Requisite Credit Rating means (i) in respect of Fitch, a long term issuer default rating of at least “BBB”, (ii) in respect of Moody’s, a rating of its unsecured, unsubordinated and unguaranteed debt obligations of at least “Baa2” and (iii) in respect of S&P, a rating of its long-term unsecured, unsubordinated and unguaranteed debt obligations of at least “BBB”;
Administration Agreement means the administration agreement between the Issuer, the Issuer Administrator and the Security Trustee dated the Programme Closing Date;
AFM means the Dutch Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>);
Agents means each of the Paying Agents, Transfer Agents and Registrar, if any;
Aggregate Construction Deposit Amount means on any day the aggregate of the Construction Deposits in respect of all Mortgage Loans of a Compartment at close of business on such day;
Allocation Procedure means the allocation procedure in the form set forth in Schedule 6 to the Collective Mandate Programme Agreement;
Annuity Mortgage Loan means a mortgage loan or part thereof in respect of which the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that such Mortgage Loan will be fully redeemed at the end of its term;
Assignment means the transfer of the legal title to the Mortgage Receivables from the Seller to the Issuer by way of undisclosed assignment (<i>stille cessie</i>) by means of a private deed of assignment which is registered on the relevant Transfer Date with the Dutch tax authorities;
Assignment Notification Event means any of the events specified as such in Section 7.1 (<i>Purchase and Sale</i>) of this Base Prospectus;
Available Principal Funds has the meaning ascribed thereto in Section 5.2 (<i>Available Funds</i>) of this Base Prospectus;
Available Revenue Funds has the meaning ascribed thereto in Section 5.2 (<i>Available Funds</i>) of this Base Prospectus;
Basel III means the capital accord amending Basel II under the title “Basel III: a global regulatory framework for more resilient banks and banking systems” published in December 2010 by the Basel Committee on Banking Supervision;
Base Prospectus means this base prospectus dated 18 July 2019;
Basic Terms Change means, in respect of a Series of Bonds of a Compartment a change (i) of the date of

maturity of the relevant Bonds, (ii) which would have the effect of postponing the day on which payment of interest or principal in respect of any of the relevant Bonds is due, (iii) of the amount of principal payable in respect of the relevant Bonds, (iv) of the amounts of interest, if any, payable in respect of the relevant Bonds, (v) of the Revenue Priority of Payments or the Redemption Priority of Payments, (vi) in the definition of Basic Terms Change, (vii) of the quorum or majority required to pass an Extraordinary Resolution or an Unanimous Resolution (viii) of the provisions for meetings of Bondholders as set out in Schedule 1 to the Trust Deed;
Bearer Global Bond means a Global Bond in bearer form;
Beneficiary means a beneficiary under the Receivables Proceeds Distribution Agreement;
Beneficiary Rights means all claims which the Seller (or after assignment to the Issuer, the Issuer) has <i>vis-à-vis</i> the relevant Insurance Company in respect of an Insurance Policy, under which the Seller has been appointed by the Borrower as beneficiary (<i>begunstigde</i>) in connection with the relevant Mortgage Receivable;
BKR means National Office for Credit Registration (<i>Bureau Krediet Registratie</i>);
Bond Factor means at each date, the proportion of the Aggregate Principal Amount of a Series as set out in the applicable Final Terms that is outstanding on such date;
Bondholders means the persons who for the time being are the holders of the Bonds of a Compartment;
Bonds means any outstanding bonds relating to a Compartment;
Bonds and Cash Report means the report published by the Issuer, or the Issuer Administrator on its behalf, and which report is based on the DSA standard as amended from time-to-time to reflect programme specifics;
Bonds Calculation Date means, in respect of a Bonds Payment Date, the fourth Business Day prior to such Bonds Payment Date;
Bonds Payment Date means the monthly or quarterly payment date of the Bonds, as specified in the applicable Final Terms;
Bonds Purchase Agreement means the relevant bonds purchase agreement relating to a Compartment of Bonds between the Bonds Purchaser and the Issuer;
Bonds Purchaser means each party that has agreed to purchase the Bonds of a Compartment in accordance with and subject to the terms of a Bonds Purchase Agreement;
Borrower means the debtor or debtors, including any jointly and severally liable co-debtor or co-debtors, to a Mortgage Loan;
Borrower Insurance Pledge means a right of pledge (<i>pandrecht</i>) created in favour of the Seller providing for the rights of the relevant pledgor against the relevant Insurance Company under the relevant Insurance Policy securing the relevant Mortgage Receivable;
Bridge Mortgage Loan has the meaning ascribed thereto in Section 1.6 (<i>Portfolio Information</i>) of this Base Prospectus;
Business Day means a day, not being a Saturday, a Sunday or a generally recognised holiday in the Netherlands, on which the banks in the Netherlands are generally open for business;
Calculation Amount means the amount in Principal Amount Outstanding of the Bonds as specified in the applicable Final Terms;

