

PROSPECTUS

EUR 1,000,000,000 Credit-Linked Floating Rate Notes due 2017

Amstel Securitisation of Highgrade Exposures 2007-1 B.V.

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

EUR 445,000,000 Class A Credit-Linked Floating Rate Notes issued in 2007 due 2017

EUR 75,000,000 Class B Credit-Linked Floating Rate Notes issued in 2007 due 2017

EUR 115,000,000 Class C Credit-Linked Floating Rate Notes issued in 2007 due 2017

EUR 75,000,000 Class D Credit-Linked Floating Rate Notes issued in 2007 due 2017

EUR 90,000,000 Class E Credit-Linked Floating Rate Notes issued in 2007 due 2017

EUR 200,000,000 Class F Credit-Linked Floating Rate Notes issued in 2007 due 2017

Issue Price: 100 percent

Admission to Listing

Application has been made to the *Autoriteit Financiële Markten* (the “**AFM**”) in its capacity as competent authority under the Financial Supervision Act (*Wet op het financieel toezicht*) (the “**FSA**”) in the Netherlands for approval of this Prospectus. Application has also been made to admit the EUR 445,000,000 Class A Credit-Linked Floating Rate Notes due 2017 (the “**Class A Notes**”), the EUR 75,000,000 Class B Credit-Linked Floating Rate Notes due 2017 (the “**Class B Notes**”), the EUR 115,000,000 Class C Credit-Linked Floating Rate Notes due 2017 (the “**Class C Notes**”), the EUR 75,000,000 Class D Credit-Linked Floating Rate Notes due 2017 (the “**Class D Notes**”) and the EUR 90,000,000 Class E Credit-Linked Floating Rate Notes due 2017 (the “**Class E Notes**” and, together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the “**Rated Notes**”) for trading on Eurolist by Euronext Amsterdam N.V. (“**Euronext Amsterdam**”). Eurolist is a “regulated market” for the purposes of the Investment Services Directive (Directive 93/22/EC). The Issuer will also issue the EUR 200,000,000 Class F Credit Linked Floating Rate Notes due 2017 (the “**Class F Notes**”). This Prospectus constitutes a prospectus within the meaning of article 5 of Directive 2003/71/EC and a prospectus for the purpose of the listing and issuing rules of Euronext Amsterdam and the FSA. Collectively, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are referred to as the “**Notes**”.

Form of Notes

Each Class (as defined below) will initially be represented by a temporary global note in bearer form (each a “**Temporary Global Note**”), without coupons, each of which is expected to be deposited with one of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking *société anonyme* (“**Clearstream, Luxembourg**”) as common safekeeper (the “**Common Safekeeper**”), in each case on or about 11 May 2007 (the “**Closing Date**”). Interests in each Temporary Global Note will be exchangeable not earlier than 40 days after the Closing Date (upon certification of non-U.S. beneficial ownership) for interests in a permanent global note in bearer form, without coupons (each, a “**Permanent Global Note**” and, together with each Temporary Global Note, the “**Global Notes**”) for the relevant Class. Each Permanent Global Note will be deposited with the Common Safekeeper. Save in certain limited circumstances, Notes in definitive bearer form will not be issued in exchange for the Permanent Global Notes. The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with the Common Safekeeper and does not necessarily mean that the Notes 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. In this Prospectus, reference to a “**Class**” shall mean any class of the Notes.

Obligations of Issuer Only

The Notes will be obligations of the Issuer only. The Notes will not be obligations or responsibilities of, or guaranteed by, the Swap Counterparty, the Trustee, the Calculation Agent, the Principal Paying Agent, any Paying Agent, the Repo Counterparty, the Cash Deposit Bank, the Issuer Account Bank, the Agent Bank, the Lead Manager, the Arranger, the Parent or the Cash Administrator (each as defined below) nor any of their affiliates.

Ratings

The Class A Notes are expected upon issue to be rated Aaa by Moody’s Investors Service Inc. (“**Moody’s**”) and AAA by Standard & Poor’s Rating Services, a division of The McGraw-Hill Inc. group of companies (“**S&P**”) and, together with Moody’s, the “**Rating Agencies**”). The Class B Notes are expected upon issue to be rated Aa2 by Moody’s and AA by S&P. The Class C Notes are expected upon issue to be rated A2 by Moody’s and A by S&P. The Class D Notes are expected upon issue to be rated Baa2 by Moody’s and BBB by S&P. The Class E Notes are expected upon issue to be rated Ba2 by Moody’s and BB+ by S&P. The Class F Notes are expected upon issue not to be rated. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by any one or all of the Rating Agencies.

Source of Payments

The principal source of payment of principal and interest on the Notes will be the Issuer's right to receive payments in respect of interest and principal in respect of the Cash Deposit (as defined below) or in relation to payments in respect of Price Differential or Repurchase Price (as defined below) in relation to the Repo Agreement (as defined below), as applicable, and its right to receive periodic payments (called Swap Counterparty Payments, as defined below) pursuant to a credit default swap arrangement between the Issuer and the Swap Counterparty (as defined below).

Risk Factors

A discussion of certain factors which should be considered in connection with an investment in the Notes is set out in the section entitled "RISK FACTORS" on page 6. All prospective investors should consult their own professional advisers concerning the possible risks associated with the purchasing, holding or selling of the Notes under the applicable laws of their country of citizenship, residence or domicile.

Lead Manager and Arranger

ABN AMRO

1 May 2007

Subscription and Sale

The Issuer has confirmed to the Lead Manager that this Prospectus contains all information which is material in the context of the issue of the Notes; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, prediction or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and that all proper enquiries have been made to ascertain or verify the foregoing. The Issuer has further confirmed to the Lead Manager that this Prospectus contains all such information as investors and their professional advisers would reasonably require, and reasonably expect to find here, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and of the rights attaching to the Notes.

Responsibility Statement

Amstel Securitisation of Highgrade Exposures 2007-1 B.V., whose registered office is at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands (the “**Issuer**”), accepts responsibility for the information contained in this document (other than for the ABN Amro Information). To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information (other than the ABN Amro Information) contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility accordingly.

The Issuer also confirms that, so far as it is aware, all information in this Prospectus that has been sourced from a third party has been accurately reproduced and that, as far as it is aware and has been able to ascertain from information published by the relevant third party, no facts have been omitted which would render such reproduced information inaccurate or misleading. Where third party information is reproduced in this Prospectus, the sources are stated.

ABN AMRO Bank N.V., whose registered office is at Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands (the “**Swap Counterparty**”) accepts responsibility for the information contained in the sections of the Prospectus entitled “ABN AMRO HOLDING N.V.” (the “**ABN Amro Information**”). To the best of the knowledge and belief of the Swap Counterparty (having taken all reasonable care to ensure that such is the case), the ABN Amro Information is in accordance with the facts and does not omit anything likely to affect the import of the ABN Amro Information. The Swap Counterparty accepts responsibility accordingly. The Swap Counterparty accepts no responsibility for any other information contained in this document and has not separately verified any such other information.

Representations about the Notes

No person has been authorised to give any information or to make any representation other than as contained in this document and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Trustee, the Lead Manager or the Arranger.

Financial Condition of the Issuer

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date of this Prospectus.

Selling Restrictions summary

This Prospectus does not constitute an offer of, nor an invitation to subscribe for or purchase, any Notes and should not be considered as a recommendation by the Issuer, the Lead Manager, the Arranger or the Trustee, that any recipient of this Prospectus should subscribe for or purchase any Notes. The Notes may not be sold nor any offer to buy be accepted before this Prospectus is delivered

in final form. Each recipient of this Prospectus shall be taken to have made its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, the Lead Manager, the Arranger or the Trustee shall have any responsibility for the same.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Lead Manager to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of the Notes and on distribution of this Prospectus and other offering material relating to the Notes, see “SUBSCRIPTION AND SALE”.

In particular, the Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and are not subject to United States tax law requirements. The Notes are being offered outside the United States by the Lead Manager in accordance with Regulation S under the Securities Act, and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Currency

In this Prospectus, unless otherwise specified, references to “**€**”, “**EUR**” or “**euro**” are to the single currency of member states of the European Union participating in Economic and Monetary Union as contemplated in the Treaty of Rome of 25 March 1957 establishing the European Community, as amended by the Maastricht Treaty on European Union (which was signed in Maastricht on 7 February 1992 and came into force on 1 November 1993) and by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997), as further amended from time to time.

Stabilisation

In connection with the issue of the Notes, ABN AMRO Bank N.V., London Branch will act as stabilisation manager (the “**Stabilisation Manager**”). The Stabilisation Manager may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate nominal amount of the Notes) or effect transactions with a view to supporting the market price of the Notes at a level higher than which might otherwise prevail. However, there is no assurance that the Stabilisation Manager will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Stabilisation transactions must be conducted by the Stabilisation Manager in accordance with all applicable rules and regulations as amended from time to time.

Interpretation and Definitions

Capitalised terms used in this Prospectus, unless otherwise indicated, have the meanings set out in this Prospectus. Unless otherwise defined in this Prospectus, “**business day**” means any TARGET Settlement Day which is a day other than a Saturday, Sunday or a day on which banking institutions in Amsterdam or London are authorised or obliged by law or executive order to be closed. “**TARGET Settlement Day**” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open. An index of defined terms used in this Prospectus appears on pages 135 to 139.

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RISK FACTORS

The purchase of any Notes involves substantial risks and is suitable only for sophisticated purchasers who have sufficient knowledge and experience in financial and business matters and access to such professional advisers as they shall consider necessary to enable them to make their own tax, credit, legal and financial evaluation of the risks and the merits of an investment in any of the Notes and who have considered the suitability of such Notes in light of their own circumstances and financial condition.

The Issuer believes that the factors described below represent the risks inherent in investing in Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

General

It is intended that the Issuer will invest in financial assets with certain risk characteristics as described below. There can be no assurance that the Issuer's investments will be successful, that its investment objective will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors should therefore review this entire Prospectus carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with its priority of payment.

Suitability

Prospective purchasers of the Notes of any Class should ensure that they understand the nature of such Notes and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in such Notes and that they consider the suitability of such Notes as an investment in the light of their own circumstances and financial condition. The Notes are not principal protected and purchasers of Notes are exposed to full loss of principal. Only prospective purchasers who can withstand the loss of their entire investment should consider purchasing the Notes.

Leverage

The Initial Principal Balance of the Notes will be €1,000,000,000. Upon the occurrence of a Credit Event and provided that certain conditions are satisfied, the Principal Balance of the most junior Class or Classes then outstanding will be subject to a reduction in an amount in aggregate equal to the amount of the related Credit Protection Payment Amount, so that the Principal Balance of the most junior Class or Classes will be reduced until such Principal Balance is zero and, finally, the Principal Balance of the most senior Class of Notes will be reduced until such Principal Balance is zero. Accordingly, each relevant Class of Notes (starting from the most junior Class) provides a first loss protection with respect to the Reference Portfolio. Since the notional amount of the Reference Portfolio is expected for most of the time before the Scheduled Redemption Date to exceed the outstanding Principal Balance of the Notes, the Notes provide protection for the Reference Portfolio on a leveraged basis and, as a result of such leverage, the loss risk in respect of the Notes is a multiple of the loss risk in respect of the Reference Portfolio. This leverage increases, *inter alia*, the risk of loss to Noteholders and the volatility of the Notes.

Subordination

Payments of interest and, where applicable, principal on each Class of Notes are subordinated on each Interest Payment Date to (a) the payment of certain fees and expenses, (b) certain payments under the

Credit Default Swap and (c) payments of interest and, where applicable, principal on each more senior Class of Notes.

Prior to the delivery of an Enforcement Notice pursuant to Condition 8, payments of principal on each Class of Notes are payable only to the extent of Available Redemption Funds and, prior to the Scheduled Redemption Date, to the extent of Quarterly Amortisation Amounts or Defaulted Reference Obligation Recovery Amounts allocated to such Class of Notes and are subordinated on each Interest Payment Date to (a) the payment of certain fees and expenses (to the extent not paid by the Swap Counterparty), (b) certain payments under the Credit Default Swap and (c) payments of principal on each more senior Class of Notes, provided that with respect to Quarterly Amortisation Amounts allocated to reduce the principal balance of the Notes, for so long as no Sequential Amortisation Trigger Event has occurred, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes shall be subject to partial redemption on a *pari passu* and *pro rata* basis.

In each case subject to the *pro rata* redemption of Notes in certain circumstances in accordance with the Available Redemption Funds Priority of Payments, all payments of interest and principal due on the Class A Notes will rank in priority to payments of interest and principal due on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes; all payments of interest and principal due on the Class B Notes will rank in priority to payments of interest and principal due on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes; all payments of interest and principal due on the Class C Notes will rank in priority to payments of interest and principal due on the Class D Notes, the Class E Notes and the Class F Notes; all payments of interest and principal due on the Class D Notes will rank in priority to payments of interest and principal due on the Class E Notes and the Class F Notes; and all payments of interest and principal due on the Class E Notes will rank in priority to payments of interest and principal due on the Class F Notes.

Credit Exposure to Reference Entities

The amount payable in respect of principal of and interest on the Notes is dependent in part upon whether, and the extent to which, one or more Credit Events have occurred in relation to any Reference Obligation, any Borrowed Money Obligation of a Reference Entity or any Reference Entity on or before the Scheduled Redemption Date or, if earlier, the date of termination of the Credit Default Swap. As described under “CREDIT DEFAULT SWAP”, if such a Credit Event occurs and the Conditions to Credit Protection are satisfied in respect of the Defaulted Reference Obligation(s), and provided that the Credit Protection Payment Amount(s) have been determined, on the Interest Payment Date falling not less than five business days following the calculation thereof, the Issuer will be required to pay to the Swap Counterparty an amount equal to the Credit Protection Payment Amount(s) relating to such Defaulted Reference Obligation(s) provided that the aggregate of the Credit Protection Payment Amounts due on an Interest Payment Date does not exceed the CDS Notional Amount on such date. Each Credit Protection Payment Amount will be funded out of the proceeds of either a partial liquidation of the Cash Deposit or, as applicable, a re-delivery by the Issuer to the Repo Counterparty of Equivalent Securities, and the Principal Balance of the most junior Class or Classes then outstanding will be subject to a reduction in an amount in aggregate equal to the amount of the related Credit Protection Payment Amount. Upon a Credit Protection Payment Amount being paid, the Principal Balance of each relevant Class will be reduced, to the extent of such Credit Protection Payment Amount, in reverse Order of Priority, so that the Principal Balance of the most junior Class of Notes will be reduced until such Principal Balance is zero and, finally, the Principal Balance of the most senior Class of Notes will be reduced until such Principal Balance is zero. Accordingly, Noteholders will be exposed to the credit of the Reference Entities to the full extent of their investment in the Notes, with the Class F Noteholders having the highest risk of loss. None of the Issuer, the Trustee or the Noteholders will have any right to know the specific identity of any Reference Entity or the details of any Reference Obligation of any Reference Entity (other than Disclosable Information).

On each Interest Payment Date, interest is payable on the Principal Balance of each Class. The Principal Balance of any Class outstanding at any time is determined as being the aggregate principal amount of such Class on the Closing Date less the aggregate amount of any Credit Protection Payment Amounts that have been applied during the period from the Closing Date to the date of determination to reduce the outstanding principal amount of such Class and less the aggregate amount of any

principal payments used to redeem the Notes of that Class on any prior Interest Payment Date. Consequently the income from any Class so reduced will decrease.

Credit Events, Credit Protection Payment Amounts and other Determinations

ABN AMRO, in its capacity as Calculation Agent, is responsible for determining the occurrence of a Credit Event and the Credit Protection Payment Amount due in respect thereof, as well as making other determinations. Such determinations which will affect the return that investors will obtain on their investment in the Notes will be final and conclusive (subject, in certain cases only, to confirmation by an Independent Accountant).

Recourse

The Notes are direct and secured obligations of the Issuer and are payable only to the extent that the Issuer receives monies due to it under the Credit Default Swap and the Cash Deposit (or the Repo Agreement, as the case may be) and, following enforcement of the Security, solely from the proceeds of enforcement of the Security. The Issuer will have no other assets or sources of revenue. The holders of Notes will have no right to proceed directly against the Swap Counterparty in respect of the Credit Default Swap or to take title to, or possession of, the Security. The Notes do not represent obligations of, nor are they insured or guaranteed by, any governmental agency, the Trustee, the Swap Counterparty, the Cash Deposit Bank, the Issuer Account Bank, the Agent Bank, the Repo Counterparty, the Lead Manager, the Principal Paying Agent, any Paying Agent, the Cash Administrator, the Senior Swap Counterparty or any of their respective affiliates. None of the Parent, the Trustee or any of their respective owners, beneficiaries, agents, officers, directors, employees, affiliates, successors or assigns will, in the absence of an express agreement to the contrary or as otherwise provided by applicable law, be personally liable for distributions or obliged to make payments in respect of any Notes. If distributions of the amounts received by the Issuer under the Credit Default Swap and Cash Deposit (or the Repo Agreement, as the case may be) and, after enforcement of the Security, the proceeds of enforcement of the Security are insufficient to make payments on the Notes, no other assets will be available for payment of the deficiency and, following realisation of the Security, no debt shall be owed by the Issuer in respect of any such deficiency.

Limited Liquidity

There is currently no secondary market for the Notes and there can be no assurance given that such a market will develop or, if such a market does develop, that it will provide the holders of the Notes with liquidity or that it will continue for the life of the Notes. Moreover, the limited scope of information available to the Issuer, the Trustee and the Noteholders regarding the Reference Entities, the Reference Obligations and the nature of any Credit Event may affect the liquidity of the Notes, especially the more junior Classes. Consequently, any purchaser of the Notes must be prepared to hold such Notes for an indefinite period of time or until final redemption or maturity of such Notes. While the Lead Manager intends to create a market for the Notes upon their issuance, it is under no obligation to do so.

No Legal or Beneficial Interest in Reference Obligations of Reference Entities

Under the Credit Default Swap, the Issuer will have a contractual relationship only with the Swap Counterparty, and not with any Reference Entity. Consequently, the Credit Default Swap does not constitute a purchase or other acquisition or assignment of any interest in any Reference Obligation. Therefore, the Issuer and the Trustee will have rights solely against the Swap Counterparty in accordance with the Credit Default Swap, and will have no recourse against any Reference Entity or to any Reference Obligation. None of the Issuer, the Trustee, the Noteholders or any other entity will have any rights to acquire from the Swap Counterparty (or to require the Swap Counterparty to transfer, assign or otherwise dispose of) an interest in any Reference Obligation, notwithstanding the payment by the Issuer of a Credit Protection Payment Amount to the Swap Counterparty with respect to such Reference Obligation. Moreover, the Swap Counterparty will not grant the Issuer or the Trustee any security interest in any Reference Obligation.

Retention of Reference Obligations

The Swap Counterparty is not required to have or retain any legal, equitable or economic interest in any Reference Obligation at any time and there is no restriction whatsoever on the Swap Counterparty's ability to retain, hedge, sell or otherwise dispose of any legal, equitable or economic interest in any Reference Obligation. As a result, any obligation of the Issuer to make payments under the Credit Default Swap exists regardless of whether the Swap Counterparty suffers a loss or is exposed to the risk of loss on a Reference Obligation upon the occurrence of a Credit Event or at any other time.

Selection of Reference Obligations and changes to Reference Portfolio

In selecting the Reference Portfolio ABN AMRO will comply with the Eligibility Criteria in respect of individual Reference Obligations and the overall composition of the Reference Portfolio and in making Adjustments ABN AMRO will comply with the Conditions to Substitution, the Conditions to Voluntary Reduction or the Conditions to Voluntary Removal, as the case may be. In all other respects, ABN AMRO will act on its own behalf and will not take into account any matter other than the Eligibility Criteria and/or the Conditions to Substitution, the Conditions to Voluntary Reduction or the Conditions to Voluntary Removal, as the case may be, and matters affecting its own interests. The risk profile of the Reference Portfolio may alter over time.

Adjustments may cause the Reference Portfolio to vary over time and possibly to worsen. They may also result in an increased likelihood that the Issuer may be required to pay Credit Protection Payment Amounts and payments under the Notes may be reduced. A purpose of the Notes is to transfer the risk of the Reference Portfolio to Noteholders.

Reporting and information

The Swap Counterparty will update the Reference Register on each Adjustment Date, on the date falling five business days before each Interest Payment Date (such date being the “**Determination Date**”) and on such other date as it may determine. The Swap Counterparty shall communicate the updates in respect of the Reference Register to the Issuer, the Trustee and the Cash Administrator by providing them with the Disclosable Information on each Adjustment Date, on each Determination Date and on such other date as it may determine. The information provided in the Adjustment Date Reports, Interest Payment Date Reports and Closing Date Report to be delivered by the Trustee will be a summary of the Reference Register as at the date on which it is prepared and may not reflect all changes that have occurred in the Reference Portfolio between the date on which the Reference Register is updated and the date on which such reports are delivered. The Noteholders will be exposed to the risk of loss represented by the Reference Portfolio as constituted by the Reference Register and not as reflected in the reports to be delivered by the Trustee.