Change Effective Date has the meaning ascribed thereto in Condition 8 (<i>Origination Stop Notice</i>);
Clean-up Call Option means the call option of the Issuer as described in Condition 7 (<i>Redemption and purchase</i>);
Clearstream, Luxembourg means Clearstream Banking, S.A.;
Collection Foundation means Stichting Derdengelden Dynamic Credit Hypotheken;
Collection Foundation Account means the bank account with the Collection Foundation Account Provider with number NL81ABNA0423022989 or any bank account with a successor Collection Foundation Account Provider replacing this account;
Collection Foundation Account Provider means ABN AMRO Bank N.V. or any substitute or successor appointed from time to time;
Collection Foundation Account Pledge Agreement means the collection foundation account pledge agreement between, amongst others, the Issuer, the Seller and the Collection Foundation dated 18 July 2019;
Collection Foundation Agreements means the Collection Foundation Account Pledge Agreement and the Receivables Proceeds Distribution Agreement and any accession notices in relation thereto;
Collective Mandate Documents means the Collective Mandate Master Agreement, the Collective Mandate Programme Agreement, the Servicing Agreement and the Portfolio Management Agreement;
Collective Mandate Master Agreement means the collective mandate master agreement entered into between, amongst others, the Seller, the Portfolio Manager and the Issuer dated 18 July 2019;
Collective Mandate Programme means the collective mandate programme set up by the Portfolio Manager through which companies, pension funds and other financial institutions can, directly or indirectly through a special purpose vehicle acting as purchaser or DCDMF, invest in Dutch residential mortgage loans and to which the Programme Investors are participating as party to the Collective Mandate Programme Agreement;
Collective Mandate Programme Agreement means the collective mandate programme agreement entered into between, amongst others, the Seller, the Portfolio Manager, the Servicer, the Parent and the Programme Investors dated 16 November 2015;
Commitment Amount has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);
Common Depository means the common depository on behalf of Euroclear and Clearstream, Luxembourg or Euroclear Netherlands or any other clearing system as specified in the applicable Final Terms;
Common Safekeeper means the common safekeeper on behalf of Euroclear and Clearstream, Luxembourg as specified in the applicable Final Terms;
Compartment means a compartment containing all Bonds that relate to a certain Pool as indicated in the Final Terms;
Construction Deposit means in respect of a Mortgage Loan, that part of the Mortgage Loan which the relevant Borrower requested to be withheld by the Seller, the proceeds of which may be applied towards construction of, or improvements to, the relevant Mortgaged Asset;
Construction Deposit Account means the bank account of the Issuer held with the Issuer Account Bank for

each Compartment in relation to Construction Deposits;
Construction Deposit Amount means on any day the amount of a Construction Deposit at close of business on such day;
Construction Deposit Required Amount means an amount equal to the sum of the outstanding Construction Deposits related to (i) the Mortgage Loans of a Pool and/or (ii) binding mortgage credit agreements that will become Mortgage Loans of such Pool;
Coupons means the interest coupons appertaining to the Bearer Bonds in definitive form;
Credit Rating Agency means any of DBRS, Fitch, Moody's and/or S&P;
Data Tapes means the data tapes to be prepared by the Issuer Administrator in accordance with the Administration Agreement covering (i) the Mortgage Loans allocated to the corresponding Compartment and (ii) the mortgage offers allocated to the corresponding Compartment;
DBRS means DBRS Ratings Limited;
DCDMF means a transparent fund for joint account (<i>gemene rekening</i>), of which the Title Holder is title holder of the assets (<i>bewaarentiteit</i>), acting in conjunction with the Fund Manager;
DCPE means Dynamic Credit Partners Europe B.V.;
DCS means Dynamic Credit Services B.V.;
DC Group means all companies of which the Parent held the majority of shares on 16 November 2015, including DCPE;
Deed of Assignment and Pledge means a deed of assignment and pledge, or a deed of sale, assignment and pledge, as applicable, in the form set out in the Mortgage Receivables Purchase Agreement;
Deed of Pledge of Mortgage Receivables means the deed of pledge of mortgage receivables dated the first Issue Date in relation to a Compartment between the Issuer and the Security Trustee;
Deed of Pledge of Rights means the deed of pledge of rights dated the first Issue Date in relation to a Compartment between the Issuer, the Security Trustee and others;
Definitive Bearer Bonds means Definitive Bonds in bearer form;
Definitive Bonds means Bonds in definitive form in respect of any Bonds;
Delegate means Quion Services B.V., DCS and DCPE and any other persons or entities appointed as such by the Seller, subject to the terms and conditions of the Collective Mandate Programme Agreement;
Directors means the Issuer Director, the Shareholder Director and the Security Trustee Director, collectively and Director means any one of them as the context may require;
DNB means the Dutch central bank (<i>De Nederlandsche Bank N.V.</i>);
Dutch Civil Code means the <i>Burgerlijk Wetboek</i> ;
ECB means the European Central Bank;
Eligible Investments means:

<p>(A) in the event the Bonds of a Compartment are rated by one or more Credit Rating Agencies, Euro denominated (i) money market funds, (ii) liquidity products similar to money market funds, and (iii) debt securities, in each case meeting the then current criteria of each of the Credit Rating Agencies that has rated the Bonds of the Compartment; and</p> <p>(B) in the event the Bonds of a Compartment are not rated by one or more Credit Rating Agencies, Euro denominated (i) money market funds that have been assigned the highest money market fund rating available at such time from at least one of the Credit Rating Agencies, and (ii) debt securities that have been assigned at least the Eligible Investments Minimum Ratings by one of the Credit Rating Agencies.</p> <p>Securities that qualify as equity securities, irrespective of whether the Bonds of a Compartment are rated or not rated, will not be considered to be Eligible Investments.</p>
<p>Eligible Investments Minimum Ratings means</p> <p>(i) a rating of, (a) A or R-1(low) by DBRS for securities with a remaining tenor of 30 days or less, (b) AA(low) or R-1(middle) by DBRS for securities with a remaining tenor of more than 30 days but less than 91 days, (c) AA or R-1(high) by DBRS for securities with a remaining tenor of more than 90 days but less than 181 days, or (d) AAA or R-1(high) by DBRS for securities with a remaining tenor of more than 180 days but less than 366 days;</p> <p>(ii) a rating of (a) A or F1 by Fitch, or rated at least at the level equivalent to ‘AA-’ or ‘F1+’ from either Fitch or at least one other internationally recognised and regulatory approved rating agency for securities with a remaining tenor of less than 30 days (up to 31 days in cases where the investment period refers to monthly payment days), or (b) AA- or F1+ by Fitch for securities with a remaining tenor of more than 30 days but less than one year;</p> <p>(iii) a rating of (a) A3 by Moody’s for securities with a remaining tenor of one month or less, or (b) A2 by Moody’s for securities with a remaining tenor of more than 1 month but less than one year; and/or</p> <p>(iv) a rating of (a) A-1 by S&P for securities with a remaining tenor of 60 days or less, or (b) AA- or A-1+ by S&P for securities with a remaining tenor of more than 60 days but less than 366 days.</p>
<p>Enforcement Date means the date of an Enforcement Notice;</p>
<p>Enforcement Notice means the notice delivered by the Security Trustee to the Issuer pursuant to Condition 12 (<i>Events of Default</i>);</p>
<p>Escrow List of Loans means the list providing the details of the Mortgage Loans as set out in Schedule 1 to the Mortgage Receivables Purchase Agreement, and at each relevant Transfer Date, the list providing the details of the Mortgage Loans as set out in the relevant Deed of Assignment and Pledge, which list includes (a) the name and address of the Borrower and (b) the address of the Mortgaged Asset, if different from (a), and which list shall be held in escrow by a civil law notary;</p>
<p>EU means the European Union;</p>
<p>EUR, euro or € means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended from time to time;</p>
<p>Euroclear means Euroclear Bank SA/NV;</p>
<p>Eurosystem means the rules of the monetary authority of the euro area;</p>