Limited Provision of Information about Reference Entities

None of the Issuer, the Trustee, and the Noteholders will have the right to know the specific identity of any Reference Entity or to receive information regarding any Reference Obligation except for the Closing Date Report, Adjustment Date Report and Interest Payment Date Report (each as defined below) and, in the case of the occurrence of a Credit Event, the Notice of Certification (as defined above), and, except as aforesaid, the Swap Counterparty will have no obligation to keep the Issuer, the Trustee or the Noteholders informed as to compliance of the Reference Obligations and the Reference Portfolio with the Eligibility Criteria or as to matters arising in relation to any Reference Entity or any Reference Obligation, including whether or not circumstances exist under which there is a possibility of occurrence of a Credit Event.

Except as provided in the immediately preceding paragraph, none of the Issuer, the Trustee and the Noteholders will have the right to inspect any records of the Swap Counterparty, and the Swap Counterparty will be under no obligation to disclose any further information or evidence regarding the existence or terms of any Reference Obligation of any Reference Entity or any matters arising in relation thereto or otherwise regarding any Reference Entity, any guarantor or any other person.

Reliance on Creditworthiness of Various Persons

The ability of the Issuer to meet its obligations under the Notes will be dependent upon its receipt of payments from ABN AMRO in its capacity as Swap Counterparty under the Credit Default Swap, for return of the Cash Deposit and the payment of any Issuer CD/Repo Income in its capacity as Cash Deposit Bank in relation to the Cash Deposit Agreement. In the event that the Issuer enters into an Initial Transaction under the Repo Agreement, ABN AMRO will be the initial Repo Counterparty, in which case the Issuer will be dependent upon ABN AMRO for the reacquisition of the Purchased Securities and the payment of any Issuer CD/Repo Income. The Cash Deposit Bank is required, if its credit rating falls below the Cash Deposit Bank Required Rating, to notify the Issuer and the Trustee of such downgrade as soon as practicable and, if a guarantee of the Cash Deposit Bank's obligations under the Cash Deposit Agreement given by a guarantor having the Cash Deposit Bank Rating is not provided to the Issuer within 30 days of the downgrade (and if provided, the Rating Agencies have not given their prior written confirmation that the rating of any outstanding Notes will not be affected thereby), the Issuer will either (at the option of the Swap Counterparty), (i) identify a successor Cash Deposit Bank which has the Cash Deposit Bank Required Rating and arrange for a new Cash Deposit Agreement to be entered into between the Issuer and such replacement Cash Deposit Bank or (ii) enter into an Initial Transaction under the Repo Agreement. In the event that ABN AMRO ceases to have the Repo Counterparty Required Rating, ABN AMRO will within 30 days of any such downgrade be required to either (i) identify a replacement Repo Counterparty which has the Repo Counterparty Required Rating and procure that its obligations under the Repo Agreement are assumed by a financial institution which has the Repo Counterparty Required Rating, (ii) repurchase securities equivalent to the Purchased Securities and procure that a new Repo Agreement is entered into between the Issuer and a financial institution which has the Repo Counterparty Required Rating, or (iii) subject to (A) prior written confirmation from S&P that the then current ratings of the Notes assigned by it will not be adversely affected as a result and (B) the then current ratings of the Notes assigned by Moody's not being adversely affected as a result, provide additional margin (the level of margin having been approved by the Rating Agencies). Consequently, the Noteholders are relying not only on the creditworthiness of the Reference Entities but also on ABN AMRO in respect of the performance of its obligations as Swap Counterparty to make payments pursuant to the Credit Default Swap and in respect of the performance of its obligations as Cash Deposit Bank under the Cash Deposit Agreement, as Issuer Account Bank, as Cash Administrator under the Cash Administration Agreement, and as Repo Counterparty and custodian under the Repo Agreement.

Relationship of Swap Counterparty with Reference Entities

Under the Credit Default Swap, the Issuer will have a contractual relationship only with the Swap Counterparty and not with the Reference Entities. Accordingly, the Issuer will have no legal recourse against any of the Reference Entities or Reference Obligations. The Issuer has no legal or beneficial ownership interest (whether by way of security or otherwise) in any Reference Obligation, and the Swap Counterparty will not be, and will not be deemed to be acting as, the agent or trustee of the Issuer in connection with the exercise of, or the failure to exercise, any of the rights or powers of the Swap Counterparty arising under or in connection with any Reference Obligation. In addition, the Swap Counterparty may not necessarily hold or book a Reference Obligation at the time it is expressed to be part of the Reference Portfolio.

Various conflicts of interest may arise from the overall investment, advisory and other activities of the Swap Counterparty and its affiliates and clients. The Swap Counterparty and its affiliates may deal in any Reference Obligation and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with, any Reference Entity and may act with respect to such transactions in the same manner as if the Credit Default Swap, the Cash Deposit Agreement, the Repo Agreement (as the case may be) and the Notes did not exist and without regard to whether any such action might have an adverse effect on any Reference Entity, the Issuer or the holders of the Notes. Although the Swap Counterparty or its affiliates may have entered into and may from time to time enter into business transactions with Reference Entities, the Swap Counterparty or its affiliates at any time may or may not hold obligations (including any Reference Obligations) of, or have any business relationship with, any particular Reference Entity. See also "Conflicts of Interest" below.

Conflict of interest between Noteholders

In acting as pledgee under the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge, the Trustee is obliged to consider the interests of all of the Secured Creditors but in case of conflict of interest to have regard to the interest of the Swap Counterparty (as defined below) and the Noteholders or, if applicable the holders of the most senior Class then outstanding.

The Trust Deed contains provisions limiting, *inter alia*, the powers of the Noteholders of a more junior Class of Notes to request or direct the Trustee to take any action or to pass any Extraordinary Resolution affecting the interests of the Noteholders of a more senior Class of Notes in the Order of Priority. Except in certain circumstances, the Trust Deed imposes no such limitations on the powers of the Noteholders of a more senior Class of Notes in the Order of Priority, the exercise of which such powers will be binding on the Noteholders all Classes of Notes that are junior to them, irrespective of the effect thereof on their interests.

Conflicts of Interest

ABN AMRO is acting in a number of capacities (i.e. as Swap Counterparty and Calculation Agent under the Credit Default Swap, Cash Deposit Bank, Issuer Account Bank, Cash Administrator, Repo Counterparty and custodian under the Repo Agreement (if any), Principal Paying Agent, Agent Bank and Lead Manager/Arranger) in connection with the transactions described herein. ABN AMRO in acting in such capacities in connection with such transactions shall have only the duties and responsibilities expressly agreed to by it in its relevant capacity and shall not, by virtue of its acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to each such capacity. ABN AMRO in its various capacities in connection with the contemplated transactions may enter into business dealings, including the acquisition of investment securities as contemplated by the Transaction Documents (as defined in the Conditions), from which they may derive revenues and profits in addition to the fees, if any, stated in the various Transaction Documents, without any duty to account therefor.

Entitlement to the Security

Under the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge, the Trustee holds the Security for the benefit of itself and the other Secured Creditors, first, for the purpose of payment of its fees, costs and expenses and those of any receiver incurred in connection with, *inter alia*, the exercise of its powers and duties under the Trust Deed, the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge, secondly, the payment of tax liabilities of the Issuer, thirdly the payment of Budgeted Operating Expenses and Exceptional Expenses of the Operating Creditors (other than the Trustee), fourthly, the Swap Counterparty (other than with respect to (a) the Swap Termination Payment, and (b) that portion of the Security consisting of the rights and interest of the Issuer under the Credit Default Swap and the proceeds thereof), fifthly, the Noteholders and, subsequently, the Swap Counterparty (with respect to the Swap Termination Payment) (see “TERMS AND CONDITIONS OF THE NOTES” - Condition 2.2).

No investigations

No investigations, searches or other enquiries have been made by or on behalf of the Issuer or the Trustee in respect of any Reference Entity, Reference Obligation or the Security granted by the Issuer. The Issuer has given no representations or warranties in respect of the Reference Entities and the Reference Obligations. The Trustee has given no representations or warranties in respect of the Security. Any prospective Noteholder should take its own legal, financial, accounting, tax or other relevant advice as to the structure and the viability of its investment.

Early Redemption of the Notes on the Occurrence of a Regulatory Change and other events

Subject to Condition 5, redemption of the Notes may be triggered, *inter alia*, (a) on an early termination of the Credit Default Swap, (b) in the event of the occurrence of a Regulatory Change, (c) if the Reference Portfolio Notional Amount is less than 10% of the Initial Reference Portfolio Notional Amount (d) on the early termination of the Cash Deposit Agreement (where such agreement is not replaced by the Repo Agreement or a new Cash Deposit Agreement with a replacement bank), or (e) on an early termination of the Repo Agreement where the Repo Agreement is not replaced by a successor TBMA/ISMA Global Master Repurchase Agreement on substantially the same terms.

In addition, the Issuer shall, if required by the Noteholders in certain circumstances (as set out in more detail in Condition 5.4), redeem all (but not some only, subject to the requirement to maintain a portion of Notes outstanding in relation to any Credit Events in respect of which the Conditions to Credit Protection have been satisfied but the corresponding Credit Protection Payment Amounts have not yet been determined or were not determined at least five business days prior to the relevant redemption date) of the Notes at their Principal Balance, if:

- (a) either the Issuer or the Swap Counterparty is to make any payment under the Credit Default Swap in respect of which a deduction for or on account of tax is required,
- (b) the Issuer determines that the payment of any Issuer CD/Repo Income is subject to deduction or withholding for any tax, duty, assessment or other government charge or is otherwise subject to taxation in the Netherlands, or
- (c) the Issuer is required, as a result of any change in or amendment to the laws or regulations of the Netherlands or any other jurisdiction or any political sub-division or any authority of any such jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change becomes effective on or after the Closing Date, to deduct or withhold from any payment to be made in respect of the Notes any amount for any present or future taxes, duties, assessments of whatever nature imposed, levied, collected, withheld or assessed by the Netherlands or any other jurisdiction or any political sub-division or any authority of such jurisdiction.

If the Swap Counterparty is to make any payment under the Credit Default Swap in respect of which a deduction for tax is required, the Swap Counterparty shall elect to (i) terminate the Credit Default Swap (provided that such termination at the option of the Swap Counterparty shall be at no cost to the Issuer), (ii) make payment to the Issuer under the Credit Default Swap of such amounts as would have been received by the Issuer thereunder if no such Tax Event or Tax Event Upon Merger (as such terms are defined in the Credit Default Swap), as applicable, had occurred, or (iii) arrange for the assumption of its obligations by another of its branches or agencies or its transfer of its obligations to another entity in another jurisdiction where no such Tax Event or Tax Event Upon Merger, as applicable, will apply (see “TERMS AND CONDITIONS OF THE NOTES” - Condition 2.3(b)).

Yield and Prepayment Considerations – Mandatory Partial Redemption

Although the Scheduled Redemption Date of the Notes is the Interest Payment Date falling in October 2016, each Class of Notes is subject to mandatory redemption to the extent of the relevant Quarterly Amortisation Amount allocated to such Class on each Interest Payment Date falling after the Revolving Period End Date. As a result, the Notes may be redeemed prior to the Scheduled Redemption Date. The yield to maturity of the Notes of each Class will depend on, among other things, the applicable rate of interest on each class of Notes and the size of the Quarterly Amortisation Amount allocated to that Class on each Interest Payment Date, which is dependant on, among other things, the rate of amortisation of Reference Obligations in the Reference Portfolio and whether or not a Sequential Amortisation Trigger Event has occurred (which affects the Order of Allocation of Quarterly Amortisation Amounts among the notional amount of the Senior Credit Default Swap (the “**Senior CDS Notional Amount**”) and the different Classes of Notes).

Postponement of Redemption; Extension Period

The Notes are expected to mature on or prior to the Scheduled Redemption Date. In the event that one or more Credit Event Notices are received on or prior to the Scheduled Redemption Date but the Credit Protection Payment Amounts have not yet been determined in respect thereof at least five business days prior to the Scheduled Redemption Date, the funds available to the Issuer to redeem the Notes in full at their Principal Balance on the Scheduled Redemption Date will be reduced by the Reference Obligation Notional Amount of the Reference Obligation(s) in respect of which such Credit Event Notices were received, the Issuer shall give notice to the Trustee and the holders of the Notes, that insufficient funds will be available to the Issuer to redeem all of the Notes in full at their Principal Balance, and the Notes which are not so redeemed on the Scheduled Redemption Date (to the extent of such insufficiency of funds) shall remain outstanding (and shall continue to bear interest) until the Final Redemption Date. During the Extension Period, any Notes remaining outstanding shall continue to bear interest, payable quarterly in arrear, at the rate specified in Condition 4 (which rate will not include the Relevant Margin). The same applies in respect of any other date on which the Notes are to be redeemed in whole (but not in part) where one or more Credit Event Notices are received on or prior to such date, but in respect of which the Credit Protection Payment Amount(s) have not been calculated at least five business days before such date, with the exception that the rate of interest payable on any Notes remaining outstanding will include the Relevant Margin.

Change of law, tax and administrative practice

The structure of the transaction and, *inter alia*, the issue of the Notes and ratings assigned to the Notes are based on law, tax and administrative practice in effect at the date hereof, and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given that law, tax or administrative practice will not change after the Closing Date or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

Nature of the Issuer

The Issuer is a newly formed entity and has no significant operating history. The Issuer will have no material assets other than the Cash Deposit and the Credit Default Swap. The Issuer will not engage in any business activity other than entering into the Transaction Documents, the issuance of the Notes, its exposure to Reference Obligations via the Credit Default Swap, certain activities conducted in connection with the payment of amounts in respect of the Notes and other activities incidental or related to the foregoing. Income derived from the Credit Default Swap and the Cash Deposit will be the Issuer's principal source of cash.

Credit Ratings

Credit ratings of debt securities represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. Rating agencies evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. Therefore, credit ratings may not fully reflect all the risks of an investment in the Notes and may, in any event, be subject to certain qualifications. Also, an issuer's current financial condition may be better or worse than a rating indicates. Each rating agency has its own methodology and modelling assumptions for rating transactions. Ratings are sensitive to the methodology and assumptions used. Different models and different assumptions may, and in all likelihood would, produce different results. One of the primary modelling assumptions used is the correlations between the Reference Obligations. These correlations are hard to observe. Each rating agency will make its own assumptions on the correlations for rating purposes. Furthermore, any credit ratings as may have been assigned to the Reference Obligations may change and the credit quality of the Reference Obligations may improve or deteriorate during the term of the Notes and that, in turn, may lead to an improvement or deterioration of the ratings assigned to the Notes, if any. Furthermore, any such deterioration or change in the ratings of the Notes will not give rise to any rights or remedies of the Noteholders, as a purpose of the issuance of the Notes is, in fact to shift the risk of Credit Events to the Noteholders. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agencies.

Special considerations in relation to the Class F Notes

First loss tranche

The Class F Notes provide a first loss protection with respect to the Reference Portfolio. Since the notional amount of the Reference Portfolio will exceed the outstanding Principal Balance of the Class F Notes, the Class F Notes provide protection for the Reference Portfolio on a highly leveraged basis and, as a result of such leverage, the loss risk in respect of the Class F Notes is a multiple of the loss risk in respect of the Reference Portfolio.

Subordination of the Class F Notes

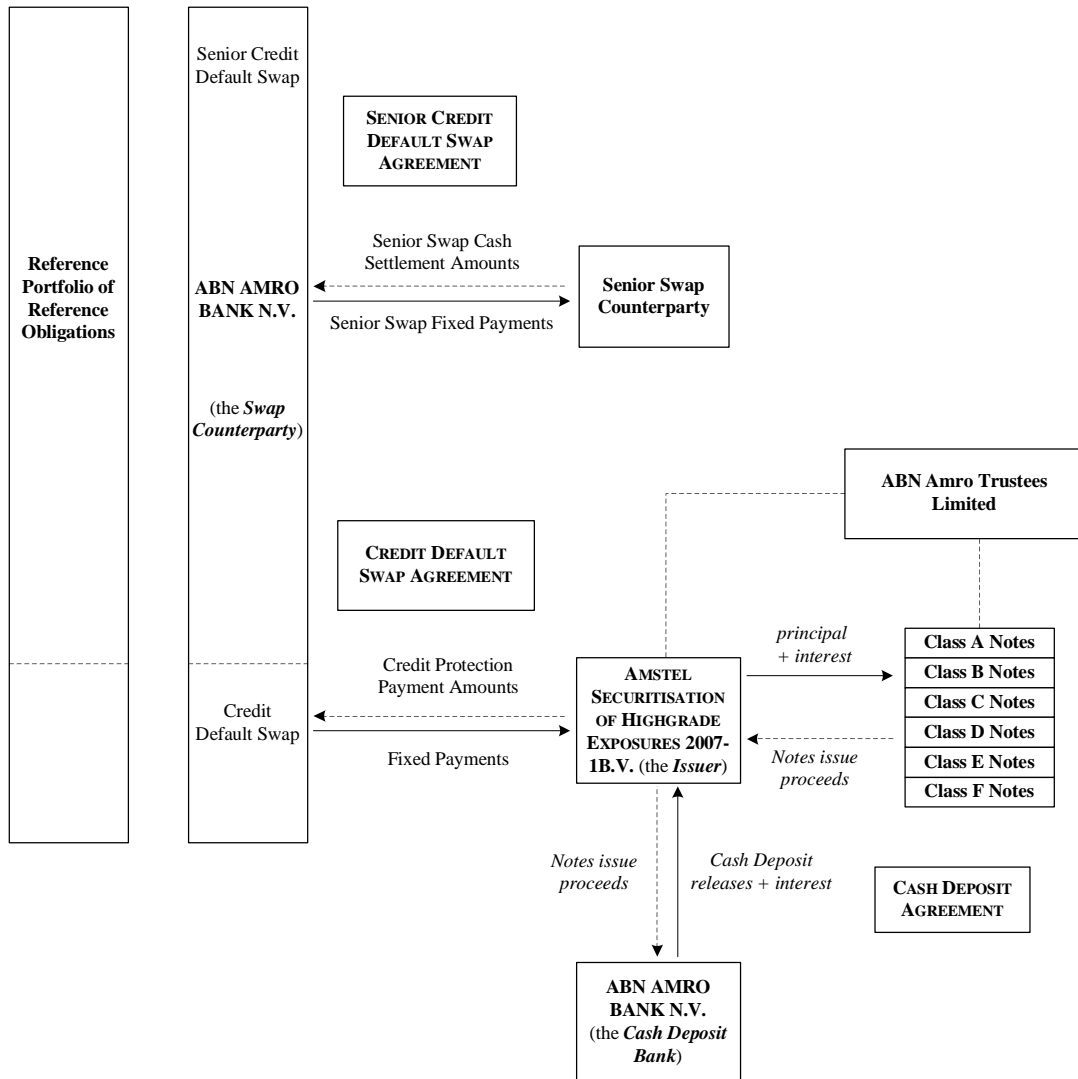
Payments of interest and, where applicable, principal on the Class F Notes are fully subordinated on each Interest Payment Date to (a) the payment of certain fees and expenses, (b) certain payments under the Credit Default Swap, (c) payments of interest and, where applicable, principal on the other Classes of Notes. No payments of interest or, where applicable, principal will be made on the Class F Notes on any Interest Payment Date until the amounts referred to in (a), (b) and (c) have been paid in full.

Certain Legal Investment Criteria

None of the Issuer, ABN AMRO or the Lead Manager makes any representation as to the proper characterisation of the Notes for legal investment or other purposes, as to the ability of particular investors to purchase Notes for legal investment or other purposes or as to the ability of particular investors to purchase Notes under applicable investment restrictions. Potential investors should consult their own legal advisors in determining whether and to what extent the Notes are subject to investment, capital or other restrictions.

OVERVIEW OF THE TRANSACTION

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



The Notes

The Issuer will issue the Notes. Application has been made to the *Autoriteit Financiële Markten* (Netherlands Authority for the Financial Markets, the “**AFM**”) in its capacity as competent authority under the Financial Supervision Act (*Wet op het financieel toezicht*) (“**TSA**”) in the Netherlands for approval of this Prospectus. Application has also been made to admit the Notes (other than the Class F Notes) to listing and to trading on Eurolist by Euronext Amsterdam. The Notes (other than the Class F Notes) will be listed on a “regulated market” as that term is defined in article 1 (13) of the Investment Services Directive (Directive 93/22/EC) and shall be subject to the selling restrictions set out in the section of this Prospectus entitled “SUBSCRIPTION AND SALE”.

Credit Default Swap

On or prior to the Closing Date, the Issuer will enter into a credit default swap (the “**Credit Default Swap**”) with ABN AMRO Bank N.V. (“**ABN AMRO**”) (in such capacity, the “**Swap Counterparty**”) acting through its office in Amsterdam.

Pursuant to the Credit Default Swap, during the period (the “**Notice Delivery Period**”) commencing on the Closing Date and ending on the earlier to occur of (1) the Scheduled Redemption Date and (2) the date on which an early termination of the Credit Default Swap occurs or has been designated, ABN AMRO in its capacity as calculation agent under the Credit Default Swap (the “**Calculation Agent**”) may deliver a notice (“**Credit Event Notice**”) to the Issuer (with a copy to the Trustee and the Rating Agencies) containing information that confirms in reasonable detail (a) the occurrence of a Credit Event (as defined in the Credit Default Swap), (b) that the Credit Event (if such Credit Event is a Failure to Pay (as defined below) only) occurred at least 30 days prior to the date of delivery of such Credit Event Notice and is continuing, and (c) that Publicly Available Information (as defined below) exists regarding the occurrence of such Credit Event with respect to a Reference Entity, or in the event that no such Publicly Available Information exists, that a firm of internationally recognised independent accountants (the “**Independent Accountant**”) has confirmed in writing to the Issuer and the Trustee (a copy of which confirmation shall be attached to such notice) the occurrence of such a Credit Event. Such Credit Event Notice shall be delivered no later than the 90th calendar day after the Swap Counterparty has actual knowledge of the Credit Event referred to therein and if the Calculation Agent is (a) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent in respect of an Obligation or Reference Entity (each as defined below) which is the subject of a Credit Event Notice and (b) a holder of the Obligation with respect to which a Credit Event has occurred, the Calculation Agent shall be required to deliver to the Issuer (with a copy to the Trustee and the Rating Agencies) a certificate signed by an executive director (or other substantively equivalent title) of the Calculation Agent which shall certify the occurrence of the Credit Event. Provided these requirements are met, the Calculation Agent will determine the Credit Protection Payment Amount (as defined below) in accordance with the provisions of the Credit Default Swap. Except as otherwise specifically provided above, the determination by the Calculation Agent of the occurrence of a Credit Event shall be final and binding on the Issuer and the Swap Counterparty.

The Conditions to Credit Protection include, *inter alia*, the requirement that when delivering a Credit Event Notice in accordance with the paragraph above, the Calculation Agent shall also deliver a notice (the “**Notice of Certification**”) from the Independent Accountant to the Issuer (with a copy to the Trustee and the Rating Agencies) certifying that (a) the following information contained in the Closing Date Report and each Adjustment Date Report (in each case, to the extent prepared on or after the Relevant Date) with respect to the relevant Reference Entity and Reference Obligation: its reference number, its ABN AMRO Credit Score (as defined in “**Eligibility Criteria**”), the description of its industry category and its Moody’s Rating and S&P Rating, and its Reference Obligation Notional Amount, corresponded in all material respects to the equivalent information in the Reference Register at the Relevant Date and at each subsequent Adjustment Date, as the case may be and (b) each Reference Obligation to which the Credit Event relates satisfied the Conditions to Inclusion (as defined in “**CREDIT DEFAULT SWAP – Conditions to Inclusion**”) at the time when it was included in the Reference Portfolio (being the Report Date or the relevant Adjustment Date, as the case may be). The Issuer will satisfy its obligation to pay the Credit Protection Payment Amount through liquidation of an

equivalent amount of the Cash Deposit (or, as applicable, re-delivering an equivalent amount of Eligible Securities (as defined below) in accordance with the terms of the Repo Agreement).

Pursuant to the terms of the Credit Default Swap, the Swap Counterparty is required to pay to the Issuer on each Interest Payment Date an amount (the “**Swap Counterparty Payment**”) as calculated pursuant to the terms of the Credit Default Swap and referable in part to the amount of interest payable by the Issuer on such Interest Payment Date in relation to the Notes. If any Swap Counterparty Payment is subject to any deduction or withholding for or on account of any tax, duty, assessment or other governmental charge, the Swap Counterparty shall either (i) gross-up such Swap Counterparty Payment for any such deduction or withholding, or (ii) at its option, procure the assumption of its obligations by another entity in a jurisdiction where no such tax, duty, assessment or other governmental charge applies, or (iii) at its option in certain circumstances, terminate the Credit Default Swap by written notice to the Issuer, provided that such termination at the option of the Swap Counterparty shall be at no cost to the Issuer. Any such termination of the Credit Default Swap will result in a mandatory redemption of the Notes. See “TERMS AND CONDITIONS OF THE NOTES – Condition 2.3.”

Pursuant to the terms of the Credit Default Swap, the Swap Counterparty is required to pay to the Issuer on the Closing Date an amount calculated to provide the Issuer with the funds necessary to pay certain of the fees and expenses incurred in connection with the issue and listing of the Notes.

Pursuant to the terms of the Credit Default Swap, the Issuer is required to pay to the Swap Counterparty the Swap Termination Payment (as defined below) on a Full Redemption Date.

Reference Obligations

The Swap Counterparty has identified certain financial instruments other than asset-backed securities. These include term and revolving loans (whether drawn or undrawn), guarantees and reimbursement obligations in relation to letters of credit (each, a “**Reference Obligation**”) of certain obligors (each a “**Reference Entity**”) as identified in the Reference Register (as defined below) (as updated from time to time). On the Report Date (but not necessarily thereafter) the Reference Obligations included in the Reference Portfolio met certain criteria as to creditworthiness and diversity (the “**Reference Obligation Criteria**”) and the Reference Portfolio as a whole met certain criteria as to creditworthiness and diversity (the “**Reference Portfolio Criteria**”) and together with the Reference Obligation Criteria, the “**Eligibility Criteria**”) (see “ELIGIBILITY CRITERIA”).

Designation of Reference Portfolio and Reporting

The Swap Counterparty has, on or about 30 March 2007 (the “**Report Date**”) designated a portfolio (as the same may be varied from time to time, the “**Reference Portfolio**”) consisting of a pool of Reference Obligations that will be the subject of the Credit Default Swap. The Reference Obligations have been identified by ABN AMRO and have been originated or acquired in the ordinary course of its business or of its subsidiaries’ business and have been subject to ABN AMRO’s normal credit process. However, neither ABN AMRO nor its subsidiaries (as applicable) are required to have any interest in any Reference Obligation as at the Report Date and if any of them has any interest in any such Reference Obligation as at the Report Date, it is not obliged to retain such interest in such Reference Obligation after the Report Date.

In respect of each Reference Obligation, the Swap Counterparty shall, on the date of inclusion of such Reference Obligation in the Reference Portfolio, designate a notional amount denominated in euros (the “**Reference Obligation Notional Amount**”) by reference to which any Credit Protection Payment Amount in respect of such Reference Obligation shall be calculated. The Reference Obligation Notional Amount will be subject to change to reflect (i) during the Revolving Period, Removals, Reductions and Substitutions and (ii) on or after the Revolving Period End Date, any Removals and Reductions.

The aggregate of the Reference Obligation Notional Amounts of all Reference Obligations in the Reference Portfolio shall not at any time exceed EUR 10,000,000,000 less the aggregate of the

Reference Obligation Notional Amounts of all Defaulted Reference Obligations (each, a “**Defaulted Reference Obligation Notional Amount**”) removed from the Reference Portfolio (the “**Maximum Reference Portfolio Notional Amount**”). The Reference Portfolio may include more than one Reference Obligation of a Reference Entity.

The Reference Portfolio will at all times be comprised of those Reference Obligations listed and identified by reference numbers on a register maintained by or on behalf of the Swap Counterparty (the “**Reference Register**”). Reference Obligations shall be deemed to be included or removed from the Reference Portfolio as of the date on which their inclusion or removal is recorded on the Reference Register. Any changes in the Reference Obligation Notional Amount of a Reference Obligation shall be effective on the date on which the Reference Register is updated to reflect such change.

On or about the Closing Date, on each Adjustment Date and on each Determination Date the Swap Counterparty shall disclose to the Issuer, the Trustee and the Cash Administrator (i) all the information included in the Reference Register other than the identity of the Reference Entities or the Related Reference Entities and (ii) such other information as the Swap Counterparty may deem appropriate or the Trustee may require (subject to compliance with applicable banking secrecy laws) (collectively (i) and (ii) above being the “**Disclosable Information**”). Within five business days of the Closing Date, of each Adjustment Date and of each Determination Date, the Trustee shall prepare a report (being the “**Closing Date Report**” in respect of the Closing Date, the “**Adjustment Date Report**” in respect of an Adjustment Date or the “**Interest Payment Date Report**” in respect of an Interest Payment Date) based, *inter alia*, on the information provided to it by the Swap Counterparty and confirming compliance with the Conditions to Substitution, the Conditions to Voluntary Removal or the Conditions to Voluntary Reduction (as applicable). The reports prepared by the Trustee will be posted on a secure website to which, amongst others, the Noteholders will be given access upon request.

A more detailed description of the reporting arrangements is set out in “CREDIT DEFAULT SWAP – Reference Register and Reporting”.

None of the Issuer, the Trustee, the Cash Administrator or the Noteholders shall be entitled to receive or to require from the Swap Counterparty information as to the identity of the Reference Entities or information with respect to the Reference Obligations from time to time designated on the Reference Register other than Disclosable Information, as amended from time to time.

Removals, Reductions and Substitutions

ABN AMRO in its capacity as Swap Counterparty will be required to remove Reference Obligations from the Reference Portfolio if on any date it becomes aware that (i) a Reference Obligation did not comply with the Conditions to Inclusion (described in “CREDIT DEFAULT SWAP – *Conditions to Inclusion*”) on the Report Date or on the relevant Adjustment Date, as the case may be, or (ii) a Reference Obligation has become, for any reason other than due to the existence or occurrence of a Credit Event, no longer an obligation of the relevant Reference Entities (each such event a “**Mandatory Removal**”). In addition, on any business day during the Revolving Period ABN AMRO in its capacity as Swap Counterparty will be entitled to remove any Reference Obligations (other than Reference Obligations in respect of which a Credit Event Notice has been served) from the Reference Portfolio at its sole discretion, subject to satisfaction of the Conditions to Voluntary Removal described in “CREDIT DEFAULT SWAP - *Conditions to Voluntary Removal*”, (each such event a “**Voluntary Removal**” and together with each Mandatory Removal, a “**Removal**”). The Reference Obligation Notional Amount of a Reference Obligation which is removed from the Reference Portfolio pursuant to a Removal (the “**Removal Amount**”) will be reduced to zero. For the avoidance of doubt, the term “Removal” does not include Removed Defaulted Reference Obligations. Voluntary Removals will be made solely on the basis of the Conditions to Voluntary Removal. In considering or making any Voluntary Removal, the Swap Counterparty will not take into account any matter other than the Conditions to Voluntary Removal.

The Reference Obligation Notional Amount of a Reference Obligation will be reduced if (i) on any date, such Reference Obligation is prepaid, repaid, cancelled or amortised (to the extent that the relevant amount is not available to be re-drawn), (each such event a “**Mandatory Reduction**”) or (ii)

the Swap Counterparty elects, at its sole discretion (subject to the Conditions to Voluntary Reduction described in “CREDIT DEFAULT SWAP - *Conditions to Voluntary Reduction*”), on any business day during the Revolving Period to reduce the Reference Obligation Notional Amount relating to any Reference Obligation (each such event a “**Voluntary Reduction**” and together with each Mandatory Reduction a “**Reduction**”). The Reference Obligation Notional Amount of a Reference Obligation which is subject to a Reduction will be reduced by an amount (the “**Reduction Amount**”) (i) determined by reference to the amount of the relevant prepayment, repayment, cancellation or amortisation (in the case of a Mandatory Reduction), or (ii) determined by ABN AMRO at its sole discretion (in the case of a Voluntary Reduction). If the Reference Obligation Notional Amount is reduced to zero as a result of the Reduction, such Reference Obligation shall be deemed to have been removed from the Reference Portfolio. Each Reduction will take effect on the Adjustment Date, being the date on which the Removal is recorded in the Reference Register. Voluntary Reductions will be made solely on the basis of the Conditions to Voluntary Reduction. In considering or making any Voluntary Reduction, the Swap Counterparty will not take into account any matter other than the Conditions to Voluntary Reduction.

Subject to the Conditions to Substitution (as described under “CREDIT DEFAULT SWAP - *Conditions to Substitution*”), the Swap Counterparty will have the right, on any business day during the Revolving Period to add Reference Obligations of existing or new Reference Entities to the Reference Portfolio or to increase the Reference Obligation Notional Amounts of existing Reference Obligations (such event being referred to herein as a “**Substitution**” and, together with Removals and Reductions an “**Adjustment**”). A Substitution may (but is not required to) be effected to replenish the Reference Portfolio where there has been a Reduction or a Removal; however, it is not a Condition to Substitution that there has been a Reduction or Removal. In addition, a Substitution that is being made following a Reduction or a Removal need not be for the same amount as the Reference Obligation Notional Amount which is the subject of the Reduction or Removal to which it relates provided the Conditions to Substitution are satisfied. Each Reduction, Removal or Substitution will take effect on the relevant Adjustment Date, being the date on which the Reduction, Removal or Substitution is recorded in the Reference Register.

Removals, Reductions and/or Substitutions and Defaulted Reference Obligations (as defined below) will affect the Reference Portfolio Notional Amount, the Maximum Reference Portfolio Notional Amount, the CDS Notional Amount and the Senior CDS Notional Amount in the manner described in “CREDIT DEFAULT SWAP - *Movements in the Reference Portfolio*”.

Credit Protection Payments

Under the Credit Default Swap, if (1) a Credit Event occurs with respect to a Reference Entity and/or any Obligation of a Reference Entity, (2) the Conditions to Credit Protection are satisfied in respect thereof and (3) the related credit protection payment amount (the “**Credit Protection Payment Amount**”) has been determined, on the next Interest Payment Date falling not less than five business days following the determination of the Credit Protection Payment Amount in respect of the relevant Reference Obligation, which determination shall be made by the Calculation Agent in accordance with the Credit Default Swap, the Issuer will be required to pay to the Swap Counterparty the Credit Protection Payment Amount (provided that the aggregate Credit Protection Payment Amounts payable by the Issuer on any Interest Payment Date shall not exceed the CDS Notional Amount on such Interest Payment Date). On any date on which one or more Credit Protection Payment Amounts are payable, such Credit Protection Payment Amounts will be allocated in accordance with the following order of priority (the “**Reverse Order of Seniority**”):

- (i) first, to reduce the Principal Balance of the Class F Notes;
- (ii) second, if the Principal Balance of the Class F Notes has been reduced to zero, to reduce the Principal Balance of the Class E Notes;
- (iii) third, if the Principal Balance of the Class E Notes has been reduced to zero, to reduce the Principal Balance of the Class D Notes;

- (iv) fourth, if the Principal Balance of the Class D Notes has been reduced to zero, to reduce the Principal Balance of the Class C Notes;
- (v) fifth, if the Principal Balance of the Class C Notes has been reduced to zero, to reduce the Principal Balance of the Class B Notes; and
- (vi) sixth, if the Principal Balance of the Class B Notes has been reduced to zero, to reduce the Principal Balance of the Class A Notes.

In order to satisfy the Issuer's obligation to pay a Credit Protection Payment Amount, a commensurate amount of the Cash Deposit will be released by the Cash Deposit Bank and applied towards such obligation (or, in the event that the Cash Deposit is replaced by a Repo Agreement, a commensurate amount of the Purchased Securities will be repurchased under the Repo Agreement and the Repo Agreement accordingly partially unwound and the proceeds will be applied towards the Issuer's obligation in respect of such Credit Protection Payment Amount). Upon the occurrence of a Credit Event in respect of which the Conditions to Credit Protection are satisfied, the Defaulted Reference Obligation shall be removed from the Reference Portfolio and the Reference Portfolio Notional Amount (as defined below) shall be reduced by the amount of the Defaulted Reference Obligation Notional Amount on the Interest Payment Date on which the Credit Protection Payment Amount is payable (such Defaulted Reference Obligation being referred to as a "**Removed Defaulted Reference Obligation**") or, if there is more than one Removed Defaulted Reference Obligation, by the aggregate Reference Obligation Notional Amounts thereof. The Senior CDS Notional Amount shall be reduced by the Defaulted Reference Obligation Recovery Amount. The CDS Notional Amount shall be reduced by (i) where the Senior CDS Notional Amount is greater than zero, the Credit Protection Payment Amount immediately after such payment has been made by the Issuer and (ii) where the Senior CDS Notional Amount has been reduced to zero, by the Reference Obligation Notional Amount (less, on the date on which the Senior CDS Notional Amount is reduced to zero, the Senior CDS Notional Amount immediately prior to the reduction thereto on such date) and the Maximum Reference Portfolio Notional Amount shall be reduced (immediately following the payment of the Credit Protection Payment Amount by the Issuer) by the Defaulted Reference Obligation Notional Amount or, if more than one Removed Defaulted Reference Obligation, by the aggregate Reference Obligation Notional Amounts thereof. The Senior CDS Notional Amount and the CDS Notional Amount cannot be reduced to less than zero.

There is no restriction whatsoever on the Swap Counterparty's ability to acquire, retain, sell or otherwise dispose of a Reference Obligation or any interest therein. As a result, the obligation of the Issuer to pay a Credit Protection Payment Amount exists regardless of whether the Swap Counterparty suffers a loss or is exposed to the risk of loss on a Reference Obligation upon the occurrence of a Credit Event.

Credit Events

A Credit Event will occur upon the determination by the Calculation Agent of the occurrence of any Bankruptcy, Failure to Pay or Restructuring (each as defined and described below) with respect to a Reference Entity or any Obligation of a Reference Entity during the period between the Closing Date and the earlier of (a) the Scheduled Redemption Date and (b) the date of termination of the Credit Default Swap. In order for a Credit Event to trigger an obligation to make payment of the relevant Credit Protection Payment Amount, the Conditions to Credit Protection must be satisfied. See "CREDIT DEFAULT SWAP - Credit Events".

Scheduled Termination Date under Credit Default Swap

Unless terminated earlier, as provided below, the Credit Default Swap will terminate on the date (the "**Termination Date**") which is the Scheduled Redemption Date, unless the Extension Period commences on the Scheduled Redemption Date, in which case, the Termination Date for the Credit Default Swap will be the Final Redemption Date.

Early Termination of Credit Default Swap

The Credit Default Swap is subject to early termination in certain specified circumstances, including (a) on the occurrence of an Event of Default (as defined in the Credit Default Swap), being any payment default lasting a period of three Local Business Days (as defined in the Credit Default Swap) by the Issuer or the Swap Counterparty, insolvency-related events applicable to the Issuer or merger by the Issuer or the Swap Counterparty without assumption by the new or surviving entity of the liabilities of the Issuer or the Swap Counterparty (as the case may be) under the Credit Default Swap, (b) on the occurrence of a Termination Event (as defined in the Credit Default Swap), being illegality of performance of the Credit Default Swap, acceleration or early redemption of the Notes in whole, early termination of the Repo Agreement, notification in writing by the Swap Counterparty to the Issuer of the occurrence of a Regulatory Change (as defined in the Conditions), reduction of the CDS Notional Amount to zero or the Swap Counterparty being required to gross-up Swap Counterparty Payments under the Credit Default Swap or to receive Credit Protection Payment Amounts thereunder net of withholding or deduction for tax (whether as a result of a change of law or merger of the Swap Counterparty or Issuer), or (c) on any early termination of the Cash Deposit Agreement or the Repo Agreement, as applicable, in circumstances where the Cash Deposit Agreement or the Repo Agreement, as applicable, are not replaced within the prescribed time limit. Any early termination of the Credit Default Swap will result in a mandatory redemption of the Notes. See “TERMS AND CONDITIONS OF THE NOTES” - Condition 5.

The Conditions of the Notes provide, among other things, that (a) in the event of the occurrence of a Regulatory Change, and if the Swap Counterparty so directs, the Issuer shall redeem any Class or Classes of Notes in whole but not in part at their Principal Balance on an Interest Payment Date, or (b) in the event that the Reference Portfolio Notional Amount is less than 10% of the Initial Reference Portfolio Notional Amount and if the Swap Counterparty so directs, the Issuer shall redeem all outstanding Notes in whole but not in part at their Principal Balance, in each case after reduction for any Credit Protection Payment Amount payable on the relevant Interest Payment Date. The Notes, or in the case of (a) above the relevant Class(es) of Notes, shall be redeemed in whole but not in part at their Principal Balance together with any Interest Amount accrued to such redemption date, after reduction in respect of the Credit Protection Payment Amount, if any, payable on such redemption date and except to the extent that one or more Credit Events have occurred on or prior to the redemption date and the Credit Protection Payment Amounts have not been determined in respect thereof at least 5 business days prior to such redemption date, in each case in accordance with the Available Redemption Funds Priority of Payments. In the event that the Notes are redeemed in whole in accordance with the Conditions, the Credit Default Swap is subject to early termination as outlined above.

Senior Credit Default Swap

The Swap Counterparty will enter into a credit default swap transaction pursuant to a 1992 ISDA Master Agreement (Multicurrency–Cross Border), a Senior Credit Default Swap Schedule and a Senior Credit Default Swap Confirmation (the **Senior Credit Default Swap**) with a swap counterparty (the **Senior Swap Counterparty**).

Pursuant to the terms of the Senior Credit Default Swap, the Swap Counterparty shall pay to the Senior Swap Counterparty periodic fixed payments and the Senior Swap Counterparty shall pay to the Swap Counterparty the credit protection payments, if any, that may become due and payable under the Senior Credit Default Swap. The initial notional amount of the Senior Credit Default Swap (the **Senior CDS Notional Amount**) will be EUR 9,000,000,000.

The payments made by the Senior Swap Counterparty or to the Swap Counterparty under the Senior Credit Default Swap shall not be available to pay interest or principal under the Notes. If a Quarterly Amortisation Amount or a Defaulted Reference Obligation Recovery Amount arises on any Interest Payment Date, the Senior CDS Notional Amount will be amortised either *pro rata* with, or in priority to, each Class of Notes, in accordance with the Order of Allocation of Quarterly Amortisation Amounts and the Order of Allocation of Defaulted Reference Obligations Recovery Amounts (see “Order of Allocation of Quarterly Amortisation Amounts” and “Order of Allocation of Defaulted Reference Obligations Recovery Amounts” below).