Eurosystem Eligible Collateral means collateral recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem;
Eurozone means 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);
Events of Default means any of the events specified as such in Condition 12 (<i>Events of Default</i>);
Exchange Date means the date not earlier than forty (40) days after the Issue Date of the Series of Bonds on which interests in the Temporary Global Bonds will be exchangeable for interests in the Permanent Global Bonds;
Exchange Event has the meaning ascribed thereto in Section 4.3 (<i>Form of the Bonds</i>);
Existing Rights means the current and future rights resulting from the existing relationships between the Seller and its (potential) Borrowers (to the extent not previously assigned to a Programme Investor) being any and all rights (whether contingent or actual) against such (potential) Borrowers under or in connection with all offer letters which have been accepted by such (potential) Borrowers, as further set out in the Mortgage Receivables Purchase Agreement;
Extraordinary Resolution means a resolution passed at a meeting of Bondholders of the relevant Compartment duly convened and held by the Bondholders, as the case may be, by a majority of not less than seventy-five (75) per cent. of the Principal Amount Outstanding of the Bonds of the relevant Compartment;
FATCA Withholding means any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement);
FIEA means the Financial Instruments and Exchange Act of Japan (Act No 25 of 1948, as amended);
Final Maturity Date means the final maturity date of a Compartment of Bonds, as specified in the applicable Final Terms
Final Terms means the final terms of a Series of Bonds in relation to a Compartment, the form of which is set out in the Base Prospectus;
Fitch means Fitch Ratings Limited, and includes any successor to its rating business;
FSMA means the UK Financial Services and Markets Act 2000;
Fund Manager means Dynamic Credit Mortgage Fund Management B.V.;
Funding Confirmation has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);
Funding Request has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);
Further Advance means, in respect of a Mortgage Loan, (i) a further advance made under a Mortgage Loan which will be secured by the same Mortgage as the loan previously disbursed under such Mortgage Loan (<i>verhoogde inschrijving</i>) and (ii) a further advance made under a Mortgage Loan which will be secured by a second or sequentially lower ranking Mortgage which ranks immediately behind the Mortgage securing the

loan previously disbursed under such Mortgage Loan (<i>verhoging</i>), in both cases in accordance with the Mortgage Conditions;
Further Advance and Unsold Property Portable Mortgage Account means the bank account of the Issuer held with the Issuer Account Bank for each Compartment designated as such in the Issuer Account Agreement;
Further Advance and Unsold Property Portable Mortgage Distributable Amount means the maximum of (i) the amount standing to the credit of the Further Advance and Unsold Property Portable Mortgage Account minus the Further Advance and Unsold Property Portable Mortgage Required Amount, and (ii) zero;
Further Advance and Unsold Property Portable Mortgage Interest Amount means an amount to be calculated in accordance with the formula $\{ x\% / (1+x\%) \} * \text{Further Advance and Unsold Property Portable Mortgage Distributable Amount}$, whereby $x\%$ equals the relevant Origination Costs;
Further Advance and Unsold Property Portable Mortgage Principal Amount means an amount to be calculated in accordance with the formula $\{ 1 / (1+x\%) \} * \text{Further Advance and Unsold Property Portable Mortgage Distributable Amount}$, whereby $x\%$ equals the relevant Origination Costs;
Further Advance and Unsold Property Portable Mortgage Required Amount means an amount to be calculated in accordance with the formula: $\text{Max (EUR 1,000,000; } 1\% * \text{ the Outstanding Principal Amount of all Mortgage Receivables relating to the relevant Compartment) + the aggregate amount of outstanding offers for Further Advances and for Mortgage Loans as a result of a Borrower exercising the Unsold Property Portability Option}$;
Further Advance and Unsold Property Portable Mortgage Supplement Amount means the maximum of (i) the Further Advance and Unsold Property Portable Mortgage Required Amount minus the amount standing to the credit of the Further Advance and Unsold Property Portable Mortgage Account, and (ii) zero;
Further Advance and Unsold Property Portable Mortgage Supplement Interest Amount means an amount to be calculated in accordance with the formula $\{ x\% / (1+x\%) \} * \text{Further Advance and Unsold Property Portable Mortgage Supplement Mortgage Amount}$, whereby $x\%$ equals the relevant Origination Costs;
Further Advance and Unsold Property Portable Mortgage Supplement Principal Amount means an amount to be calculated in accordance with the formula $\{ 1 / (1+x\%) \} * \text{Further Advance and Unsold Property Portable Mortgage Supplement Amount}$, whereby $x\%$ equals the relevant Origination Costs;
Further Advance Receivable means a Mortgage Receivable resulting from a Further Advance;
Further Instalment Payment has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);
Global Bond means any Temporary Global Bond or Permanent Global Bond;
Indexed Market Value means the market value calculated by indexing the Market Value of the Mortgaged Asset with a property price index, as provided by the Land Registry for the province where the property is located;
Initial Instalment Payment has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);
Initial Phase has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);