Cash Deposit

On the Closing Date, the Issuer will utilise the proceeds of the issue of the Notes to make a deposit (the “**Cash Deposit**”, which expression shall include any cash deposit replacing the initial Cash Deposit) into an account in the name of the Issuer (the “**Cash Deposit Account**”, which expression shall include any replacement Cash Deposit Account), with a bank (the “**Cash Deposit Bank**”, which expression shall include any replacement bank in respect thereof, and which initially shall be ABN AMRO) which has a short-term credit rating of at least P-1 from Moody's and A-1+ from S&P and a long-term credit rating of at least Aa3 from Moody's (the “**Cash Deposit Bank Required Rating**”). Such Cash Deposit will be made pursuant to a cash deposit agreement (the “**Cash Deposit Agreement**”, which expression shall include any cash deposit agreement replacing (and on the same terms as) the initial Cash Deposit Agreement upon the replacement of the initial Cash Deposit by a cash deposit with a third party other than ABN AMRO). The Cash Deposit Agreement provides for periodic income payments to be made to the Issuer on each Interest Payment Date, which income payments would be replaced by income to be paid to the Issuer on each Interest Payment Date in relation to any Repo Agreement which replaces the Cash Deposit (collectively, the “**Issuer CD/Repo Income**”).

The Issuer will grant security over the Cash Deposit Account in favour of the Trustee for the benefit of itself and, among others, the Swap Counterparty and the Noteholders and the other Secured Creditors pursuant to the Cash Deposit Account Pledge governed by Dutch law.

Replacement of Cash Deposit Bank or Entry of Initial Transaction under Repo Agreement

In the event that (1) the Swap Counterparty elects to do so at least 30 days prior to any Interest Payment Date, or (2) the Cash Deposit Bank is downgraded below the Cash Deposit Bank Required Rating, then (i) on the next Interest Payment Date which is at least 30 days following such election or on any date which is within 30 days of such downgrade as applicable (such replacement date following the election or downgrade, the “**CD Replacement Date**”), the Issuer will liquidate the Cash Deposit (and the Trustee will be required to release any security in relation thereto and shall bear no liability for so releasing such security) and use the proceeds thereof to either (at the option of the Swap Counterparty) (a) enter into a replacement Cash Deposit Agreement with a successor Cash Deposit Bank which has the Cash Deposit Bank Required Rating, or (b) enter into the Initial Transaction (as defined below) pursuant to a TBMA/ISMA Global Master Repurchase Agreement (2000 version) (such agreement dated the Closing Date and such Initial Transaction thereunder dated the relevant CD Replacement Date, if any) (together with the annexes, confirmation and any amendment or supplement thereto, the “**Repo Agreement**”, which expression shall include any TBMA/ISMA Global Master Repurchase Agreement replacing (and on the same terms as) the initial Repo Agreement) with a counterparty (the “**Repo Counterparty**”, which expression shall include any counterparty replacing the initial Repo Counterparty) selected as provided hereafter, or (ii) in the case of (2) above only, the Issuer must, within 30 days of the downgrade find a guarantor with the Cash Deposit Bank Required Rating to guarantee the Cash Deposit Bank's obligations pursuant to the Cash Deposit Agreement, provided that the Issuer has obtained a prior written confirmation from the Rating Agencies that the ratings of the Notes will not be adversely affected as a result. The Repo Counterparty will be required to have a short-term credit rating of at least P-1 from Moody's and A-1+ from S&P and a long-term credit rating of at least Aa3 from Moody's (the “**Repo Counterparty Required Rating**”).

Payment of Credit Protection Payment Amount and redemption following Revolving Period End Date

The Cash Deposit Agreement further provides that: (a) in the event that a Credit Protection Payment Amount is owing by the Issuer under the Credit Default Swap, a commensurate amount of the Cash Deposit will be released to the Issuer by the Cash Deposit Bank in order to enable the Issuer to satisfy such payment, (b) on each Interest Payment Date following the Revolving Period End Date on which a portion of the Quarterly Amortisation Amount is allocated to reduce the outstanding Principal Balance of a Class of Notes, a portion of the Cash Deposit will be released to the Issuer in an amount equal to the aggregate Quarterly Amortisation Amount so allocated and applied to redeem each Class of Notes as of such Interest Payment Date, and (c) on each Interest Payment Date on which a Defaulted Reference Obligation Recovery Amount is allocated to reduce the outstanding Principal Balance of a

Class of Notes, a portion of the Cash Deposit will be released to the Issuer in an amount equal to the aggregate of the Defaulted Reference Obligation Recovery Amount so allocated and applied to redeem each Class of Notes accordingly. The Cash Deposit Agreement also provides that, on each Interest Payment Date, income amounts earned in relation to the Cash Deposit will be released to the Issuer to satisfy in part, among other things, interest payments on the Notes. For more details, see “CREDIT DEFAULT SWAP – Use of Cash Deposit for Payment of Credit Protection Payment Amounts, Interest and Principal on the Notes”.

Quarterly Amortisation Amounts and Defaulted Reference Obligation Amounts

Quarterly Amortisation Amounts will arise after the Revolving Period as a result of Reductions or Removals.

The “**Quarterly Amortisation Amount**” will be equal to:

- (a) on the first Interest Payment Date falling after the Revolving Period the amount, if any, by which (A) the aggregate of all Reduction Amounts and Removal Amounts during the Revolving Period exceeds (B) the aggregate of the Reference Obligation Notional Amounts corresponding to Substitutions made during the Revolving Period; or
- (b) on any subsequent Interest Payment Date, the aggregate of all Reduction Amounts and Removal Amounts during the most recent Determination Period.

“**Determination Period**” means each period beginning on (and including) a Determination Date (or the Closing Date in respect of the first Determination Period) and ending on (but excluding) the next Determination Date.

Defaulted Reference Obligation Recovery Amounts will arise on any Interest Payment Date on which Credit Protection Payment Amounts are payable and will be equal, with respect to each Defaulted Reference Obligation, to the difference between its Defaulted Reference Obligation Notional Amount and the related Credit Protection Payment Amount.

Order of Allocation of Quarterly Amortisation Amounts

Quarterly Amortisation Amounts determined with respect to any Interest Payment Date will be allocated on that Interest Payment Date to reduce the Senior CDS Notional Amount and the outstanding Principal Balance of the Notes (and the CDS Notional Amount), in accordance with the following order of priority (the “**Order of Allocation of Quarterly Amortisation Amounts**”):

- (a) If no Sequential Amortisation Trigger Event (as defined in “CREDIT DEFAULT SWAP – Sequential Amortisation Trigger Events” below) has occurred on or at any time prior to the Determination Date falling immediately prior to that Interest Payment Date, the relevant Quarterly Amortisation Amount will be allocated (i) first, to reduce the Senior CDS Notional Amount and the outstanding Principal Balance of each Class of Notes (other than the Class F Notes), on a *pari passu* and *pro rata* basis, (in each case up to a maximum amount equal to the Senior CDS Notional Amount or the Principal Balance of that Class, as applicable) and (ii) thereafter (if the Senior CDS Notional Amount and the outstanding Principal Balance of the Notes other than the Class F Notes have been reduced to zero on or prior to such Payment Date), to reduce the outstanding Principal Balance of the Class F Notes in descending Order of Priority (such order of allocation being the “**Pro-rata Order of Allocation**”).
- (b) If a Sequential Amortisation Trigger Event has occurred on or at any time prior to the Determination Date falling immediately prior to that Interest Payment Date, then, the relevant Quarterly Amortisation Amount will be allocated in the following order (i) first to reduce the Senior CDS Notional Amount to zero and (ii) thereafter, to reduce the outstanding Principal Balance of each Class of Notes (in each case up to a maximum amount equal to the Principal Balance of that Class) in descending Order of Priority starting with the most senior Class then

outstanding and *pari passu* and *pro rata* within each Class (such order of allocation being the “**Sequential Order of Allocation**”)

The CDS Notional Amount will be reduced on each Interest Payment Date in an amount equal to the Quarterly Amortisation Amount allocated to reduce the outstanding Principal Balance of the Notes on such Interest Payment Date.

Order of Allocation of Defaulted Reference Obligation Recovery Amounts

Defaulted Reference Obligation Recovery Amounts determined with respect to any Interest Payment Date will be allocated on that Interest Payment Date in accordance with the Sequential Order of Allocation.

The CDS Notional Amount will be reduced on each Interest Payment Date in an amount equal to the Defaulted Reference Obligation Recovery Amount allocated to reduce the outstanding Principal Balance of the Notes on such Interest Payment Date.

Issuer’s Priority of Payments

Available Income Funds Priority of Payments

For so long as the Trustee has not delivered an Enforcement Notice (as defined in the Conditions), on each Interest Payment Date, the Available Income Funds for such date will be allocated and applied as follows in the following priority (the “**Available Income Funds Priority of Payments**”), in each case to the extent of Available Income Funds:

- (1) to the extent not paid by the Swap Counterparty on its behalf, to pay any Budgeted Operating Expenses and Exceptional Expenses (each as defined below) due and unpaid to the Trustee on such Interest Payment Date;
- (2) to pay into an account (the “**Dutch Tax Account**”) an amount equal to 1.25% of the annual fee payable by the Issuer under the Management Agreement between the Issuer and its managing director (the “**Management Fee**”);
- (3) to pay or provide for any tax liabilities incurred by or assessments made against the Issuer, other than Netherlands corporate income tax over the amount referred to in 2 above;
- (4) to the extent not paid by the Swap Counterparty on its behalf, to pay *pari passu* to the relevant parties (other than the Trustee) the Budgeted Operating Expenses due and unpaid on such Interest Payment Date;
- (5) to pay any accrued or unpaid interest due and payable on the Class A Notes on the relevant Interest Payment Date;
- (6) to pay any accrued or unpaid interest due and payable on the Class B Notes on the relevant Interest Payment Date;
- (7) to pay any accrued or unpaid interest due and payable on the Class C Notes on the relevant Interest Payment Date;
- (8) to pay any accrued or unpaid interest due and payable on the Class D Notes on the relevant Interest Payment Date;
- (9) to pay any accrued or unpaid interest due and payable on the Class E Notes on the relevant Interest Payment Date;
- (10) to pay any accrued or unpaid interest due and payable on the Class F Notes on the relevant Interest Payment Date;
- (11) to the extent not paid by the Swap Counterparty on its behalf, to pay *pari passu* to the Operating Creditors (as defined below) (other than the Trustee) any Exceptional Expenses due and unpaid on such Interest Payment Date; and
- (12) on any Full Redemption Date, to pay to the Swap Counterparty the Swap Termination Payment.

“Budgeted Operating Expenses” means any anticipated fees and expenses payable by the Issuer on any Interest Payment Date to any Operating Creditor. **“Operating Creditor”** means any of (1) the Trustee and any agent, delegate or other appointee thereof, (2) any Receiver of the Issuer, (3) any Agent, (4) the Cash Administrator, (5) any director of the Issuer or the Parent (as defined below), (6) any stock exchange on which any of the Issuer’s Notes are listed, (7) the Issuer’s auditors and tax advisers or tax auditors, and any Chamber of Commerce fees payable by the Issuer, (8) any Rating Agency, (9) any independent experts or independent calculation agent appointed under the Credit Default Swap, and (10) any other creditor (other than the Noteholders, the Swap Counterparty or the Repo Counterparty) from time to time of the Issuer who has been notified to the Cash Administrator in accordance with the Cash Administration Agreement (and including any amounts of value added tax or other taxes, other than corporate income tax, due to any applicable revenue authorities). **“Exceptional Expenses”** means any fees, expenses, out of pocket expenses, costs, liabilities or indemnity amounts or any other amounts which are incurred or claimed by any Operating Creditor which are not Budgeted Operating Expenses and which are payable by the Issuer under a Transaction Document to which it is a party. **“Initial Reference Portfolio Notional Amount”** means the Maximum Reference Portfolio Notional Amount on the Closing Date, being EUR 10,000,000,000. **“Transaction Documents”** means the Trust Deed, the Deed of Charge, the Issuer Account Pledge, the Cash Deposit Account Pledge, the Dutch Tax Account Pledge, the Paying Agency and Agent Bank Agreement, the Subscription Agreement, the Master Definitions and Common Terms Agreement (each as defined in the Conditions), the Credit Default Swap, the Cash Deposit Agreement, the Repo Agreement and the Cash Administration Agreement.

Available Redemption Funds Priority of Payments

For so long as the Trustee has not delivered an Enforcement Notice (as defined in the Conditions), on any Interest Payment Date on which the Notes are to be redeemed in whole or in part or have been declared due and repayable in accordance with the Conditions, the Issuer shall apply Available Redemption Funds (as defined in the Conditions) as follows and in the following order of priority (the **“Available Redemption Funds Priority of Payments”**), in each case to the extent of Available Redemption Funds:

- (1) to the payment of the amounts referred to above in paragraphs (1) to (4) of the Available Income Funds Priority of Payments only to the extent not paid in full thereunder;
- (2) to pay to the Swap Counterparty the aggregate amount of Credit Protection Payment Amounts, if any, due and unpaid on such Interest Payment Date;
- (3) on any Interest Payment Date that is not a Full Redemption Date, to make payments of principal then due on each Class with reference to the Order of Allocation of Quarterly Amortisation Amounts in respect of Quarterly Amortisation Amounts or the Sequential Order of Allocation in respect of Defaulted Reference Obligation Recovery Amounts, *pari passu* and *pro rata* within each Class;
- (4) on a Full Redemption Date, to make payments of principal then due on each Class, sequentially in descending Order of Priority starting with the most senior Class then outstanding and *pari passu* and *pro rata* within each Class;
- (5) to pay *pari passu* to the Operating Creditors (other than the Trustee) any Exceptional Expenses due and unpaid on such Interest Payment Date (to the extent not paid out of Available Income Funds);
- (6) to pay *pari passu* to the Cash Deposit Bank any break costs in accordance with the provisions of the Cash Deposit Agreement and to pay to the Repo Counterparty any termination amount under the Repo Agreement; and
- (7) on any Full Redemption Date to pay the Swap Counterparty the Swap Termination Payment.

The **“Swap Termination Payment”** is an amount equal to the balance of the Available Income Funds and the Available Redemption Funds (if any) remaining on a Full Redemption Date after applying such funds to items (1) to (12) of the Available Income Funds Priority of Payments and items (1) to (6) of the Available Redemption Funds Priority of Payments respectively.

THE PARTIES

Issuer	Amstel Securitisation of Highgrade Exposures 2007-1 B.V., a private limited liability company (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), incorporated under the laws of the Netherlands and having its registered office at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands (the “ Issuer ”). The Issuer has been established for the purpose of entering into the Credit Default Swap, issuing the Notes and entering into the Transaction Documents. See “ISSUER”.
Management	N.V. Algemeen Nederlands Trustkantoor ANT will act as managing director of the Issuer and will be responsible for the management and administration of the Issuer pursuant to the management agreement effective as of 26 April 2007 (the “ Management Agreement ”). See “ISSUER”.
Parent	Stichting Amstel Securitisation of Highgrade Exposures 2007-1 (the “ Parent ”), being a foundation (<i>stichting</i>) established under the laws of the Netherlands and holding all of the outstanding share capital of the Issuer.
Swap Counterparty	ABN AMRO BANK N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands (hereinafter “ ABN AMRO ”) will act as Swap Counterparty. Neither the Swap Counterparty nor any associated body of it owns directly or indirectly any of the share capital of the Issuer or has been granted the right to subscribe for any share capital of the Issuer.
Repo Counterparty	ABN AMRO Bank N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands will be the initial Repo Counterparty to the contingent Repo Agreement. Any other entity having the Repo Counterparty Required Rating may subsequently become the Repo Counterparty.
Cash Administrator	ABN AMRO BANK N.V., London Branch of 82 Bishopsgate, London EC2N 4BN, United Kingdom will act as Cash Administrator for the Issuer pursuant to the Cash Administration Agreement.
Cash Deposit Bank	ABN AMRO BANK N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands will act as initial account bank (the “ Cash Deposit Bank ”) in relation to the Cash Deposit Account.
Issuer Account Bank	ABN AMRO BANK N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands (in such capacity, the “ Issuer Account Bank ”) will act as initial account bank in relation to the Issuer Account.
Trustee	ABN AMRO Trustees Limited (the “ Trustee ”) in its capacity as trustee for the Noteholders in accordance with the terms of the Trust Deed and as holder of the Security for itself and the Swap Counterparty, the Noteholders and the other Secured Creditors (as such terms are defined in the Conditions) in accordance with the terms of the Deed of Charge and under, in addition to the Deed of Charge, (i) a Dutch law governed pledge agreement (the “ Cash

Deposit Account Pledge”) to be entered into on or prior to the Closing Date between the Issuer, the Trustee and ABN AMRO relating to the Cash Deposit Account, (ii) a Dutch law governed pledge agreement (the “**Issuer Account Pledge**”) entered into on or prior to the Closing Date between the Issuer, the Trustee and ABN AMRO relating to Issuer Account and (iii) a Dutch law governed pledge agreement (the “**Dutch Tax Account Pledge**”) to be entered into on or prior to the Closing Date between the Issuer, the Trustee and ABN AMRO relating to the Dutch Tax Account.

Agent Bank	ABN AMRO BANK N.V., Kemelstede 2, 4817 ST Breda, the Netherlands (in such capacity, the “ Agent Bank ”) will act as agent bank in accordance with the terms of the Paying Agency and Agent Bank Agreement.
Principal Paying Agent	ABN AMRO BANK N.V., Kemelstede 2, 4817 ST Breda, the Netherlands (in such capacity, the “ Principal Paying Agent ”) will act as principal paying agent in respect of the Notes through its office in the Netherlands in accordance with the terms of the Paying Agency and Agent Bank Agreement.
Rating Agencies	Moody's and S&P.
Arranger	ABN AMRO BANK N.V., London Branch, of 250 Bishopsgate, London EC2M 4AA, United Kingdom in its capacity as arranger of the transaction (the “ Arranger ”).
Lead Manager	ABN AMRO BANK, N.V., London Branch of 250 Bishopsgate, London EC2M 4AA, United Kingdom in its capacity as Lead Manager of the issue of Notes (the “ Lead Manager ”)
Calculation Agent	ABN AMRO BANK N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands will act as calculation agent under the Credit Default Swap.
Listing Agent	ABN AMRO BANK N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands will act as listing agent in respect of the Rated Notes (in such capacity, the “ Listing Agent ”). The Rated Notes are expected to be admitted to trading on or about 11 May 2007.
Common Safekeeper	Euroclear or Clearstream, Luxembourg
Custodian under the Repo Agreement (if any)	ABN AMRO will be appointed as custodian under the Repo Agreement (although another entity may be utilised depending on the Purchased Securities held pursuant to the Repo Agreement).

PRINCIPAL FEATURES OF THE NOTES

Title	EUR 445,000,000 Class A Credit-Linked Floating Rate Notes due 2017 (the “ Class A Notes ”);
	EUR 75,000,000 Class B Credit-Linked Floating Rate Notes due 2017 (the “ Class B Notes ”);
	EUR 115,000,000 Class C Credit-Linked Floating Rate Notes due 2017 (the “ Class C Notes ”);
	EUR 75,000,000 Class D Credit-Linked Floating Rate Notes due 2017 (the “ Class D Notes ”);
	EUR 90,000,000 Class E Credit-Linked Floating Rate Notes due 2017 (the “ Class E Notes ” and together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the “ Rated Notes ”); and
	EUR 200,000,000 Class F Credit-Linked Floating Rate Notes due 2017 (the “ Class F Notes ”, and together with the Rated Notes, the “ Notes ”).
	The aggregate nominal amount of the Notes is EUR 1,000,000,000.
	The Rated Notes will be listed on a “regulated market” as that term is defined in article 1 (13) of the Investment Services Directive (Directive 93/22/EC) and shall be subject to selling restrictions, see “SUBSCRIPTION AND SALE”.
	The Notes are to be issued in accordance with the terms of the Trust Deed and on the terms of and subject to the Conditions.
Closing Date	11 May 2007.
Form and Denomination	Each Class will initially be in the form of a Temporary Global Note without interest coupons or receipts, which will be deposited with the Common Safekeeper on or about the Closing Date.
	Each Temporary Global Note will be exchangeable, in whole, for interests in a Permanent Global Note relating to the same Class, without interest coupons or receipts, not earlier than 40 days after the Closing Date upon certification as to non-United States beneficial ownership. Interest payments in respect of the Notes cannot be collected until such certification of non-United States beneficial ownership has been received by the Principal Paying Agent.
	The Notes will be issued in bearer form in the denomination of EUR 100,000 each. In certain limited circumstances, definitive Notes with Coupons, Receipts and Talons (each as defined below) attached will be issued in exchange for a Permanent Global Note.
Status and Ranking	The Notes will constitute direct, secured and unconditional obligations of the Issuer. The Notes of each Class rank <i>pari passu</i>

without any preference or priority amongst Notes of the same Class.

The Notes represent the right to receive interest and principal payments from the Issuer in accordance with the Conditions and the Trust Deed.

With respect to certain matters referred to herein, the respective Classes of Notes shall rank in the following descending order of priority: the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes (the “**Order of Priority**”).