Insurance Company means any insurance company established in the Netherlands;
Insurance Mediation Directive means Directive 2002/92/EC, as amended;
Insurance Policy means a Life Insurance Policy and/or a Risk Insurance Policy;
Interest Amount means the amount of interest payable from time to time to a Compartment of Bonds as determined in accordance with Condition 5 (<i>Interest</i>);
Interest Reconciliation Ledger means the ledger of the relevant Issuer Collection Account created for the purpose of recording any reconciliation payments in relation to interest in accordance with the Administration Agreement;
Interest-only Mortgage Loan means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity;
Interest-only Mortgage Receivable means the Mortgage Receivable resulting from an Interest-only Mortgage Loan;
Investment Accounts means the Investment Cash Account and the Investment Securities Account;
Investment Cash Account means the relevant investment cash account maintained by the Issuer with the Issuer Account Bank;
Investment Securities Account means any account or securities account opened by the Issuer in respect of any Eligible Investments and any further account opened to hold Eligible Investments in the form of securities;
Investment Change Notice means the investment change notice substantially in the form set forth in <u>Schedule 4</u> to the Collective Mandate Programme Agreement;
Investment Notice means the investment notice substantially in the form set forth in <u>Schedule 3</u> to the Collective Mandate Programme Agreement;
Issue Date means, in relation to a Series of Bonds relating to a Compartment, the date on which such Bonds are issued;
Issuer means DCMB Programme B.V., a private company with limited liability incorporated under Dutch law and established in Amsterdam, the Netherlands;
Issuer Account Agreement means the issuer account agreement between the Issuer, the Security Trustee and the Issuer Account Bank dated the Programme Closing Date;
Issuer Account Bank means ABN AMRO or any substitute or successor appointed from time to time;
Issuer Accounts means any of the Issuer Collection Account, Construction Deposit Account, the Sold Property Portable Mortgage Account, the Further Advance and Unsold Property Portable Mortgage Account, the Pre-Funding Account and the Investment Accounts;
Issuer Administrator means Vistra FS (Netherlands) B.V. or any substitute or successor appointed from time to time;
Issuer Collection Account means the bank account of the Issuer designated as such in the Issuer Account Agreement or any bank account with a successor Issuer Account Bank replacing this account;

Issuer Collection Account Eligible Investment Threshold Amount means EUR 600,000;
Issuer Director means Vistra or any substitute or successor appointed from time to time;
Issuer Management Agreement means the issuer management agreement between the Issuer, Vistra and the Security Trustee dated the Programme Closing Date;
Issuer Mortgage Receivables Pledge Agreement means the mortgage receivables pledge agreement between the Issuer and the Security Trustee dated the Programme Closing Date;
Issuer Rights means any and all rights of the Issuer under and in connection with the Mortgage Receivables Purchase Agreement, the Issuer Account Agreement including the balance on the Issuer Accounts (other than the Pre-Funding Account and the Investment Accounts), the Administration Agreement, the Collective Mandate Programme Agreement and the Receivables Proceeds Distribution Agreement;
Issuer Rights Pledge Agreement means the issuer rights pledge agreement between, amongst others, the Issuer, the Security Trustee and the Seller dated the Programme Closing Date pursuant to which a right of pledge is created in favour of the Security Trustee over the Issuer Rights;
Land Registry means the Dutch land registry (<i>het Kadaster</i>);
Life Insurance Policy means an insurance policy taken out by any Borrower comprised of a risk insurance element and a capital insurance element which pays out a certain amount on an agreed date or, if earlier, upon the death of the insured life;
Linear Mortgage Loan means a mortgage loan or part thereof in respect of which the Borrower each month pays a fixed amount of principal towards redemption of such mortgage loan (or relevant part thereof) until maturity;
Linear Mortgage Receivable means the Mortgage Receivable resulting from a Linear Mortgage Loan;
Listing Agent means any listing agent set out in the Final Terms;
Loan Parts means one or more of the loan parts (<i>leningdelen</i>) of which a Mortgage Loan consists;
Loss means any loss, liability, claim, expense or damage suffered or incurred by the Issuer (or any other person) as a result of the breach of representations and warranties (including but not limited to any losses arising from properly incurred legal fees, costs and expenses but only to the extent that the separate legal advisor uses resources and staff efficiently, taking account of the nature of the advice, with the appropriate level of experience required to properly provide its advice and assistance and to avoid unnecessary duplication);
LTV means loan to market value ratio;
Management Agreement means any of (i) the Issuer Management Agreement, (ii) the Shareholder Management Agreement and (iii) the Security Trustee Management Agreement;
Manager means any manager appointed for an issuance of Bonds as specified in the applicable Final Terms;
Market Value means the market value of the Mortgaged Asset determined according to the following three definitions (i) the market value (<i>marktwaaarde</i>) of the relevant non-rented and non-used Mortgaged Asset (after renovation if the renovation costs are held in a construction deposit) based on the most recent valuation by an external valuer, (ii) the purchase price of the mortgaged asset, (iii) the most recent value according to the WOZ, or (iv) the value as determined by an Automated Valuation Method (AVM) as performed by a

specialised and reputable external provider, which of these definitions is used depends on the LTV as further described in Section 6.2;
Master Definitions Schedule means the master definitions schedule as scheduled to the Programme Agreement;
<p>Material Adverse Effect means any supplement, amendment, restatement, modification, replacement or waiver, which the Portfolio Manager in its reasonable opinion determines has, or could reasonably be expected to have:</p> <p>(a) a material adverse effect on the validity or enforceability of any of the Transaction Documents or the Collective Mandate Documents; or</p> <p>(b) in respect of a party to a Transaction Document or a Collective Mandate Document, a material adverse effect on:</p> <ul style="list-style-type: none"> (i) the business, operations, assets, property, condition (financial or otherwise) or prospects of such party; or (ii) the ability of such party to perform its obligations under any of the Transaction Documents or the Collective Mandate Documents; or (iii) the rights or remedies of such party under any of the Transaction Documents or the Collective Mandate Documents; or <p>(c) in the context of the Mortgage Receivables a material adverse effect on the interests of the Issuer in the Mortgage Receivables or, after notification of the Borrowers, on the ability of the Issuer to collect the amounts due under the Mortgage Receivables;</p>
Mifid II means Directive 2014/65/EU;
Minimum Commitment Amount has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);
Monthly Calculation Period means the period commencing on (and including) the second day of each calendar month and ending on (and including) the first day of the succeeding calendar month;
Moody's means Moody's Investors Service Ltd., and includes any successor to its rating business;
Mortgage means a mortgage right (<i>hypotheekrecht</i>) securing the relevant Mortgage Receivables;
Mortgage Collection Payment Date means each fifth Business Day of a calendar month;
Mortgage Conditions means the terms and conditions applicable to a Mortgage Loan, as set forth in the relevant mortgage deed, and/or in any proposed mortgage credit agreement (<i>initieel aanbod</i>), binding mortgage credit agreement (<i>BKA</i>) or mortgage credit offer (<i>offerte</i>), including any applicable general terms and conditions for mortgage loans as amended or supplemented from time to time;
Mortgage Deeds means notarially certified copies of the notarial deeds constituting the Mortgage Loans;
Mortgage Interest Rate Policy means the mortgage interest rate policy that applies to the Mortgage Receivables as set out in <u>Schedule 8</u> of the Collective Mandate Programme Agreement;
Mortgage Loan Criteria means the criteria relating to the Mortgage Loans set forth as such in Section 7.3 (<i>Mortgage Loan Criteria</i>) of this Base Prospectus;

<p>Mortgage Loans means (i) the mortgage loans granted by the Seller to the relevant borrowers (which may consist of one or more Loan Parts) set forth in the list of loans attached to the relevant Deed of Assignment and Pledge and (ii) after any purchase and assignment of any New Ported Mortgage Receivables and/or Further Advance Receivables has taken place in accordance with the Mortgage Receivables Purchase Agreement, the relevant New Ported Mortgage Loan and/or Further Advances, 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>
<p>Mortgage Origination Date means in respect of a Mortgage Loan or a Further Advance, the date on which such Mortgage Loan or Further Advance, less any Construction Deposit is made available to the relevant Borrower whether or not through a civil law notary;</p>
<p>Mortgage Receivable means any and all rights of the Seller (and after assignment of such rights to the Issuer, of the Issuer) against the Borrower under or in connection with a Mortgage Loan granted to a Borrower, including any and all claims of the Seller (or the Issuer after assignment) against the Borrower as a result of the Mortgage Loan being terminated, dissolved or declared null and void;</p>
<p>Mortgage Receivables Purchase Agreement means the mortgage receivables purchase agreement between, amongst others, the Seller, the Issuer and the Security Trustee dated 18 July 2019;</p>
<p>Mortgage Report means the report to be prepared by the Servicer for the purpose of determining the amounts to be paid on the next Mortgage Collection Payment Date;</p>
<p>Mortgage Report Date means each third Business Day of a calendar month, or such other date as agreed in accordance with the Servicing Agreement;</p>
<p>Mortgaged Asset 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>Net Foreclosure Proceeds means (i) the proceeds of a foreclosure on a Mortgage, (ii) the proceeds of foreclosure on any other collateral securing the relevant Mortgage Receivable, (iii) the proceeds, if any, of collection of any insurance policy in connection with the relevant Mortgage Receivable, including fire insurance policy and Risk Insurance Policy, (iv) the proceeds of the NHG Guarantee and any other guarantees or sureties and (v) the proceeds of foreclosure on any other assets of the relevant Borrower, in each case after deduction of foreclosure costs in respect of such Mortgage Receivable;</p>
<p>New Mortgaged Asset means the mortgaged asset that has been acquired or will be acquired by a Borrower after such Borrower has exercised the portability feature (<i>meeneemregeling</i>) in relation to its Mortgage Loan;</p>
<p>New Ported Mortgage Loan means a Mortgage Loan advanced to a Borrower after such Borrower has exercised the portability feature (<i>meeneemregeling</i>) in relation to its Mortgage Loan;</p>
<p>New Ported Mortgage Receivable means the Mortgage Receivable resulting from a New Ported Mortgage Loan;</p>
<p>NGN means new global note;</p>
<p>NHG or NHG Guarantee means guarantees (<i>borgtochten</i>) issued by Stichting Waarborgfonds Eigen Woningen under the terms and conditions of the National Mortgage Guarantee (<i>Nationale Hypotheek Garantie</i>), as from time to time amended;</p>
<p>NHG Mortgage Loan means a Mortgage Loan granted with the benefit of an NHG Guarantee;</p>
<p>Notification Events means any of the Assignment Notification Events and the Pledge Notification Events;</p>

NSS means the New Safekeeping Structure;	
Old Mortgaged Asset means the mortgaged asset that has been sold by a Borrower after the portability feature (<i>meeneemregeling</i>) of its Portable Mortgage Loan has been exercised by such Borrower;	
Original Market Value means the Market Value of the Mortgaged Asset at the time of granting the Mortgage Loan;	
Origination Costs means the origination fee to which the Originator is entitled in respect of the Mortgage Receivables relating to the relevant Compartment from time to time expressed as a percentage and calculated over the Outstanding Principal Amount of such Mortgage Receivables, including VAT (if any);	
Origination Stop Notice has the meaning ascribed thereto in Condition 8 (<i>Origination Stop Notice</i>);	
Origination Stop Notice Available Amount has the meaning ascribed thereto in Condition 8 (<i>Origination Stop Notice</i>);	
Origination Stop Notice Deductible Amount means an amount to be calculated in accordance with the formula $(1+x\%) \times (A - B - C)$, whereby $x\%$ equals the relevant Origination Costs, A equals the aggregate principal amount of all outstanding mortgage offers that are allocated to a Compartment, B equals the aggregate principal amount of all outstanding mortgage offers that relate to Further Advances and are allocated to a Compartment and C equals the aggregate principal amount of all outstanding mortgage offers that relate to a New Ported Mortgage Loan and are allocated to a Compartment;	
Origination Stop Notice Deductible Principal Amount means an amount to be calculated in accordance with the formula $\{ 1 / (1+x\%) \} \times \text{Origination Stop Notice Deductible Amount}$, whereby $x\%$ equals the relevant Origination Costs;	
Origination Stop Notice Estimated Principal Amount means an amount equal to the par value of the Bonds or, in the event of Partly Paid Bonds, the sum of the Initial Instalment Payments and Further Instalment Payments, issued by the Issuer in relation to a Compartment up to the Change Effective Date, minus the aggregate principal amount of the Mortgage Loans that (i) have been funded by making use of the Pre-Funding Account or (ii) were acquired on the Issue Date;	
Origination Stop Notice Interest Amount means the amount remaining after deducting the Origination Stop Notice Principal Amount from the Origination Stop Notice Available Amount;	
Origination Stop Notice Principal Amount means an amount equal to the lower of (i) the Origination Stop Notice Estimated Principal Amount minus the Origination Stop Notice Deductible Principal Amount and, (ii) the Origination Stop Notice Available Amount;	
Other Claim means any claim the Seller has against the Borrower, other than a Mortgage Receivable, which is secured by the Mortgage and/or Borrower Pledges;	
Outstanding Principal Amount means, at any moment in time, the outstanding principal amount of a Mortgage Receivable at such time;	
Own Risk Amount means	
in respect of a Loss, if the Outstanding Principal Amount of the Mortgage Receivables on 31 December of the relevant calendar year of such Programme Investor is:	an amount equal to