In each case subject to the *pro rata* redemption of Notes in certain circumstances in accordance with the Order of Allocation of Quarterly Amortisation Amounts, all payments of interest and principal due on the Class A Notes will rank in priority to payments of interest and principal due on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes; all payments of interest and principal due on the Class B Notes will rank in priority to payments of interest and principal due on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes; all payments of interest and principal due on the Class C Notes will rank in priority to payments of interest and principal due on the Class D Notes, the Class E Notes and the Class F Notes; all payments of interest and principal due on the Class D Notes will rank in priority to payments of interest and principal due on the Class E Notes and the Class F Notes; and all payments of interest and principal due on the Class E Notes will rank in priority to payments of interest and principal due on the Class F Notes.

Security for the Notes

Pursuant to the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge, the Notes will be secured in favour of the Trustee. The Security is held by the Trustee for the benefit of itself and the Swap Counterparty, the Noteholders and the other Secured Creditors.

Maturity

The Notes are expected to mature on the Interest Payment Date which falls in October 2016 (the “**Scheduled Redemption Date**”). In the event that one or more Credit Event Notices are received on or prior to the Scheduled Redemption Date but the Credit Protection Payment Amounts have not yet been determined in respect thereof at least five business days prior to the Scheduled Redemption Date, the funds available to the Issuer to redeem the Notes in full at their Principal Balance on the Scheduled Redemption Date will be reduced by the Reference Obligation Notional Amount of the Reference Obligation(s) in respect of which such Credit Event Notices were received, the Issuer shall give notice to the Trustee and the holders of the Notes, that insufficient funds will be available to the Issuer to redeem all of the Notes in full at their Principal Balance, and the Notes which are not so redeemed on the Scheduled Redemption Date (to the extent of such insufficiency of funds) shall remain outstanding (and shall continue to bear interest) until the date (the “**Final Redemption Date**”) which is the earlier of (a) the Interest Payment Date upon which the Notes have been redeemed in full, and (b) the Interest Payment Date which falls in April 2017. The period from the Scheduled Redemption Date to the Final Redemption Date is called the “**Extension Period**”.

Revolving Period

In the event that a Reference Obligation included in the Reference Portfolio is subject to a Removal or Reduction (as these terms are defined in “CREDIT DEFAULT SWAP – Substitution and other changes to the Reference Portfolio”) during the period (the “**Revolving Period**”) from (and including) the Closing Date to (and including) the Determination Date relating to the Interest Payment Date falling in October 2008 (the “**Revolving Period End Date**”), such Removal or Reduction will not result in a principal repayment of the Notes. Instead, during the Revolving Period, the Swap Counterparty will have the right to replenish (in accordance with the provisions of the Credit Default Swap) the Reference Portfolio by making one or more Substitutions, provided that the Conditions to Substitution (as defined in “CREDIT DEFAULT SWAP – Conditions to Substitution”) are complied with, including the requirement that the aggregate Reference Obligation Notional Amounts of all Reference Obligations following such Substitution(s) does not exceed the Maximum Reference Portfolio Notional Amount.

Interest Periods and Interest Rate

Interest on the Notes is payable by reference to successive interest periods (each an “**Interest Period**”). Interest on the Notes will be payable quarterly in arrear in euro on the 10th day of each of April, July, October and January in each year to (and including) the 10th day of April 2017 (if the Notes are not redeemed in full before) (each an “**Interest Payment Date**”), except that the first Interest Period will run from (and include) the Closing Date to (but exclude) the Interest Payment Date falling in July 2007, subject in each case to adjustment for non-business days as set out in the terms and conditions of the Notes (the “**Conditions**”). Each other Interest Period will commence on (and include) an Interest Payment Date and end on (but exclude) the next succeeding Interest Payment Date. The Notes will bear interest on the Principal Balance of each Class by reference to the interbank offered rate for euro deposits (“**EURIBOR**”) of three months (save that in the case of the first Interest Period as of the Closing Date the rate will be a linear interpolation of EURIBOR for one month and two month euro deposits) as calculated in accordance with the Conditions, plus, in respect of each Class, the Relevant Margin (as specified in Condition 4) (except that in respect of the Extension Period, the rate of interest will not include the Relevant Margin).

The Relevant Margin for each Class will be:

Class A Notes: 0.18 percent per annum;

Class B Notes: 0.27 percent per annum;

Class C Notes: 0.45 percent per annum.

Class D Notes: 0.90 percent per annum;

Class E Notes: 2.85 percent per annum;

Class F Notes: 0.00 percent per annum.

Interest payments shall be made on Interest Payment Dates only to the extent the Issuer has funds available for the purpose and in accordance with the Available Income Funds Priority of Payments.

Calculation of Interest

Each Class will bear interest on its Principal Balance at the per annum rates described above (plus, in each case, the relevant margin specified).

Reduction in the Principal Balance of Notes for Credit Protection Payment Amounts

Upon a Credit Protection Payment Amount becoming payable by the Issuer, the Principal Balance of the most junior Class then outstanding shall be reduced by an amount equal to the lesser of (i) such Principal Balance and (ii) such Credit Protection Payment Amount, with such reduction being made to the Principal Balance of each class of Notes, in sequence, in accordance with the Reverse Order of Seniority, until the respective Principal Balance thereof has been reduced to zero.

Scheduled Redemption	<p>Unless previously redeemed or repaid in full (or partially redeemed following the Revolving Period End Date, as described in “<i>Unscheduled Redemption following the end of the Revolving Period</i>”, “<i>Unscheduled Redemption prior to Revolving Period End Date</i>”, “<i>Unscheduled Redemption Following the Occurrence of a Sequential Amortisation Trigger Event</i>” and “<i>Unscheduled Redemption in respect of Defaulted Reference Obligation Recovery Amounts</i>” below), no principal payments will be made on the Notes until the Scheduled Redemption Date. On the Scheduled Redemption Date (or, subject to the commencement of the Extension Period, if any, on the Final Redemption Date), the Notes of each Class will be redeemed at their Principal Balance (after taking into account any Credit Protection Payment Amounts that may be required to be paid on or after such date), subject as provided herein.</p>
Unscheduled Redemption Prior to the Revolving Period End Date	<p>Except as provided for in the paragraph entitled “Unscheduled Redemption in respect of Defaulted Reference Obligation Recovery Amounts” below, no principal payments will be made on the Notes during the Revolving Period.</p>
Unscheduled Redemption Following the Revolving Period End Date	<p>Following the Revolving Period End Date, and provided that no Sequential Amortisation Trigger Event has occurred, each Class of Notes shall (subject to and in accordance with the Available Redemption Funds Priority of Payments) be subject to mandatory redemption on each Interest Payment Date on which a Quarterly Amortisation Amount is allocated to reduce the outstanding Principal Balance of that Class (in accordance with the Pro-rata Order of Allocation) in an amount equal to the lesser of (i) the Quarterly Amortisation Amount so allocated and (ii) the outstanding Principal Balance of that Class (immediately prior to the allocation of the Quarterly Amortisation Amount on such Interest Payment Date).</p>
Unscheduled Redemption Following the Occurrence of a Sequential Amortisation Trigger Event	<p>If a Sequential Amortisation Trigger Event has occurred after the Revolving Period End Date, each Class of Notes shall (subject to and in accordance with the Available Redemption Funds Priority of Payments) be subject to mandatory redemption on each Interest Payment Date on which a Quarterly Amortisation Amount is allocated to reduce the outstanding Principal Balance of that Class (in accordance with the Sequential Order of Allocation) in an amount equal to the lesser of (i) the Quarterly Amortisation Amount so allocated and (ii) the outstanding Principal Balance of that Class (immediately prior to the allocation of the Quarterly Amortisation Amount on such Interest Payment Date).</p>
Unscheduled Redemption in Respect of Defaulted Reference Obligation Recovery Amounts	<p>Each Class of Notes shall (subject to and in accordance with the Available Redemption Funds Priority of Payments) be subject to mandatory redemption on each Interest Payment Date on which a Defaulted Reference Obligation Recovery Amount is allocated to reduce the outstanding Principal Balance of that Class (in accordance with the Sequential Order of Allocation) in an amount equal to the lesser of (i) the Defaulted Reference Obligation Recovery Amount so allocated and (ii) the outstanding Principal Balance of that Class (immediately prior to the allocation of the Defaulted Reference Obligation Recovery Amount on such Payment Date).</p>

**Mandatory Redemption for
Regulatory Change and for
Certain Other Reasons**

The Issuer shall redeem all outstanding Notes (except in the case of (a) below where it may redeem any Class or Classes, and subject, in each case, to any requirement to retain a portion of the Cash Deposit for any Credit Protection Payment Amounts, that have not been calculated at least five business days prior to the relevant redemption date, that will become due and payable by the Issuer) at their Principal Balance on any Interest Payment Date (a) in the event of the occurrence of a Regulatory Change and if the Swap Counterparty directs the Issuer to redeem any Class or Classes of Notes, (b) when the Reference Portfolio Notional Amount is less than 10% of the Initial Reference Portfolio Notional Amount and if the Swap Counterparty directs the Issuer to redeem the Notes, (c) when the Cash Deposit Agreement, or Repo Agreement, as applicable, is terminated in whole or in part and is not replaced by a further Cash Deposit Agreement or Repo Agreement, as applicable or (d) when the Credit Default Swap is terminated (whether an early termination or otherwise) in each case in accordance with the Available Redemption Funds Priority of Payment and subject to the requirements specified in Condition 5.

**Redemption for
Taxation Reasons**

The Issuer may redeem all (but not some only, subject to any requirement to retain a portion of the Cash Deposit for Credit Protection Payment Amounts that will be payable by the Issuer but have not been calculated at least five business days prior to the relevant redemption date) of the Notes of each Class at their Principal Balance on any Interest Payment Date if:

- (a) the Issuer is to make any payment under the Credit Default Swap in respect of which an amount is required to be deducted for or on account of tax;
- (b) the Issuer determines that the payment of any Issuer CD/Repo Income is subject to deduction or withholding for or on account of any tax, duty, assessment or other governmental charge or is otherwise subject to taxation in the Netherlands; or
- (c) the Issuer is required, as a result of any change in or amendment to the laws or regulations of the Netherlands or any other jurisdiction or any political sub-division or any authority of any such jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change becomes effective on or after the Closing Date, to deduct or withhold from any payment to be made in respect of the Notes any amount for or on account of any present or future taxes, duties, assessments of whatever nature imposed, levied, collected, withheld or assessed by the Netherlands or any other jurisdiction or any political sub-division or any authority of such jurisdiction.

In order to effect such a redemption the Issuer must have given not more than 60 nor less than 30 days' notice to the Trustee and the Noteholders, such notice to be given in accordance with Condition 12. Condition 5 also requires that prior to the publication of any such notice of redemption, the Issuer shall deliver to the Trustee:

- (a) a legal opinion acceptable to the Trustee from a firm of lawyers in the Netherlands, or any other jurisdiction as applicable, opining on the relevant change in tax law and a

certificate signed by a duly authorised signatory of the Issuer stating that the obligation to make a deduction for or on account of tax cannot be avoided; and

- (b) a certificate signed by a duly authorised signatory of the Issuer to the effect that the Issuer will have the funds on the relevant Interest Payment Date, not subject to the interest of any other person, required to redeem the Notes and meet its payment obligations of a higher priority under the priority of payments set forth in the Conditions.

Ratings

The Class A Notes are expected upon issue to be rated Aaa by Moody's and AAA by S&P. The Class B Notes are expected upon issue to be rated Aa2 by Moody's and AA by S&P. The Class C Notes are expected upon issue to be rated A2 by Moody's and A by S&P. The Class D Notes are expected upon issue to be rated Baa2 by Moody's and BBB by S&P. The Class E Notes are expected upon issue to be rated Ba2 by Moody's and BB by S&P. The Class F Notes are not expected to be rated. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by any one or all of the Rating Agencies.

Listing

Application has been made to the *Autoriteit Financiële Markten* (the “**AFM**”) in its capacity as competent authority under the FSA in the Netherlands for approval of this Prospectus.

Application has also been made to admit the Notes (other than the Class F Notes) to trading on Eurolist by Euronext Amsterdam N.V.. Eurolist is a “regulated market” for the purposes of the Investment Services Directive (Directive 93/22/EC).

Isin/Common Code number

The Notes have been accepted for clearance through Clearstream, Luxembourg, and Euroclear.

The international securities identification number (ISIN) allocated to:

- (i) the Class A Notes is XS0297309386;
- (ii) the Class B Notes is XS0297310715;
- (iii) the Class C Notes is XS0297312331;
- (iv) the Class D Notes is XS0297313818;
- (v) the Class E Notes is XS0297314626; and
- (vi) the Class F Notes is XS0297316910.

The common code allocated to:

- (i) the Class A Notes is 029730938;
- (ii) the Class B Notes is 029731071;
- (iii) the Class C Notes is 029731233;

- (iv) the Class D Notes is 029731381;
- (v) the Class E Notes is 029731462; and
- (vi) the Class F Notes is 029731691.

Clearing

The Global Notes issued in respect of the Notes will clear through Euroclear and Clearstream, Luxembourg.

Governing Law

The Notes will be governed by English law.

CREDIT DEFAULT SWAP

The following description of the Credit Default Swap is a summary only of certain aspects of the Credit Default Swap and is subject in all respects to the terms of the Credit Default Swap Agreement. Noteholders are deemed to have notice of and to be bound by the terms of the Credit Default Swap Agreement.

The Credit Default Swap is entered into pursuant to a 1992 ISDA Master Agreement (Multicurrency-Cross Border), Schedule and Confirmation (the “**Credit Default Swap Agreement**”), to be entered into on or prior to the Closing Date, between the Issuer and the Swap Counterparty.

Reference Obligations and Reference Entities

The Swap Counterparty has on or about the Report Date designated the Reference Portfolio. The Reference Portfolio consists of a pool of Reference Obligations, which are payment obligations under certain financial instruments (including term and revolving loans (whether drawn or undrawn), guarantees and reimbursement obligations in relation to letters of credit issued at the request of Reference Entities), as specified in the Reference Register. The Reference Portfolio listed on the Reference Register will be the subject of the Credit Default Swap. On the Report Date, the Reference Obligations satisfied the Reference Obligation Criteria and the Reference Portfolio satisfied the Reference Portfolio Criteria.

The Reference Portfolio will not include bonds or any asset-backed securities. The Reference Obligations have been identified by ABN AMRO and subjected to ABN AMRO’s normal credit process, and the Reference Entities to which the Reference Obligations relate have a Moody’s Rating (as defined below) of at least Baa3 and a S&P Rating (as defined below) of at least BBB- (or the equivalent ABN AMRO Credit Score (as defined below)). However, ABN AMRO is not required to have an interest in any Reference Obligation as at the Report Date and if it holds any Reference Obligation as at the Report Date, it is not obliged to retain or continue to book any Reference Obligation after the Report Date.

In respect of each Reference Obligation, the Swap Counterparty shall designate the Reference Obligation Notional Amount by reference to which any Credit Protection Payment Amount relating to such Reference Obligation shall be calculated. The Reference Obligation Notional Amount in respect of any Reference Obligation may increase or decrease from time to time as further described below. The aggregate of the Reference Obligation Notional Amounts of all Reference Obligations in the Reference Portfolio (the “**Reference Portfolio Notional Amount**”) shall not at any time exceed the Maximum Reference Portfolio Notional Amount.

The Reference Portfolio Notional Amount will be subject to change to reflect (i) during the Revolving Period, any Reductions, Removals, Substitutions or Removed Defaulted Reference Obligations and (ii) after the Revolving Period End Date, any Mandatory Reductions, Mandatory Removals or Removed Defaulted Reference Obligations.

Reference Portfolio

The Reference Portfolio will at all times be comprised of Reference Obligations (a) listed on a register (the “**Reference Register**”) maintained by or on behalf of the Swap Counterparty, (b) required individually to meet on the Report Date (but not necessarily thereafter) certain criteria as to creditworthiness and diversity (the “**Reference Obligation Criteria**”), and (c) in relation to (i) any Substitution, required to satisfy the Conditions to Substitution as set out under “CREDIT DEFAULT SWAP – Conditions to Substitution”, (ii) any Voluntary Reduction, required to satisfy the Conditions to Voluntary Reduction as set out under “CREDIT DEFAULT SWAP – Conditions to Voluntary Reduction”, and (iii) any Voluntary Removal, required to satisfy the Conditions to Voluntary Removal as set out under “CREDIT DEFAULT SWAP – Conditions to Voluntary Removal”. In addition, except as is provided for in the Conditions to Substitution, the Reference Portfolio as a whole is required to meet certain criteria as to creditworthiness and diversity (the “**Reference Portfolio Criteria**”, together with the Reference Obligation Criteria referred to as the “**Eligibility Criteria**”)

Reference Register and Reporting

The Reference Register will contain information including (i) the identity of each Reference Entity, (ii) the reference number of each Reference Entity, (iii) the identity of each Related Reference Entity, (iv) the reference number of each Related Reference Entity, (v) the reference number designated by the Swap Counterparty for each Reference Obligation, (vi) the Reference Obligation Notional Amount of each Reference Obligation, (vii) the Reference Entity Notional Amount (as defined below) of each Reference Entity, (viii) the ABN AMRO Credit Score, (ix) the Moody's Rating and the S&P Rating attributed to each Reference Entity, (x) the country of incorporation of each Reference Entity, (xi) the sovereign credit rating assigned to the country of incorporation of each Reference Entity by Moody's, (xii) the sovereign credit rating assigned to the country of incorporation of each Reference Entity by S&P, (xiii) the equivalent mapped S&P and Moody's industry code as determined by the Swap Counterparty with reference to its own industrial classification (as used in its credit assessment process), (xiv) the residual maturity date in respect of each Reference Obligation, and (xv) indication of the Reference Entities that have a public rating from Moody's and/or S&P. The Swap Counterparty will update the Reference Register on each Adjustment Date, on each Determination Date and on such other date as it may decide to reflect, among other things, Adjustments, removals of Defaulted Reference Obligations or changes that have occurred in the Reference Portfolio since the Report Date or the most recent update, as the case may be, in the ABN AMRO Credit Score (as defined below) of any Reference Entity.

On or about the Closing Date, on each Adjustment Date and on each Determination Date, the Swap Counterparty will deliver to the Issuer, the Trustee and the Cash Administrator (i) all the information included in the Reference Register other than the identity of the Reference Entities or the Related Reference Entities, (ii) such other information as the Swap Counterparty may deem appropriate or the Trustee may require (subject to compliance with applicable banking secrecy laws) (collectively (i) and (ii) above being the **"Disclosable Information"**).

Within five business days of the Closing Date the Trustee will prepare a report (the **"Closing Date Report"**) setting out the Disclosable Information as at the Closing Date.

Within five business days of each Adjustment Date falling within the Revolving Period, the Trustee will prepare a report (the **"Adjustment Date Report"**) based, *inter alia*, on the Disclosable Information provided to it by the Swap Counterparty on such Adjustment Date and setting out (i) the Disclosable Information, and (ii) a breakdown of the Adjustments effected on such Adjustment Date and a confirmation that such Adjustments were effected in compliance with the Conditions to Substitution, the Conditions to Voluntary Removal and/or the Conditions to Voluntary Reduction (as applicable).

Within five business days of each Determination Date the Trustee will also prepare a quarterly report (the **"Interest Payment Date Report"**) based, *inter alia*, on the Disclosable Information provided to it by the Swap Counterparty on such Determination Date and setting out (i) the Disclosable Information, (ii) a breakdown of all Adjustments made since the previous Interest Payment Date Report (or since the Closing Date in respect of the first Interest Payment Date Report) and a confirmation that such Adjustments (to the extent they were made during the Revolving Period) were effected in compliance with the Conditions to Substitution, the Conditions to Voluntary Removal and/or the Conditions to Voluntary Reduction (as applicable), (iii) the status of all Reference Obligations in respect of which a Credit Event has occurred since the previous Interest Payment Date Report (or since the Closing Date in respect of the first Interest Payment Date Report), (iv) a breakdown of the Defaulted Reference Obligations together with the Credit Protection Payment Amounts, if any, resulting therefrom, and payable on the relevant Interest Payment Date, (v) the outstanding Principal Balance of each Class of Notes as at the relevant Interest Payment Date, (vi) the balance of all the bank accounts of the Issuer as at relevant Interest Payment Date and (vii) a confirmation of whether a Sequential Amortisation Trigger Event has occurred on such Determination Date.

The Closing Date Report, the Adjustment Date Report and the Interest Payment Date Report will be posted on a secure website administered by the Trustee currently www.cdtrustee.com to which, amongst others, the Noteholders will be given access upon the request to the Trustee. The Closing Date

Report, the Adjustment Date Report and the Interest Payment Date Report will be the only reports to which the Noteholders will be given access.

None of the Issuer, the Trustee, the Cash Administrator or the Noteholders shall be entitled to receive or to require from the Swap Counterparty information as to the identity of the Reference Entities or information with respect to the Reference Obligations from time to time designated on the Reference Register other than the Disclosable Information, as amended from time to time and delivered to the Issuer, the Trustee and the Cash Administrator as provided herein.