EUR 0 - 100 million EUR 100 - 200 million EUR 200 - 300 million EUR 300 - 400 million EUR 400 - 500 million EUR 500 million or more	EUR 15,000 EUR 30,000 EUR 45,000 EUR 60,000 EUR 75,000 EUR 75,000 plus EUR 5,000 per EUR 100 million Portfolio above EUR 500 million;
Parallel Debt has the meaning ascribed thereto in Section 4.7 (<i>Security</i>) of this Base Prospectus;	
Parallel Debt Agreement means the relevant parallel debt agreement between the Issuer, the Security Trustee and the Secured Creditors (other than the Bondholders) dated the first Issue Date in relation to a Compartment;	
Parent means Dynamic Credit Group B.V.;	
Partly Paid Bonds has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);	
Partly Paid Bonds Purchaser has the meaning ascribed thereto in Condition 1 (<i>Form, Denomination, Title and Partly Paid Bonds</i>);	
Paying Agency Agreement means the paying agency agreement between the Issuer, the Agents named therein and the Security Trustee dated the Programme Closing Date;	
Paying Agent means ABN AMRO or any substitute or successor appointed from time to time;	
Permanent Bearer Global Bond means a Permanent Global Bond in bearer form;	
Permanent Global Bond means a permanent global Bond in respect of the Bonds;	
Pledge Agreements means the Issuer Mortgage Receivables Pledge Agreement, the Issuer Rights Pledge Agreement, the relevant Deed of Pledge of Mortgage Receivables, the relevant Deed of Pledge of Rights and the Deed of Assignment and Pledge and the Collection Foundation Account Pledge Agreement;	
Pledge Notification Event means any of the events specified in Clause 5 of the Issuer Mortgage Receivables Pledge Agreement;	
Pool means the pool of Mortgage Receivables resulting from Mortgage Loans relating to a Compartment, such Mortgage Loans to be selected on or before each relevant Transfer Date and (to be) held by the Issuer in accordance with the criteria set forth in the Mortgage Receivables Purchase Agreement;	
Pool Fraction means the amount of Principal Amount Outstanding of the Bonds of the relevant Compartment divided by the sum of the aggregate Principal Amount Outstanding of all Bonds of all Compartments issued under the Programme by the Issuer;	
Portfolio and Performance Report means the report published by the Issuer, or the Issuer Administrator on its behalf, and which report is based on the DSA standard as amended from time-to-time to reflect programme specifics;	
Portfolio Management Agreement means the portfolio management agreement between, <i>inter alia</i> , the Portfolio Manager and the Seller dated 16 November 2015;	
Portfolio Manager means Dynamic Credit Partners Europe B.V. or any substitute or successor appointed from time to time;	

Post-Foreclosure Proceeds means any amounts received, recovered or collected from a Borrower in respect of a Mortgage Receivable in addition to Net Foreclosure Proceeds, whether in relation to interest, principal or otherwise, as part of completion of foreclosure on the Mortgage and other collateral securing the Mortgage Receivable;
Pre-Funding Account means the bank account of the Issuer held with the Issuer Account Bank for each Compartment in relation to amounts received by the Issuer from the Bondholders that have not yet been applied to purchase Mortgage Receivables;
Prepayment Penalties means any prepayment penalties (<i>boeterente</i>) to be paid by a Borrower under a Mortgage Loan as a result of the Mortgage Receivable being prepaid (in whole or in part) prior to the maturity date of such Mortgage Loan other than (i) on a date whereon the interest rate is reset or (ii) as permitted pursuant to the Mortgage Conditions;
Principal Amount Outstanding has the meaning ascribed thereto in Condition 7(d) (<i>Definitions</i>);
Principal Ledger means a ledger of the relevant Issuer Collection Account created for the purpose of recording any amounts received by the Issuer on the Issuer Collection Account in connection with the Mortgage Receivables identified as principal in accordance with the Administration Agreement;
Principal Reconciliation Ledger means the ledger of the relevant Issuer Collection Account created for the purpose of recording any reconciliation payments in relation to principal in accordance with the Administration Agreement;
Priority of Payments means any of the Revenue Priority of Payments and the Redemption Priority of Payments;
Programme means this mortgage bond programme dated the Programme Closing Date established by the Issuer;
Programme Agreement means the programme agreement for the Programme entered into, between amongst others, the Seller, the Issuer, the Security Trustee and the Paying Agent dated the Programme Closing Date;
Programme Closing Date means 18 July 2019;
Programme Investors means each of (i) DCDMF and its Title Holder, and in case of DCDMF, the Title Holder acting in conjunction with the Fund Manager, (ii) the Issuer and (iii) any other company or financial institution which has acceded as such to the Collective Mandate Programme to invest, directly or through an Indirect Investment, in Mortgage Loans, either at their Mortgage Origination Date or by purchasing any Mortgage Receivables from another Programme Investor;
Programme Investors Meeting means a meeting of Programme Investors convened in accordance with the terms of the Collective Mandate Programme Agreement;
Prospectus Directive means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended or superseded from time to time;
Quion means Quion Services B.V.;
Quion Groep means Quion Groep B.V.;
Realised Loss has the meaning ascribed thereto in Section 5.4 (<i>Loss Allocation</i>);
Realised Loss Ledger means the ledger of the relevant Issuer Collection Account created for each

Compartment for the purposes of recording the Realised Losses in respect of such Compartment in accordance with the Administration Agreement;
Receivables Proceeds Distribution Agreement means the receivables proceeds distribution agreement between, amongst others, the Security Trustee, the Seller and the Collection Foundation dated 16 November 2015 and acceded to by the Issuer on 18 July 2019;
Registrar means, if applicable, the entity specified in the applicable Final Terms;
Regulation S means Regulation S of the Securities Act;
Relevant Implementation Date means the date on which the Prospectus Directive is implemented in the Relevant Member State;
Relevant Member State means each Member State of the European Economic Area which has implemented the Prospectus Directive;
Relevant Purchase Price means the purchase price for each Mortgage Receivable of each Pool assigned on the relevant Transfer Date, as specified in the Mortgage Receivables Purchase Agreement, ignoring for the avoidance of doubt any Construction Deposits;
Remedy Period means in case of a breach by the Seller of the representations and warranties in respect of any Mortgage Receivable where such breach is capable of being remedied, the Seller will have 14 days after receipt of a written notice of such breach by or on behalf of the Issuer to remedy the breach;
Revenue Ledger means a ledger of the relevant Issuer Collection Account created for the purpose of recording any amounts received by the Issuer in connection with the Mortgage Receivables identified as interest in accordance with Clause 5 of the Administration Agreement;
Revenue Ledger Retention Amount means an amount equal to the relevant Origination Costs <i>multiplied by</i> the Outstanding Principal Amount of all Mortgage Receivables relating to the relevant Compartment <i>multiplied by</i> 5%;
Risk Buckets means the four (4) possible risk buckets an investor can invest in as specified in Part C of the Form of Final Terms;
Risk Insurance Policy means the risk insurance (<i>risicoverzekering</i>) which pays out upon the death of the life insured, taken out by a Borrower with any of the Insurance Companies;
S&P means Standard & Poor's Credit Market Services Europe Limited, and includes any successor to its rating business;
Secured Creditors means (i) the Directors, (ii) the Issuer Administrator, (iii) the Paying Agent, (iv) the Issuer Account Bank, (v) the Bondholders and (vi) the Seller;
Securities Act means the United States Securities Act of 1933 (as amended);
Security means any and all security interest created pursuant to the Pledge Agreements;
Security Trustee means Stichting Security Trustee DCMB Programme, a foundation (<i>stichting</i>) organised under Dutch law and established in Amsterdam, the Netherlands;
Security Trustee Director means Erevia B.V.;
Security Trustee Management Agreement means the security trustee management agreement between the

Security Trustee, Erevia B.V. and the Issuer dated the Programme Closing Date;
Seller means Dynamic Credit Hypotheken B.V.;
Seller Funding Account means the account maintained by the Seller with ABN AMRO with IBAN NL81ABNA0423022989 or such other account replacing this account and from which account the Mortgage Loans are granted by transferring the amount thereof to the relevant civil law notary or in case of a Construction Deposit, the Borrower directly;
Series means a series of Bonds relating to a Compartment, the series number to be set out in the applicable Final Terms;
Servicer means Quion Services B.V. or any substitute or successor appointed from time to time;
Services means the Portfolio Management Services and the Mortgage Loan Services, collectively;
Servicing Agreement means the servicing agreement dated 16 November 2015 between, <i>inter alia</i> , the Seller and the Servicer as amended and restated from time to time;
Shares means all of the shares of the Parent in the Seller from time to time;
Shareholder means Stichting Holding DCMB Programme, a foundation (<i>stichting</i>) organised under Dutch law and established in Amsterdam, the Netherlands;
Shareholder Director means Vistra or any substitute or successor appointed from time to time;
Shareholder Management Agreement means the shareholder management agreement between the Shareholder, the Shareholder Director and the Security Trustee dated the Programme Closing Date;
Sold Property Portability Option means the portability feature whereby the Borrower transfers title to its Old Mortgaged Asset prior to it acquiring title to its New Mortgaged Asset;
Sold Property Portable Mortgage Account means the account held by the Issuer with the Issuer Account Bank for each Compartment in relation to the purchase of New Ported Mortgage Receivables;
Sold Property Portable Mortgage Distributable Amount means the maximum of (i) the amount standing to the credit of the Sold Property Portable Mortgage Account minus the Sold Property Portable Mortgage Required Amount, and (ii) zero;
Sold Property Portable Mortgage Interest Amount means an amount to be calculated in accordance with the formula $\{ x\% / (1+x\%) \} * \text{Sold Property Portable Mortgage Distributable Amount}$, whereby $x\%$ equals the relevant Origination Costs;
Sold Property Portable Mortgage Principal Amount means an amount to be calculated in accordance with the formula $\{ 1 / (1+x\%) \} * \text{Sold Property Portable Mortgage Distributable Amount}$, whereby $x\%$ equals the relevant Origination Costs;
Sold Property Portable Mortgage Required Amount means an amount to be calculated in accordance with the formula: $(1+x\%) * \text{the aggregate amount of outstanding offers for Mortgage Loans as a result of a Borrower exercising the Sold Property Portability Option}$, whereby $x\%$ equals the relevant Origination Costs;
Sold Property Portable Mortgage Supplement Amount means the maximum of (i) the Sold Property Portable Mortgage Required Amount minus the amount standing to the credit of the Sold Property Portable Mortgage Account, and (ii) zero;