Conditions to Inclusion

Under the Credit Default Swap, the inclusion of a Reference Obligation forming a part of the Reference Portfolio is subject to the following conditions (the “**Conditions to Inclusion**”):

- (A) in respect of a Reference Obligation forming part of the Reference Portfolio on the Report Date (and not included in the Reference Portfolio pursuant to a Substitution) that (a) the Reference Portfolio satisfied the Reference Portfolio Criteria and (b) such Reference Obligation satisfied the Reference Obligation Criteria in each case on the Report Date (it being understood that where a Reference Obligation does not satisfy the Reference Obligation Criteria or causes a breach of the Reference Portfolio Criteria, this shall not in itself mean that any other Reference Obligations do not satisfy the Conditions to Inclusion); and
- (B) in respect of a Reference Obligation included in the Reference Portfolio pursuant to a Substitution, that the Conditions to Substitution were satisfied in respect of such Substitution

Substitution and other changes in the Reference Portfolio

Removals

If the Swap Counterparty:

(a) becomes aware that (i) a Reference Obligation did not comply with the Conditions to Inclusion on the Report Date or on the relevant Adjustment Date, as the case may be, or (ii) a Reference Obligation has become, for any reason other than due to the existence or occurrence of a Credit Event, no longer an obligation of the relevant Reference Entity (each such event a “**Mandatory Removal**”); or

(b) elects, at its sole discretion, on any business day during the Revolving Period to remove any existing Reference Entities or Reference Obligations (other than Reference Obligations in respect of which a Credit Event Notice has been served) from the Reference Portfolio, subject to the satisfaction of the Conditions to Voluntary Removal (see “Conditions to Voluntary Removal” below), (each such event a “**Voluntary Removal**” and together with each Mandatory Removal, a “**Removal**”), then the Reference Obligation shall be removed from the Reference Portfolio and its Reference Obligation Notional Amount shall be reduced to zero. Such Removal will take effect on the Adjustment Date, being the date on which it is recorded in the Reference Register.

For the avoidance of doubt, the term “Removal” shall not include the removal of a Defaulted Reference Obligation from the Reference Portfolio.

Conditions to Voluntary Removal

It is a condition to the making of any Voluntary Removal that:

- (a) the Swap Counterparty has no actual knowledge (after reasonable enquiry) that:
 - (i) the Moody’s Rating of the relevant Reference Entity has become equal to or lower than Ba2 or the S&P Rating of the relevant Reference Entity has become equal to or lower than BB; or

- (ii) an event or condition that could constitute a Credit Event exists on the date of such removal or decrease; and
- (b) the Reference Portfolio following the Voluntary Removal complies with the Reference Portfolio Criteria or, if the Reference Portfolio did not comply with the Reference Portfolio Criteria immediately prior to such Voluntary Removal, the Voluntary Removal does not increase the extent of such non-compliance,

(together the conditions referred to in paragraphs (a) and (b) are referred to herein as the “**Conditions to Voluntary Removal**”). For the avoidance of doubt, no such conditions apply to Mandatory Removals.

Voluntary Removals will be made solely on the basis of the Conditions to Voluntary Removal. In considering or making any Voluntary Removal, the Swap Counterparty will not take into account any matter other than the Conditions to Voluntary Removal.

Reductions

The Reference Obligation Notional Amount of a Reference Obligation will be reduced if (i) on any date, a Reference Obligation is prepaid, repaid, cancelled or amortised (to the extent that the relevant amount is not available to be re-drawn), (each such event a “**Mandatory Reduction**”) or (ii) the Swap Counterparty elects, at its sole discretion, on any business day during the Revolving Period to reduce the Reference Obligation Notional Amount relating to any Reference Obligation (each such event a “**Voluntary Reduction**” and together with each Mandatory Reduction a “**Reduction**”), subject to satisfaction of the Conditions to Voluntary Reduction (see “Conditions to Voluntary Reduction” below).

The Reference Obligation Notional Amount of a Reference Obligation which is subject to a Reduction will be reduced by an amount (the “**Reduction Amount**”) (i) determined by reference to the amount of the relevant prepayment, repayment, cancellation or amortisation (in the case of a Mandatory Reduction) or (ii) determined by the Swap Counterparty at its sole discretion (in the case of a Voluntary Reduction).

If the Reference Obligation Notional Amount is reduced to zero as a result of the Reduction, such Reference Obligation shall be deemed to have been removed from the Reference Portfolio on such date. Each Reduction will take effect on the Adjustment Date, being the date on which the Reduction is recorded in the Reference Register.

Conditions to Voluntary Reduction

It is a condition to the making of any Voluntary Reduction that (a) the Swap Counterparty has no actual knowledge (after reasonable enquiry) that (i) the Moody’s Rating of the relevant Reference Entity has become equal to or lower than Ba2 or the S&P Rating of the relevant Reference Entity has become equal to or lower than BB, or (ii) an event or condition that could constitute a Credit Event exists on the date of such removal or decrease, and (b) the Reference Portfolio following the Voluntary Reduction complies with the Reference Portfolio Criteria or, if the Reference Portfolio did not comply with the Reference Portfolio Criteria immediately prior to such Voluntary Reduction, the Voluntary Reduction does not increase the extent of such non-compliance. (together the conditions referred to in paragraphs (a) and (b) are referred to herein as the “**Conditions to Voluntary Reduction**”). For the avoidance of doubt, no such conditions apply to Mandatory Reductions.

Voluntary Reductions will be made solely on the basis of the Conditions to Voluntary Reduction. In considering or making any Voluntary Reduction, the Swap Counterparty will not take into account any matter other than the Conditions to Voluntary Reduction.

Substitutions

Subject to the Conditions to Substitution (see “Conditions to Substitution” below) the Swap Counterparty will have the right (but not the obligation), at its sole discretion on any business day during the Revolving Period to add Reference Obligations of existing or new Reference Entities to the Reference Portfolio or increase the Reference Obligation Notional Amounts of existing Reference Obligations (each such event being referred to herein as a “**Substitution**” and, together with Removals and Reductions an “**Adjustment**”). A Substitution may (but is not required to) be effected to replenish the Reference Portfolio where there has been a Reduction or a Removal. However, it is not a Condition to Substitution that there has been a Reduction or Removal. In addition, a Substitution that is being made following a Reduction or a Removal need not be for the same amount as the Reference Obligation Notional Amount which is the subject of the Reduction or Removal to which it relates provided the Conditions to Substitution are satisfied.

Substitutions will be made solely on the basis of the Conditions to Substitution (including compliance with the Eligibility Criteria to the extent provided for therein). In considering or making any Substitutions, the Swap Counterparty will not take into account any matter other than the Conditions to Substitution. For avoidance of doubt, Substitutions may be made using another Reference Obligation of the same Reference Entity provided that such new Reference Obligation complies with the Conditions to Substitution.

Conditions to Substitution

It is a condition to the making of any Substitution that:

- (a) the Swap Counterparty has no actual knowledge (after reasonable enquiry) that an event or condition that could constitute a Credit Event exists with respect to such Reference Obligation or Reference Entity as of the relevant Adjustment Date;
- (b) the Reference Entity in respect of the substituted Reference Obligation has a Moody’s Rating of at least Baa3 and a S&P Rating of at least BBB- (or, if such Reference Entity does not have a Moody’s Rating and a S&P Rating, the equivalent ABN AMRO Credit Score);
- (c) after giving effect to all Substitutions to be made on any business day, the sum of all Reference Obligation Notional Amounts on such business day does not exceed the Maximum Reference Portfolio Notional Amount in effect immediately prior to such Substitutions;
- (d) the substituted Reference Obligation complies with the Reference Obligation Criteria;
- (e) the Reference Portfolio following the Substitution complies with the Reference Portfolio Criteria or, if the Reference Portfolio did not comply with the Reference Portfolio Criteria immediately prior to such Substitution, the Substitution does not increase the extent of such non-compliance of the Reference Portfolio with the Reference Portfolio Criteria;
- (f) the Swap Counterparty has not materially changed the method in effect as at the Closing Date of calculating the ABN AMRO Credit Score and has not materially changed its credit process in effect as at the Closing Date, unless any such change does not adversely affect the rating of the Notes; and
- (g) the Adjustment Date in relation to such Substitution is no later than the Revolving Period End Date.

The conditions referred to in paragraphs (a) to (g) inclusive above are collectively referred to as the “**Conditions to Substitution**”

Defaulted Reference Obligations

Each Defaulted Reference Obligation shall be deemed to be removed from the Reference Portfolio on the Interest Payment Date on which the Credit Protection Payment Amount in respect thereof is payable under the Credit Default Swap.

Movements in the Reference Portfolio

Removals, Reductions and/or Substitutions and Defaulted Reference Obligations will affect the Reference Portfolio Notional Amount, the Maximum Reference Portfolio Notional Amount, the CDS Notional Amount and the Senior CDS Notional Amount in the following manner.

Defaulted Reference Obligations

The removal of a Defaulted Reference Obligation on the Interest Payment Date on which the corresponding Credit Protection Payment Amount is payable will (a) reduce the Maximum Reference Portfolio Notional Amount and the Reference Portfolio Notional Amount by an amount equal to the Defaulted Reference Obligation Notional Amount (b) reduce the CDS Notional Amount by an amount equal to the Credit Protection Payment Amount payable in respect of the Defaulted Reference Obligation or, if the CDS Notional Amount has been reduced to zero, reduce the Senior CDS Notional Amount by such amount or the remaining portion thereof and (c) reduce the Senior CDS Notional Amount by the Defaulted Reference Obligation Recovery Amount or, if the Senior CDS Notional Amount has been reduced to zero, reduce the CDS Notional Amount by such amount or the remaining portion thereof, in each case on the Interest Payment Date on which the Credit Protection Payment Amount is payable.

Adjustments during the Revolving Period and at the end of the Revolving Period

Removals or Reductions effected on each Adjustment Date falling during the Revolving Period will reduce the Reference Portfolio Notional Amount by an amount equal to the relevant Removal Amount or Reduction Amount. Substitutions effected on each Adjustment Date falling during the Revolving Period will increase the Reference Portfolio Notional Amount by an amount equal to the Reference Obligation Notional Amount of the Reference Obligations included in the Reference Portfolio pursuant to the relevant Substitutions (or the amount by which the Reference Obligation Notional Amount of a Reference Obligation which was included in the Reference Portfolio prior to such Substitutions is increased as a result thereof).

Adjustments occurring during the Revolving Period will not affect the CDS Notional Amount and the Senior CDS Notional Amount until the first Interest Payment Date falling after the end of the Revolving Period. The Quarterly Amortisation Amount which may have arisen as a result of Removals or Reductions which have not been replenished by way of corresponding Substitutions during the Revolving Period will be allocated in accordance with the applicable Order of Allocation of Quarterly Amortisation Amounts to reduce, on the first Interest Payment Date falling after the Revolving Period End Date, the Senior CDS Notional Amount and the CDS Notional Amount. The Senior CDS Notional Amount and the CDS Notional Amount cannot be increased.

Adjustments after the end of the Revolving Period

Removals or Reductions effected on any Adjustment Date falling after the end of Revolving Period will cause a decrease in the Reference Portfolio Notional Amount by an amount equal to the relevant Reduction Amounts or Removal Amounts and corresponding reductions in the Senior CDS Notional Amount and, where applicable, in the CDS Notional Amount in accordance with the applicable Order of Allocation of Quarterly Amortisation Amounts.

Recording of Adjustment

Any change relating to an Adjustment will be reflected in the Reference Register and such Adjustment will take effect from the date on which the Reference Register is so updated, such date being referred to as the “**Adjustment Date**”. Adjustments will also subsequently be reflected in the updated Adjustment Date Report or Interest Payment Date Report to be prepared by the Trustee.

Conditions to Credit Protection

The Issuer shall be required to pay a Credit Protection Payment Amount to the Swap Counterparty on an Interest Payment Date if (a) the following conditions (collectively, the “**Conditions to Credit Protection**”) are satisfied: (i) the Calculation Agent has delivered a Credit Event Notice to the Issuer

(with a copy to the Trustee and the Rating Agencies) during the period (the “**Notice Delivery Period**”) commencing on the Closing Date and ending on the earlier to occur of (A) the Scheduled Redemption Date, and (B) the date on which an early termination of the Credit Default Swap occurs or has been designated, containing information that confirms in reasonable detail (1) the occurrence of a Credit Event, (2) that the Credit Event (if such Credit Event is a Failure to Pay only) occurred at least 30 days prior to the date of delivery of such Credit Event Notice and is continuing, and (3) that Publicly Available Information exists regarding the occurrence of such Credit Event with respect to a Reference Entity, or in the event that no such Publicly Available Information exists, that an internationally recognised firm of accountants (the “**Independent Accountant**”) has confirmed in writing to the Issuer and the Trustee (a copy of which confirmation shall be attached to such notice) the occurrence of such a Credit Event, provided that such Credit Event Notice shall be delivered no later than the 90th calendar day after the Swap Counterparty has actual knowledge of the Credit Event referred to therein and, if the Calculation Agent is (x) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent in respect of an Obligation or Reference Entity (each as defined below) which is the subject of a Credit Event Notice and (y) a holder of the Obligation with respect to which a Credit Event has occurred, the Calculation Agent shall be required to deliver to the Issuer (with a copy to the Trustee and the Rating Agencies) a certificate signed by an executive director (or other substantively equivalent title) of the Calculation Agent which shall certify the occurrence of the Credit Event, and (ii) when delivering a Credit Event Notice in accordance with (i) above, the Calculation Agent shall also deliver a notice (the “**Notice of Certification**”) from the Independent Accountant to the Issuer (with a copy to the Trustee and the Rating Agencies) certifying that (A) the following information contained in the Closing Date Report and the Adjustment Date Report (in each case, to the extent prepared on or after the Relevant Date) with respect to the relevant Reference Entity and Reference Obligation: its reference number, its ABN AMRO Credit Score (as defined in “Eligibility Criteria”), the description of its industry category and its Moody’s Rating and S&P Rating, its Reference Obligation Notional Amount, corresponded in all material respects to the equivalent information in the Reference Register at the Relevant Date and at each subsequent Adjustment Date, as the case may be and (B) the Reference Obligation to which the Credit Event relates satisfied the Conditions to Inclusion (as defined above) at the time when it was included in the Reference Portfolio (being the Report Date or the relevant Adjustment Date, as the case may be) and (b) the amount of the Credit Protection Payment Amount is determined by the Calculation Agent in accordance with the Credit Default Swap at least five business days (as defined below) prior to the relevant Interest Payment Date. In the case of a Credit Event other than a Failure to Pay, such Credit Event need not have been or be continuing on the date on which the Credit Event Notice is effective. Except as otherwise specifically provided above, the determination by the Calculation Agent of the occurrence of a Credit Event shall be final and binding on the Issuer and the Swap Counterparty.

The Conditions to Credit Protection can be satisfied once only in relation to each Reference Obligation but more than once in relation to a Reference Entity, the Reference Portfolio and the Credit Default Swap.

The Credit Protection Payment Amount shall be paid on the next Interest Payment Date falling not less than five business days after the date on which the quantum thereof has been determined by the Calculation Agent in accordance with the Credit Default Swap, provided that the sum of Credit Protection Payment Amounts payable by the Issuer on any Interest Payment Date shall not exceed the CDS Notional Amount on such Interest Payment Date.

On any date on which a Credit Protection Payment Amount is payable, it will be allocated to reduce the Principal Balance of the Notes in accordance with the Reverse Order of Seniority (provided that on any Payment Date the aggregate Credit Protection Payment Amounts payable by the Issuer shall not exceed the CDS Notional Amount on such Interest Payment Date). In order to satisfy its obligation to pay the Credit Protection Payment Amounts to the Swap Counterparty a commensurate amount of the Cash Deposit will be released to the Issuer by the Cash Deposit Bank and be applied towards such obligation or, in the event that the Cash Deposit Agreement is replaced by a Repo Agreement, a commensurate amount of the Purchased Securities will be repurchased under the Repo Agreement and the Repo Agreement accordingly partially unwound and the proceeds will be applied towards the Issuer’s obligation in respect of such Credit Protection Payment Amounts). Where a Credit Event has occurred the Conditions to Credit Protection are satisfied and the Credit Protection Payment Amount has been

determined, on the next Interest Payment Date falling not less than five business days following the calculation of the Credit Protection Payment Amount, each of the Reference Portfolio Notional Amount, the Maximum Reference Portfolio Notional Amount, the CDS Notional Amount and the Senior CDS Notional Amount shall be reduced by the amount referred to in “Movements in the Reference Portfolio - Defaulted Reference Obligations” above.

Determination of Credit Protection Payment Amount

If (1) a Credit Event (as defined below) has occurred, (2) the above-mentioned Conditions to Credit Protection are satisfied and (3) the Credit Protection Payment Amount in respect of the relevant Defaulted Reference Obligation has been determined by the Calculation Agent in accordance with the Credit Default Swap, before the corresponding Determination Date, on the next Interest Payment Date (the “**Cash Settlement Date**”) the Issuer will be required to pay to the Swap Counterparty the Credit Protection Payment Amount (provided that the aggregate Credit Protection Payment Amounts payable by the Issuer on any Interest Payment Date shall not exceed the CDS Notional Amount as at such Interest Payment Date) which shall be equal to the product of (a) the Reference Obligation Notional Amount of the Defaulted Reference Obligation and (b) 1 (one) less the Valuation Price (as defined below) of the Defaulted Reference Obligation.

The “**Valuation Price**” of the Defaulted Reference Obligation will be determined by reference to the Defaulted Reference Obligation or, if the Defaulted Reference Obligation does not satisfy the Valuation Obligation Category and the Valuation Obligation Characteristics (as defined below), by reference to a senior unsecured debt obligation of the Reference Entity selected by the Calculation Agent corresponding (in terms of risk and maturity profile) to the Defaulted Reference Obligation that does satisfy the Valuation Obligation Category and the Valuation Obligation Characteristics (each a “**Valuation Obligation**”). The Valuation Price of the Valuation Obligation shall be determined pursuant to the following procedure:

On each of the 70th, 75th and 80th Business Days (each such date, a “**First Round Valuation Date**” and on each of the 90th, 95th and 100th Business Days, (each such day, a “**Second Round Valuation Date**”, together with each First Round Valuation Date, a “**Valuation Date**”) following receipt by the Issuer of a Credit Event Notice from the Calculation Agent, the Calculation Agent will request, from at least five Dealers (being financial institutions as selected by the Calculation Agent, acting reasonably, which actively trade or make a market in the relevant Valuation Obligation and one of whom only may be the Swap Counterparty or an affiliate thereof), firm quotations (expressed as the decimal equivalent of a percentage) for the purchase of EUR 10,000,000 principal amount of the Valuation Obligation, or, if the Reference Obligation Notional Amount of the Defaulted Reference Obligation is less than EUR 10,000,000 at the time of quotation, for the purchase of a principal amount of the Valuation Obligation equal to the greater of (i) the Reference Obligation Notional Amount of the relevant Defaulted Reference Obligation and (ii) EUR 1,000,000.

The Valuation Price will be calculated as follows:

- (i) if quotations were provided by at least three Dealers for at least two of the three First Round Valuation Dates (the “**First Round Eligible Quotes**”), failing which at least three Dealers for at least two of the three Second Round Valuation Dates (the “**Second Round Eligible Quotes**”), the Valuation Price shall be determined by the Calculation Agent on the last Second Round Valuation Date and shall be equal to the highest of the Eligible First Round Quotes or the Eligible Second Round Quotes, as the case may be; or
- (ii) if (a) no Valuation Obligation exists in respect of a Defaulted Reference Obligation or (b) (1) quotations were not provided by at least three Dealers for at least two of the three First Round Valuation Dates and (2) quotations were not provided by at least three Dealers for at least two of the three Second Round Valuation Dates, the Valuation Price will be determined by an independent appraiser. Such appraiser will be a firm of independent accountants or an independent financial institution which is a market maker in the Reference Obligation which is not affiliated with the Swap Counterparty or the Calculation Agent but otherwise may be any of the Dealers whether or not it has provided a quotation in respect of a Valuation Date (in either case to be selected by the Calculation Agent, acting in good faith), and shall be appointed no later than the 5th business day after the last such

Second Round Valuation Date. The Valuation Price will be equal to the expected future recoveries (the “**Expected Future Recoveries**”) in relation to the Reference Obligation, determined by an independent appraiser pursuant to the appraisal guidelines set out in the Credit Default Swap on or prior to the 110th business day following receipt of the Credit Event Notice or, in any event, 10 business days prior to the Final Redemption Date (but provided that any Credit Event Notice shall not be deliverable at any time after the Scheduled Redemption Date). The Calculation Agent will notify the Swap Counterparty, the Issuer, the Cash Administrator, the Cash Deposit Bank, the Issuer Account Bank, the Repo Counterparty, the Rating Agencies and the Trustee in writing of the amount of a Credit Protection Payment Amount in respect of a Defaulted Reference Obligation payable on the relevant Interest Payment Date, and the Issuer will notify the Noteholders, in accordance with the Conditions, not later than the business day following the Interest Payment Date on which payment of the relevant Credit Protection Payment Amount(s) is made, of the amount of the Credit Protection Payment Amount(s), the related Reference Obligation Notional Amount(s) and the amount of the Principal Balance reduced (and the Class or Classes in respect of which the reduction has occurred) as a result of such Credit Protection Payment Amount(s).

If any Credit Protection Payment Amount is subject to deduction or withholding for taxation which is required by law, the Issuer shall not be under any obligation to gross-up such Credit Protection Payment Amount.

For the purposes of the above:

“**Valuation Obligation Category**” means Loan (as that term is defined in the 2003 ISDA Credit Derivatives Definitions as supplemented by the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions the “**2003 Definitions**” and

“**Valuation Obligation Characteristics**” means that the 2003 Definitions’ Not Subordinated, Not Contingent, Consent Required Loan or Assignable Loan and Maximum Maturity: 10 years shall apply. Specified Currency (as defined below) will also apply.