Sold Property Portable Mortgage Supplement Interest Amount means an amount to be calculated in accordance with the formula $\{ x\% / (1+x\%) \} * \text{Sold Property Portable Mortgage Supplement Mortgage Amount}$, whereby x% equals the relevant Origination Costs;
Sold Property Portable Mortgage Supplement Principal Amount means an amount to be calculated in accordance with the formula $\{ 1 / (1+x\%) \} * \text{Sold Property Portable Mortgage Supplement Amount}$, whereby x% equals the relevant Origination Costs;
Solvency II means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of Insurance and Reinsurance;
Solvency II Regulation means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of Insurance and Reinsurance;
Subscription Agreement means a subscription agreement to be entered into between the Issuer and any Manager(s) for an issuance of a Series of Bonds in relation to a Compartment;
Supplemental Prospectus means any prospectus that is supplemental to this Base Prospectus;
Temporary Bearer Global Bond means a Temporary Global Bond in bearer form;
Temporary Global Bond means a temporary global Bond in respect of the Bonds;
Terms and Conditions means, in respect of each Compartment, the terms and conditions endorsed on (or incorporated by reference) to the Bonds in the form or substantially in the form set out in Section 4.1 (<i>Terms and Conditions of the Bonds</i>) under the Programme as supplemented by the relevant Final Terms;
Title Holder means Stichting Title Holder DC Dutch Mortgage Fund;
Total Committed Amount means the sum of the Committed Amounts of the Issuer from time to time as set forth in the Investment Notice or as the case may be, the Investment Change Notice;
Transaction Documents means the Mortgage Receivables Purchase Agreement, the Programme Agreement, the Bonds Purchase Agreement or the Subscription Agreement, the Deeds of Assignment and Pledge, the Administration Agreement, the Issuer Account Agreement, the Pledge Agreements, the relevant Parallel Debt Agreement, the Bonds, the Paying Agency Agreement, the Management Agreements and the relevant Trust Deed;
Transaction Servicer means Quion Services B.V. or any substitute or successor appointed as administrator for the collection foundation from time to time;
Transfer Agent means, if applicable, the entity specified in the applicable Final Terms;
Transfer Date means the date on which Mortgage Receivables are transferred from the Seller to the Issuer pursuant to a Deed of Sale and Assignment, which date may occur every two weeks;
Trust Deed means the relevant trust deed between, amongst others, the Issuer and the Security Trustee dated the first Issue Date relating to the relevant Compartment;
Unanimous Resolution means a resolution passed at a meeting of Bondholders of the relevant Compartment duly convened and held by the Bondholders, as the case may be, by a majority of not less than one hundred (100) per cent. of the Principal Amount Outstanding of the Bonds of the relevant Compartment;

Unsold Property Portability Option means the portability feature whereby the Borrower acquires title to its New Mortgaged Asset prior to it transferring title to its Old Mortgaged Asset;
Vistra means Vistra Capital Markets (Netherlands) N.V.;
WEW means Stichting Waarborgfonds Eigen Woningen;
Wft 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
WOZ means the Valuation of Immovable Property Act (<i>Wet waardering onroerende zaken</i>) as amended from time to time;
Written Resolution has the meaning ascribed thereto in Condition 16 (<i>Meetings of Bondholders; Modification; Consents; Waiver</i>).

9.2 Interpretation

The language of this Base 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 Base Prospectus to:

an **Act** or a **statute** or **treaty** shall be construed as a reference to such Act, statute or treaty as the same may have been, or may from time to time be, amended or, in the case of an Act or a statute, re-enacted;

this Agreement or an **Agreement** or **this Deed** or a **deed** or a **Deed** or a **Transaction Document** or a **Collective Mandate Document** or any of the Transaction Documents or Collective Mandate 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 **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 Bonds and the Permanent Global Bonds, provided that such alternative system must be authorised to hold the Temporary Global Bonds and the Permanent Global Bonds as Eurosystem Eligible Collateral;

the **records of Euroclear and Clearstream, Luxembourg** are to the records that each of and Clearstream, Luxembourg hold for their customers which reflect the amount of such customers' interests in the Bonds;

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 Bond and related expressions shall (where appropriate) be construed accordingly;

including or include shall be construed as a reference to including without limitation or include without limitation, respectively;

indebtedness shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

a **law**, **directive** or **regulation** shall be construed as any law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court and shall be construed as a reference to such law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court as the same may have been, or may from time to time be, amended;

a **month** shall be construed as a reference to a period beginning in one calendar month and ending in the next calendar month on the day numerically corresponding to the day of the calendar month on which it

commences or, where there is no date in the next calendar month numerically corresponding as aforesaid, the last day of such calendar month, and “months” and “monthly” shall be construed accordingly;

the **Bonds**, the **Conditions**, any **Transaction Document**, any **Collective Mandate Document** or any other agreement or document shall be construed as a reference to the Bonds, the Conditions, such Transaction Document, Collective Mandate Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, restated, varied, novated, supplemented or replaced;

a **person** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing or any successor or successors of such party;

a **preliminary suspension of payments, suspension of payments or suspension of payments of payments** shall, where applicable, be deemed to include a reference to the suspension of payments ((*voorlopige surseance van betaling*) as meant in the Dutch Bankruptcy Act (*Faillissementswet*); and, in respect of a private individual, any debt restructuring scheme (*schuldsanering natuurlijke personen*);

principal shall be construed as the English translation of *hoofdsom* or, if the context so requires, *pro resto hoofdsom* and, where applicable, shall include premium;

repay, redeem and pay shall each include both of the others and **repaid, repayable and repayment, redeemed, redeemable and redemption** and **paid, payable and payment** shall be construed accordingly;

a **successor** of any party shall be construed so as to include an assignee or successor in title (including after a novation) of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under a Transaction Document or Collective Mandate Document or to which, under such laws, such rights and obligations have been transferred;

any **Transaction Party** or **party** or a party to any Transaction Document or Collective Mandate Document (however referred to or defined) shall be construed so as to include its successors and transferees and any subsequent successors and transferees in accordance with their respective interests appointed from time to time; and

tax includes any present or future tax, levy, impost, duty or other charge of a similar nature (including, without limitation, any penalty payable in connection with any failure to pay or any delay in paying any of the same).

In this Base Prospectus, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

Headings used in this Base Prospectus are for ease of reference only and do not affect the interpretation of this Base Prospectus.

REGISTERED OFFICES

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SELLER

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The Netherlands

SECURITY TRUSTEE

Stichting Security Trustee DCMB Programme

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Quion Services B.V.

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The Netherlands

PRINCIPAL PAYING AGENT

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Deloitte Accountants B.V.

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LEGAL & TAX ADVISERS

To the Seller:

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