“**Specified Currency**” means: (i) Standard Specified Currencies as defined in the 2003 Definitions and (ii) the lawful currencies of Australia, New Zealand, Singapore, Sweden, Denmark and Norway (in relation to Valuation Obligations of Reference Entities incorporated in Australia, New Zealand, Singapore, Sweden, Denmark and Norway respectively).

Reduction of CDS Notional Amount: Reduction of Principal Balance of the Notes

- (a) Upon payment of any Credit Protection Payment Amount by the Issuer on an Interest Payment Date, the CDS Notional Amount shall be reduced by a commensurate amount and the Maximum Reference Portfolio Notional Amount shall be reduced by the amount of the Defaulted Reference Obligation Notional Amount in respect of which payment of the Credit Protection Payment Amount was made. On the same date, the Principal Balance of the Notes will be reduced by an amount equal to the Credit Protection Payment Amount and such amount will be applied to reduce the Principal Balance of each Class to zero, in Reverse Order of Seniority beginning with the most junior Notes then outstanding.
- (b) In any other case where a principal payment is made in respect of the Notes pursuant to Condition 5, the CDS Notional Amount shall be reduced by the same amount.

CDS Notional Amount

Under the Credit Default Swap, the “**CDS Notional Amount**” shall, with respect to any Interest Payment Date, be equal to:

- (a) EUR 1,000,000,000 less
- (b) the sum of:
 - (i) the aggregate amount of the Credit Protection Payment Amounts made in respect of all Defaulted Reference Obligations prior to the relevant Interest Payment Date; and

- (ii) the aggregate amount of payments of principal in respect of the Notes made prior to such Interest Payment Date.

The Credit Protection Payment Amounts to be paid at any time shall not exceed the CDS Notional Amount at such time.

Use of Cash Deposit for Payment of Credit Protection Payment Amounts, Interest and Principal on the Notes

The Cash Deposit Agreement (or the Repo Agreement, as the case may be) provides that: (a) in the event that a Credit Protection Payment Amount is owing by the Issuer under the Credit Default Swap, a commensurate amount of the Cash Deposit will be released to the Issuer or, in the event that the Cash Deposit Agreement is replaced by a Repo Agreement, a commensurate amount of Securities equivalent to the Purchased Securities (the “**Equivalent Securities**”) will be repurchased under the Repo Agreement (and the Repo Agreement accordingly partially unwound), in each case in order to enable the Issuer to satisfy such payment, (b) on each Interest Payment Date on which a portion of the Quarterly Amortisation Amount is allocated to reduce the outstanding Principal Balance of a Class of Notes, a portion of the Cash Deposit will be released to the Issuer (or an amount of the Purchased Securities under the Repo Agreement will be repurchased and the Repo Agreement accordingly partially unwound) in an amount equal to the aggregate Quarterly Amortisation Amount allocated to the Notes as of such Interest Payment Date and applied to redeem each Class of Notes (subject to and in accordance with the relevant Priority of Payment) in an amount equal to the lesser of (1) the Quarterly Amortisation Amount allocated to reduce the Principal Balance of such Class, and (2) the outstanding Principal Balance of such Class, as of such Interest Payment Date (immediately prior to the allocation of the Quarterly Amortisation Amount on such Interest Payment Date), and (c) on each Interest Payment Date on which an amount equal to the difference between the Defaulted Reference Obligation Notional Amount and the Credit Protection Payment Amount in respect of that Defaulted Reference Obligation (such amount being the “**Defaulted Reference Obligation Recovery Amount**”) is allocated to reduce the outstanding Principal Balance of a Class of Notes, a portion of the Cash Deposit will be released to the Issuer (or an amount of the Purchased Securities under the Repo Agreement will be repurchased (and the Repo Agreement accordingly partially unwound)) in an amount equal to the aggregate of the Defaulted Reference Obligation Recovery Amounts so allocated and applied to redeem each Class of Notes (subject to and in accordance with the relevant Priority of Payment) accordingly. The Cash Deposit Agreement also provides that, on each Interest Payment Date, income amounts earned in relation to the Cash Deposit will be released to the Issuer to satisfy in part, among other things, interest payments on the Notes.

Credit Events

The following Credit Events (each a “**Credit Event**” and collectively “**Credit Events**”) apply in relation to the Reference Entities for the purpose of the Credit Default Swap. Unless otherwise defined herein, capitalised terms in this section have the meanings given to them in the 2003 ISDA Credit Derivatives Definitions (as supplemented by the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions) .

- (i) *Bankruptcy*: the relevant Reference Entity (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due, (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors, (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (2) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof, (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger), (f) seeks or becomes subject to the appointment of an administrator,

provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets (excluding, for the avoidance of doubt, the appointment by the Reference Entity of a trustee, custodian, fiscal agent or similar representative solely for the purpose of the issue of securities by the Reference Entity), (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter, or (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (a) to (g) above (inclusive);

- (ii) *Failure to Pay*: after the expiration of any applicable Grace Period (as defined below) (after satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the relevant Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement (as defined below) under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure;
- (iii) *Restructuring*: (a) With respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement (as defined below), any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the relevant Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligations to bind all holders of the Obligations or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect at the Report Date (or, in the case of a Substitution, the Adjustment Date in relation to such Substitution):
 - (A) a reduction in the amount of interest payable or the amount of principal payable at maturity or at scheduled redemption dates; or
 - (B) a postponement or other deferral of a date or dates for the payment of principal or interest under the terms of the relevant Obligation.

Provided that for (A) and (B) above avoiding the occurrence of a Bankruptcy or Failure to Pay is a purpose of such reduction, postponement or other deferral;

(b) Notwithstanding the provisions above, none of the following shall constitute a Restructuring:

- (A) the payment in euros of interest or principal in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union;
- (B) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (A) or (B) of paragraph (a) above, due to an administrative, accounting, tax or other technical adjustment occurring in the ordinary course of business; and
- (C) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (A) or (B) of paragraph (a) above in circumstances where such event does not directly or indirectly occur for the purposes of avoiding a Bankruptcy or Failure to Pay.

Notwithstanding the foregoing, the occurrence of, agreement to or announcement of any of the events described in paragraphs (A) or (B) of paragraph (a) above shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

For the purposes of this definition, (i) Modified Restructuring (applying, Restructuring Maturity Limitation and Fully Transferable Obligation) is applicable where the Reference Entity in respect of the Reference Obligation is, on the Relevant Date, designated in the Reference Register as being incorporated in the United States of America, Canada, Australia and New Zealand; (ii) Modified Modified Restructuring (applying Modified Restructuring Limitation

and Conditionally Transferrable Obligation) is applicable where the Reference Entity in respect of the Reference Obligation is, on the Relevant Date, designated in the Reference Register as being incorporated in Western Europe.

“Default Requirement” means EUR 10,000,000 .

“Grace Period” means the applicable grace period (if any) with respect to payment under the terms of the relevant Obligation in effect as of the Report Date (or in the case of a Substitution, the relevant Adjustment Date) and, if no grace period with respect to payment is applicable under the terms of the relevant Obligation, or a grace period with respect to payment of less than three Grace Period Business Days is applicable under the terms of such Obligation as at such date, a grace period of three Grace Period Business Days shall be deemed to apply to such Obligation, provided that the applicable grace period shall be deemed to expire no later than the Scheduled Redemption Date.

“Grace Period Business Days” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the places and on the day specified for that purpose in the relevant Obligations, and if places are not so specified, in Amsterdam unless the currency of denomination of the relevant Obligation is a currency other than Euro, in which case it shall be in the jurisdiction of such currency.

“Payment Requirement” means EUR 1,000,000 or its equivalent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay.

“Publicly Available Information” means, in relation to a particular Credit Event, information that reasonably confirms any of the facts relevant to the determination that such Credit Event described in a Credit Event Notice has occurred and which (i) has been published in not less than two internationally recognized published or electronically displayed news sources, regardless of whether the reader or user thereof pays a fee to obtain such information; provided that, if any of the parties to the Credit Default Swap or any of their respective Affiliates (as is defined in the Credit Default Swap) is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless such party or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation, (ii) is information received from or published by (a) the Reference Entity to which the Credit Event relates, or (b) a trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation, (iii) is information contained in any petition or filing instituting a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or any petition for winding-up or liquidation, against or by a Reference Entity, or (iv) is information contained in any order, decree or notice, however described, of a court, tribunal, regulatory authority or similar administrative or judicial body.

“Relevant Date” means, in respect of any Reference Obligation forming part of the Initial Reference Portfolio, the Report Date and, in respect of any Reference Obligation included in the Reference Portfolio pursuant to a Substitution, the relevant Adjustment Date.

When determining the existence or occurrence of a Credit Event, such determination shall be made without regard to whether or not such Credit Event was caused in whole or in part by (i) any lack of or alleged lack of capacity of the relevant Reference Entity to enter into or to perform such Obligation, (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation, (iii) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described, or (iv) the imposition of or any change in any exchange controls, capital restrictions, or any other similar restriction imposed by any monetary or other authority.

Swap Counterparty Payments

On each Interest Payment Date, the Swap Counterparty will pay to the Issuer a payment (**“Swap Counterparty Payment”**) in an amount equal to the sum of:

- (i)
 - (a) so long as the Swap Counterparty maintains a short-term credit rating of at least P-1 from Moody's and A-1+ from S&P and a long-term credit rating of at least A1 from Moody's (the "**Swap Counterparty Required Rating**"), the aggregate Interest Amount calculated in relation to all Classes payable by the Issuer to the Noteholders on such Interest Payment Date (to the extent not already paid or provided for pursuant to paragraph (b)); or
 - (b) in the event that the Swap Counterparty ceases to have the Swap Counterparty Required Rating, an amount equal to one payment of the amount referred to in paragraph (i)(a) above (to the extent not already paid) and three additional payments of the aggregate Interest Amount calculated in relation to all Classes on the immediately following Interest Payment Date (to the extent not already paid); plus
- (ii)
 - (a) so long as the Swap Counterparty maintains the Swap Counterparty Required Rating, an amount equal to 1.25% of the the annual fee payable by the Issuer under the Management Agreement between the Issuer and its managing director (to the extent not already paid or provided for pursuant to paragraph (b)); or
 - (b) in the event that the Swap Counterparty ceases to have the Swap Counterparty Required Rating , an amount equal to one payment of the amount referred to in paragraph (ii)(a) above (to the extent not already paid) and three additional payments of the amount referred to in paragraph (ii)(a) above (to the extent not already paid); plus
- (iii)
 - (a) so long as the Swap Counterparty maintains the Swap Counterparty Required Rating, the quarterly Budgeted Operating Expenses due and unpaid in respect of the Interest Period ending on such Interest Payment Date, (to the extent not already paid or provided for pursuant to paragraph (b)); or
 - (b) in the event that the Swap Counterparty ceases to have the Swap Counterparty Required Rating an amount equal to one payment of the amount referred to in paragraph (iii)(a) above (to the extent not already paid) and three additional payments of the amount referred to in paragraph (iii)(a) above (to the extent not already paid); plus
- (iv)
 - (a) so long as the Swap Counterparty maintains the Swap Counterparty Required Rating, any Exceptional Expenses which have become due (but remain unpaid) during the Interest Period ended immediately prior to such Interest Payment Date which amounts shall, unless the Issuer or the Trustee instructs otherwise, be paid directly to the relevant Operating Creditors (to the extent not already paid or prvided for pursuant to paragraph (b)); or
 - (b) in the event that the Swap Counterparty ceases to have the Swap Counterparty Required Rating:
 - (1) any Exceptional Expenses which have become due (but remain unpaid) during the Interest Period ended immediately prior to such Interest Payment Date (to the extent not already paid); plus
 - (2) an amount of EUR 100,000 on account of Exceptional Expenses which may become due in the future (to the extent not already maintained as a provision thereof in the Issuer Account) (which amount shall, for the avoidance of doubt, be reallocated in accordance with the Available Income Funds Priority of Payments on the Interest Payment Date

immediately following the date on which the Swap Counterparty has been upgraded at least to the Swap Counterparty Required Rating);

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the Issuer CD/Repo Income received by the Issuer during the Interest Period ending immediately prior to such Interest Payment Date, provided that the Swap Counterparty Payment shall not be less than zero.

Pursuant to the terms of the Credit Default Swap, the Swap Counterparty is required to pay to the Issuer on the Closing Date an amount calculated to provide the Issuer with the funds necessary to pay certain of the fees and expenses incurred in connection with the issue and listing of the Notes. The Issuer shall pay such fees and expenses upon its receipt of the relevant invoices.

Swap Counterparty Payments will be received by the Issuer, and will be deposited into the Issuer Account on each Interest Payment Date and distributed to the Noteholders and other entitled parties in accordance with the Available Income Funds Priority of Payments.

Early Termination

The Credit Default Swap is subject to early termination in certain specified circumstances, including payment defaults by the Issuer or the Swap Counterparty, bankruptcy events related to the Issuer, tax events related to the Issuer or the Swap Counterparty, illegality, termination of the Cash Deposit Agreement (where the Cash Deposit in respect thereof is not replaced by the Repo Agreement or a new Cash Deposit Agreement and Cash Deposit with a replacement Cash Deposit Bank within the prescribed time limit), termination of the Repo Agreement (if any), or early redemption of the Notes, a Tax Redemption Event or upon a Regulatory Change) or the reduction of the CDS Notional Amount to zero. Any early termination of the Credit Default Swap will lead to a redemption of the Notes in full in accordance with Condition 5.

The Issuer shall have the right to terminate the Credit Default Swap in the circumstances contemplated by Section 5(a)(i) (*Failure to Pay or Deliver*) of the Credit Default Swap where the Swap Counterparty is the defaulting party or by Sections 5(b)(i) (*Illegality*), 5(b)(ii) (*Tax Event*) or 5(b)(iii) (*Tax Event Upon Merger*) thereof.

Following the occurrence or designation of an Early Termination Date (as defined in the Credit Default Swap) under the Credit Default Swap, the Issuer shall redeem all outstanding Notes in whole and no amounts shall be payable by either party to the other party under the Credit Default Swap, other than (i) Swap Counterparty Payments payable by Swap Counterparty to the Issuer on each Interest Payment Date until the Principal Balance of the Notes is reduced to zero, and (ii) Credit Protection Payment Amounts payable by the Issuer to the Swap Counterparty in respect of Credit Event Notices duly served on the Issuer on or prior to the Early Termination Date (provided that the aggregate of the related Credit Protection Payment Amounts does not exceed the CDS Notional Amount on such date).

If the Swap Counterparty fails to make any Swap Counterparty Payment, the Issuer and, following the delivery of the Enforcement Notice, the Trustee will exercise such set-off rights in connection with Credit Protection Payment Amounts as are available under applicable law. No additional termination or breakage fees will be payable by either the Issuer or the Swap Counterparty.

Payments by Issuer

If the Issuer is required to make payment of one or more Credit Protection Payment Amounts, the Issuer will fund the required payment by causing a partial liquidation of the Cash Deposit or, if applicable, by causing the re-delivery of such amount of Purchased Securities pursuant to the provisions of the Repo Agreement, or such amount of Equivalent Securities, where such Purchased Securities or Equivalent Securities have a market value, and for a cash purchase price, equal to the amount of such Credit Protection Payment Amount(s).

In addition, pursuant to the terms of the Credit Default Swap, the Issuer is required to pay to the Swap Counterparty the Swap Termination Payment on the Scheduled Redemption Date (or, if the Extension

Period commences on the Scheduled Redemption Date, on the Final Redemption Date) or such other date on which the Notes are to be redeemed in full, subject to and in accordance with the Available Redemption Funds Priority of Payments.

Security

In addition to securing any Credit Protection Payment Amounts and any Swap Termination Payment to be paid under the Credit Default Swap, the Security secures, among other things, payments due under the Notes.

On or prior to the Closing Date, the Issuer will enter into the Repo Agreement but will not enter into any transaction under such Repo Agreement. Any transaction, and accordingly any Purchased Securities, existing under the Repo Agreement would only (but may not) come into existence following the Closing Date in circumstances where the Cash Deposit is replaced pursuant to the terms thereof by a transaction under the Repo Agreement. Accordingly, on the Closing Date the Issuer will not hold any Purchased Securities (but will hold the Cash Deposit). It is possible that the Issuer will never hold any Purchased Securities. Accordingly, the Security on the Closing Date will not extend to any Purchased Securities under the Repo Agreement. The Trust Deed provides that the Issuer will do all such things as are reasonably necessary to ensure that the Security will extend to any Purchased Securities in the event that a transaction under the Repo Agreement comes into existence.

Provision of Certain Information

Pursuant to the Credit Default Swap, the Calculation Agent will provide written notice to, *inter alia*, the Issuer, the Trustee, the Swap Counterparty, the Cash Deposit Bank, the Repo Counterparty (as the case may be) and the Cash Administrator of the determination of a Credit Event and of the determination of the related Credit Protection Payment Amount. Such information and notices will be made available by the Trustee to any Noteholder upon request.

The reports of the Independent Accountants resulting from its review of the information supplied solely by the Swap Counterparty or otherwise, and confirming the calculations made by the Swap Counterparty with respect to the Eligibility Criteria for the purposes of compiling the information contained in the Closing Date Report and each Adjustment Date Report delivered in respect of each Interest Period, will be delivered to the Swap Counterparty, the Issuer, the Trustee, each of the Rating Agencies and the Cash Administrator. The Cash Administrator will procure that such reports are delivered to the Principal Paying Agent.

Third Party Rights

No person shall have any right to enforce any term or condition of the Credit Default Swap under the *Contracts (Rights of Third Parties) Act 1999*.

Jurisdiction and Governing Law

The Credit Default Swap will be governed by, and shall be construed in accordance with, the laws of England. Each of the Issuer and the Swap Counterparty will submit to the jurisdiction of the English courts in connection with the Credit Default Swap. Each of the Issuer and the Swap Counterparty will appoint ABN AMRO Bank N.V. (London branch), 250 Bishopsgate, London, EC2M 4AA, United Kingdom to accept service of process on its behalf.

ELIGIBILITY CRITERIA

General

The Reference Portfolio shall consist of payment obligations under certain debt instruments other than asset-backed securities (whether drawn or undrawn and including term and revolving loans, guarantees and reimbursement obligations in relation to letters of credit) (each a “**Reference Obligation**”) of obligors in respect of a Reference Obligation (each a “**Reference Entity**”) identified by the Swap Counterparty pursuant to the terms of the Credit Default Swap. The Reference Obligations may be originated in one of a number of countries, subject to the Eligibility Criteria being satisfied or, in respect of a Reference Obligation not included in the Reference Portfolio on the Report Date, the Conditions to Substitution being satisfied, and may be governed by the laws of the countries in which they are originated or another governing law. For the avoidance of doubt, no Reference Obligation is listed on a "regulated market" (as that term is defined in Article 1(13) of the Investment Services Directive (Directive 93/22/EC)).

Reference Obligation Criteria

No Reference Obligation may be included in the Reference Portfolio (either on the Report Date or on any Adjustment Date) unless:

- (a) The Reference Entity to which the Reference Obligation relates has a Moody's Rating of at least Baa3 and a S&P Rating of at least BBB- (or in either case the equivalent ABN AMRO Credit Score);
- (b) The proportion of (i) the Reference Entity Notional Amount of the Reference Entity to which the Reference Obligation relates to (ii) the then Reference Portfolio Notional Amount does not exceed one hundred and fifty basis points (1.50%) provided that such Reference Entity has a Moody's Rating of equal to or higher than Aa3, or an S&P Rating of equal to or higher than AA-. However: (a) if on such date such Reference Entity has a Moody's Rating equal or higher than A3 but less than Aa3 or an S&P Rating equal or higher than A- but less than AA-, such proportion shall not exceed one hundred basis points (1.00%) and (b) if on such date such Reference Entity has a Moody's Rating equal or higher than Baa3 but less than A3 or an S&P Rating equal or higher than BBB- but less than A-, such proportion shall not exceed fifty basis points (0.5%);
- (c) the Reference Entity to which the Reference Obligation relates is incorporated in an Eligible Country. An “Eligible Country” is any of the following: (i) a country with a Sovereign credit rating of at least A3 by Moody's and A- by S&P (v) a country with a Sovereign credit rating of equal or higher than A3 but less than Aa3 by Moody's or equal or higher than A- but less than AA- by S&P provided that the Portfolio Proportion of Reference Entities incorporated in such countries shall not exceed 15% in aggregate and 4% for each such country; (vi) a country with a Sovereign credit rating of equal or higher than Baa3 but less than A3 by Moody's or equal or higher than BBB- but less than A- by S&P, being at the Report Date Mexico and Thailand only and thereafter such other countries as are included with the prior approval of the Rating Agencies provided that the Portfolio Proportion of Reference Entities incorporated in such countries shall not exceed 5% in aggregate and 2% for each such country and (vii) a country other than Russia, Liechtenstein, Isle of Man, British Virgin Islands, United States Virgin Islands, Netherlands Antilles, Cayman Islands, Jersey or Gibraltar; and
- (d) the inclusion of such Reference Obligation and the Reference Entity to which it relates in the Reference Portfolio does not cause (i) the Portfolio Proportion of Reference Entities incorporated in the United States of America to exceed 40%; (ii) the Portfolio Proportion of Reference Entities incorporated in a Member State of the European Union to exceed 70%; (iii) the Portfolio Proportion of Reference Entities incorporated in Canada to exceed 15%; and (iv) the Portfolio Proportion of Reference Entities incorporated in Asia to exceed 20%.

Reference Portfolio Criteria

On the Report Date, the following criteria shall be satisfied in respect of the Reference Portfolio:

- (a) The aggregate of the Reference Entity Notional Amounts of Reference Entities in each of the two largest Industry Groups does not exceed 12% of the Reference Portfolio Notional Amount and the aggregate of the Reference Entity Notional Amounts of Reference Entities in each of the two largest Industry Sectors does not exceed 12% of the Reference Portfolio Notional Amount, the aggregate of the Reference Entity Notional Amounts of Reference Entities in the Oil & Gas Industry Group does not exceed 9% of the Reference Portfolio Notional Amount and the aggregate of the Reference Entity Notional Amounts of Reference Entities in the Oil & Gas Industry Sector does not exceed 9% of the Reference Portfolio Notional Amount and the aggregate of the Reference Entity Notional Amounts of Reference Entities in each other Industry Group does not exceed 9.9% of the Reference Portfolio Notional Amount and the aggregate of the Reference Entity Notional Amounts of Reference Entities in any other Industry Sector does not exceed 9.9% of the Reference Portfolio Notional Amount, provided that the aggregate of the Reference Entity Notional Amounts in no more than five Industry Groups and no more than five Industry Sectors can exceed 8%;
- (b) The aggregate of the Reference Entity Notional Amounts of all Reference Entities in the three largest Industry Groups does not exceed 33% of the Reference Portfolio Notional Amount and the Reference Entity Notional Amounts of all Reference Entities in the three largest Industry Sectors does not exceed 33% of the Reference Portfolio Notional Amount;
- (c) the Moody's Rating Distribution (as defined below) of the Reference Portfolio must be no greater than 485;
- (d) the Moody's CDOROM TestTM applied to the Reference Portfolio after the proposed inclusion or removal of a Reference Obligation is satisfied;
- (e) the S&P Substitution Test applied to the Reference Portfolio after the proposed inclusion or removal of a Reference Obligation is satisfied;
- (f) the aggregate number of Reference Entities included in the Reference Portfolio is at least 500;
- (g) the weighted average maturity in respect of the Reference Portfolio is not greater than 3.5 years; and
- (h) the inclusion of the Reference Obligation in the Reference Portfolio will not cause the average weighted S&P Rating in respect of the Reference Portfolio calculated on the basis of the S&P CDO Evaluator (as defined below) to fall below BBB-.

On the Closing Date the average weighted S&P Rating in respect of the Reference Portfolio calculated on the basis of the S&P CDO Evaluator (as defined below) on such date was not below BBB.

Any Substitutions to the Reference Portfolio after the Report Date will be made in accordance with the Conditions to Substitution (including compliance with the Eligibility Criteria to the extent provided for therein) as described in "CREDIT DEFAULT SWAP – Substitutions".

If, during the Revolving Period any Reference Obligation becomes subject to a Mandatory Removal or a Mandatory Reduction as a result of which the Reference Obligation Notional Amount of such Reference Obligation is reduced to zero, then (1) such Reference Obligation shall be removed from the Reference Portfolio as of the relevant Adjustment Date and the Issuer shall have no obligation in respect of such Reference Obligation, and (2) provided that the Reference Obligation so removed has not been replenished by a corresponding Substitution before the Revolving Period End Date, the Reference Portfolio Notional Amount shall be reduced by an amount equal to the Reference Obligation Notional Amount of the relevant Reference Obligation (or, if it has been partly replenished, by an amount equal to the remainder thereof) on the Revolving Period End Date.

If, after the Revolving Period End Date any Reference Obligation becomes subject to a Mandatory Removal or a Mandatory Reduction as a result of which the Reference Obligation Notional Amount of such Reference Obligation is reduced to zero, then (1) such Reference Obligation shall be removed from the Reference Portfolio as of the relevant Adjustment Date and the Issuer shall have no obligation in respect of such Reference Obligation, and (2) the Reference Portfolio Notional Amount shall be reduced by an amount equal to the Reference Obligation Notional Amount of the relevant Reference Obligation on the relevant Adjustment Date.

See “CREDIT DEFAULT SWAP – Payment of Credit Protection Payment Amount and redemption following Revolving Period End Date” for a description of how these movements in the Reference Portfolio Notional Amount affect the Notes.

The following definitions apply to the Reference Obligation Criteria and the Reference Portfolio Criteria (together the “**Eligibility Criteria**”):

ABN AMRO Credit Score means the classification (from 1 to 8) assigned by the Swap Counterparty to certain Reference Entities as an indication of the perceived risk of default arising in respect of the obligations of such Reference Entity (where 1 indicates the lowest level of perceived risk and 8 indicates the highest level of perceived risk). The Moody’s Rating Factor and S&P Ratings, respectively will be determined pursuant to the corresponding ABN AMRO Credit Score in the table set out below (the **ABN AMRO Credit Score Table**) provided that such correspondence or rating levels may be updated from time to time:

ABN AMRO Credit Score	Moody’s Rating Factor	S&P Rating
1	25	AA-
2+	80	A+
2	130	A
2-	160	A-
3+	280	BBB+
3	400	BBB
3-	610	BBB-
4+	1,126	BB
4	1,766	BB-
4 -	2,220	B+
5+	2,720	B+
5	3,490	B
5-	4,770	B-
6+	6,500	CCC+
6	10,000	D
7	10,000	D
8	10,000	D

Industry Group means, with respect to any Reference Entity, the Moody’s industry category classification of such Reference Entity, as determined by the Swap Counterparty as of the Relevant Date for such Reference Entity, such determination by the Swap Counterparty being made by translating the standard industry classification assigned to the relevant Reference Entity as part of the Swap Counterparty’s credit process into the equivalent industry classification assigned by Moody’s.

Industry Sector means, with respect to any Reference Entity, the S&P industry category classification of such Reference Entity, as determined by the Swap Counterparty as of the Relevant Date for such Reference Entity, such determination by the Swap Counterparty being made by translating the standard industry classification assigned to the relevant Reference Entity as part of the Swap Counterparty's credit process into the equivalent industry classification assigned by S&P.

Moody's Rating means, with respect to any Reference Entity, the rating determined as follows:

- (i) if there is a corporate rating assigned by Moody's to the senior, unsecured, long-term debt obligations of such of the Reference Entity, the most recent such rating of such Reference Entity; or
- (ii) if there is no such corporate rating referred to in (i) above, then the Moody's Rating of the Reference Entity is the rating corresponding to the ABN Credit Score in the table below, which table may be amended from time to time by the Swap Counterparty with the agreement of Moody's.

ABN AMRO Credit Score	Moody's Rating
1	Aa2
2+	A1
2	A2
2-	A3
3+	Baa1
3	Baa2
3-	Baa3
4+	Ba2
4	Ba3
4-	B1
5+	B2
5	B3
5-	Caa1
6+	Caa2
6	Ca
7	Ca
8	Ca

Moody's Rating Distribution means, with respect to the Reference Portfolio, the distribution factor of the credit ratings of all the Reference Entities comprised in the Reference Portfolio determined by calculating the quotient (rounded up to the nearest whole number) of (i) the sum of the product, for each Reference Entity in the Reference Portfolio, of (a) the Reference Entity Notional Amount of such Reference Entity multiplied by (b) if such Reference Entity has a public Moody's Rating, the Moody's Rating Factor corresponding to such Moody's Rating, or, if such Reference Entity does not have a Moody's Rating Factor, the Moody's Rating Factor corresponding to the ABN AMRO Credit Score assigned to such Reference Entity, divided by (ii) the Reference Portfolio Notional Amount.

Moody's Rating Factor means, with respect to any Reference Entity, the number set forth in the table below opposite the Moody's Rating, if any, applicable to such Reference Entity:

Moody's Rating	Moody's Rating Factor
Aaa	1
Aa1	10

Aa2	20
Aa3	40
A1	70
A2	120
A3	180
Baa1	260
Baa2	360
Baa3	610
Ba1	940
Ba2	1,350
Ba3	1,766
B1	2,220
B2	2,720
B3	3,490
Caa1	4,770
Caa2	6,500
Caa3	8,070
Ca	10,000

Moody's CDOROM™ Test is satisfied if, on any Adjustment Date or on any Determination Date relating to an Interest Payment Date on which a Quarterly Amortisation Amount is to be paid by the Issuer, as the case may be, the Post-Trade MM of the Notes is lower than or equal to the Hurdle MM.

For the purpose of computing the Moody's Metrics after the relevant proposed Adjustments or after the proposed allocation of the Quarterly Amortisation Amount in accordance with the Pro-rata Order of Allocation, as applicable (the **Post-trade MM**), the Reference Portfolio modelled in the "Portfolio(s)" worksheet of Moody's CDOROM™ Model must be the Reference Portfolio as it is immediately following the relevant Adjustments or after the proposed *pro rata* allocation of the Quarterly Amortisation Amount across all Class of Notes, as applicable, and all values for Moody's CDOROM™ Model Inputs will be entered as described in the Credit Default Swap.

The following definitions apply to the Moody's CDOROM™ Test:

Hurdle MM means 1 for the Class A Notes, 3 for the Class B Notes, 6 for the Class C Notes, 9 for the Class D Notes and 12 for the Class E Notes.

Moody's Inputs means inputs as described on the "Inputs Description" sheet of the Moody's Model and "Input No. {x}" means a Moody's Input as described on the "Inputs Description" sheet of the Moody's Model.

Moody's CDOROM™ Model means the licensed Moody's CDOROMv2.3 model in the form provided by Moody's, and as it may be updated by Moody's from time to time and notified to the Swap Counterparty for use in connection with this transaction.

MM means the Moody's Metric' The MM measure is time independent and all else being constant will not change over the life of the Notes. All MMs are output from the CDOROM model.

Post-Trade MM means the MM obtained post Adjustments for each Class of Notes on the Adjustment Date or post the proposed *pro rata* application of the Quarterly Amortisation Amount across all Class of Notes, as the case may be.

Obligation means (a) any obligation of a Reference Entity (either directly or indirectly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the Credit Default Swap, as provider of any Qualifying Guarantee) determined pursuant to the method described in Section 2.19 of the 2003 Definitions (but excluding any Excluded Obligation), (b) each Reference Obligation, unless specified in the Credit Default Swap as an Excluded Obligation, and (c) any other obligation of a Reference Entity specified as such in the Credit Default Swap.

Portfolio Proportion means the proportion of (i) the Reference Entity Notional Amount of the Reference Entity to which the Reference Obligation relates to (ii) the then Reference Portfolio Notional Amount.

Reference Portfolio Notional Amount means, at any time, the aggregate of the Reference Obligation Notional Amounts for all Reference Obligations in the Reference Portfolio.

Related Reference Entities means a group of Reference Entities reasonably considered by the Swap Counterparty to be members of the same affiliated group as at the most recent of the Relevant Dates for such the relevant Reference Entities.

Relevant Date means, in respect of any Reference Obligation forming part of the Initial Reference Portfolio, the Report Date and, in respect of any Reference Obligation included in the Reference Portfolio pursuant to a Substitution, the relevant Adjustment Date.

THE S&P SUBSTITUTION TEST

S&P Substitution Test: means, in respect of each Class of Notes, the S&P SROC Test (i) immediately prior to and immediately following all Adjustment(s) made on the relevant date and (ii) on each Determination Date relating to an Interest Payment Date on which a Quarterly Amortisation Amount is to be paid by the Issuer immediately following the *pro rata* allocation of the Quarterly Amortisation Amount, must be a positive figure greater than or equal to 100 per cent or, if the S&P SROC Test immediately prior to the Adjustment(s) or, in respect of the Determination Date, the proposed allocation of the Quarterly Amortisation Amount in accordance with the Pro-rata Order of Allocation, as applicable, is less than 100 per cent, such Adjustment(s) or proposed *pro rata* allocation of the Quarterly Amortisation Amount, as applicable, do not cause the S&P SROC Test to be a smaller percentage value.

The following definitions apply to the S&P Substitution Test:

“**S&P SROC Test**” means, at any time, with respect to any Class of Notes (for the purposes of this test, the “**relevant Class**”) and in connection with any Substitution and on any Determination Date, the SROC percentage calculated in accordance with the formula below.

$$\text{SROC} = \left(\frac{A - BA}{A - D} \right)$$

where:

A = outstanding Reference Portfolio Notional Amount as at the relevant time;

B = the S&P Scenario Loss Rate as calculated by the S&P CDO Evaluator; and

D = the sum of the Principal Balances of the Notes ranking junior to the relevant Class.

When calculating the SROC percentage using the S&P CDO Evaluator, the Swap Counterparty shall use the S&P Rating in respect of each Reference Entity.

“**S&P CDO Evaluator**” means a dynamic, analytical computer programme developed by S&P and used to determine the credit risk of a portfolio of debt securities and provided to the Swap Counterparty on or before the Closing Date, as such programme may be modified by S&P from time to time. The S&P CDO Evaluator calculates the cumulative default rate of a pool of Reference Entities consistent with a specified benchmark rating level based upon certain assumptions and S&P’s proprietary corporate debt default studies. In calculating the Scenario Loss Rate, the S&P CDO Evaluator considers each Reference Entity’s S&P Rating, the number of Reference Entities in the portfolio, the individual and industry concentration in the Reference Portfolio and the remaining weighted average

maturity of the Credit Default Swap and calculates a cumulative default rate based on the statistical probability of distributions of defaults on the Reference Entities.

“S&P Rating” means, with respect to any Reference Entity, the rating determined as follows:

- (i) if there is a corporate rating assigned by S&P to the senior, unsecured, long-term debt obligations of such of the Reference Entity, the most recent such rating of such Reference Entity; or
- (ii) if there is no such corporate rating referred to in (i) above, then the S&P Rating of the Reference Entity is the rating equivalent to the ABN AMRO Credit Score assigned by the Swap Counterparty to such Reference Entity (as set out in the definition of “ABN AMRO Credit Score” above).

“S&P Recovery Inputs” for any country means the percentages attributed to such country by the S&P CDO Evaluator.

“Scenario Loss Rate” means, as of any date, an estimate of the current cumulative loss rate, given the rating scenario for the Reference Portfolio as at the Closing Date and as amended from time to time, determined by application of the S&P CDO Evaluator at such time. Such current cumulative loss rate will be determined by using, *inter alia*, the S&P Rating assigned to each Reference Entity in the Reference Portfolio, the Reference Entity Notional Amount and the S&P Recovery Inputs attributable to the country of the relevant Reference Entity.

There can be no assurance that actual defaults of the Reference Entities or the timing of defaults will not exceed those assumed in the application of the S&P CDO Evaluator or that recovery rates with respect thereto will not differ from those assumed in the S&P Substitution Test. The S&P CDO Evaluator has been provided by S&P to the Swap Counterparty as an accommodation in connection with S&P’s rating of the Notes. S&P makes no representation or warranty with respect to the use of the S&P CDO Evaluator. IN PARTICULAR S&P MAKES NO REPRESENTATION OR WARRANTY THAT ACTUAL DEFAULTS ON THE REFERENCE ENTITIES WILL NOT EXCEED THOSE DETERMINED BY THE S&P CDO EVALUATOR. S&P does not guarantee the accuracy, adequacy or completeness of the S&P Substitution Test and is not responsible for the results obtained by the use thereof. The credit ratings on the Notes are subject to review for potential downgrade. None of the Swap Counterparty, the Lead Manager, the Trustee or the Issuer makes any representation as to the expected rate of defaults of the Reference Entities or the timing of defaults or as to the expected recovery rate or the timing of recoveries.

INITIAL REFERENCE PORTFOLIO

Certain characteristics of the Reference Portfolio are set forth below and refer to the composition of the Reference Portfolio as of the Report Date (the Reference Portfolio on such date being the “**Initial Reference Portfolio**”). The composition of the Reference Portfolio will vary over time and, as a result, the characteristics of the Initial Reference Portfolio set forth in the following tables are not necessarily indicative of the characteristics of the Reference Portfolio at any subsequent time. The inclusion of a Reference Entity or Reference Obligation in the Reference Portfolio (as designated in the Reference Register) does not signify that the Swap Counterparty has any credit exposure to that Reference Entity or in respect of that Reference Obligation on the Report Date or at any time thereafter.

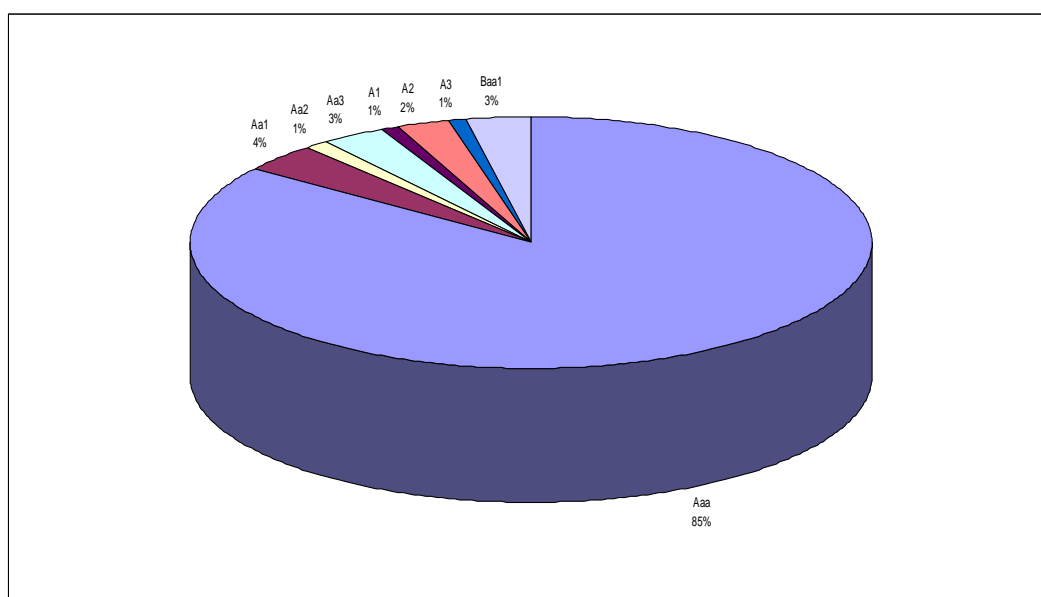
Key Feature of the Initial Reference Portfolio

Reference Portfolio Notional Amount (euro)	10 000 000 000,00
Number of Reference Entities	752
Average Reference Entity Notional Amount (euro)	13,297,872.34
Number reference Obligation	914
Moody's Diversity score	98,73
Moody's Rating factor	270

Table B

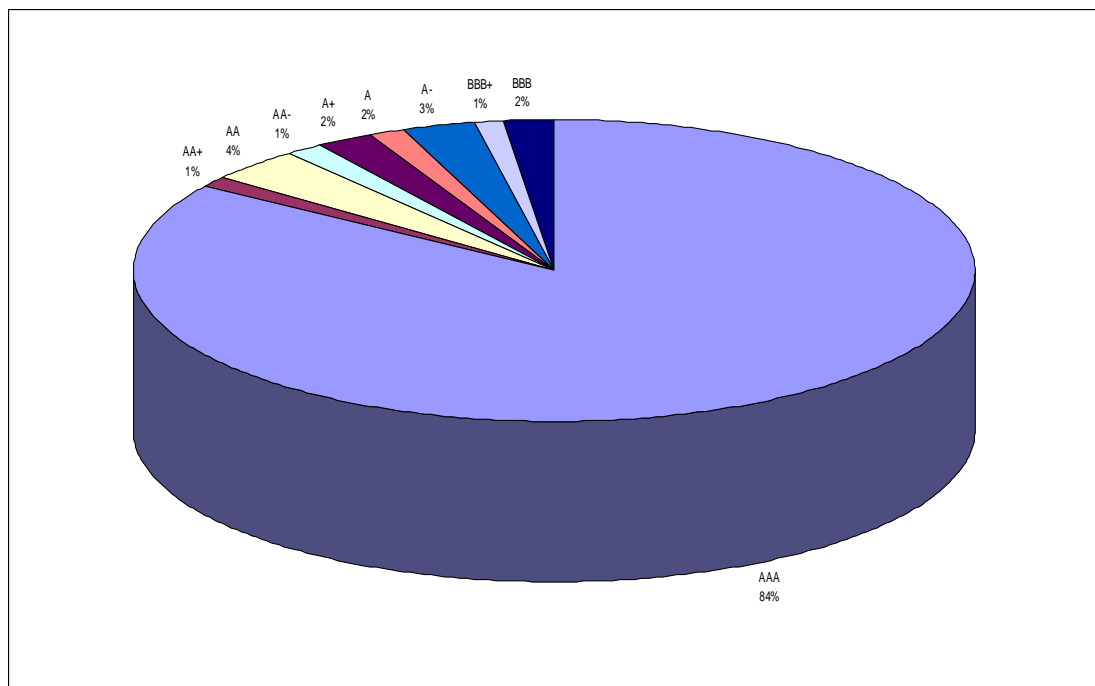
Moody's Country Rating Distribution

<i>Rating</i>	<i>Percentage</i>
Aaa	85,08%
Aa1	3,50%
Aa2	1,05%
Aa3	3,11%
A1	0,99%
A2	2,30%
A3	0,80%
Baa1	3,17%



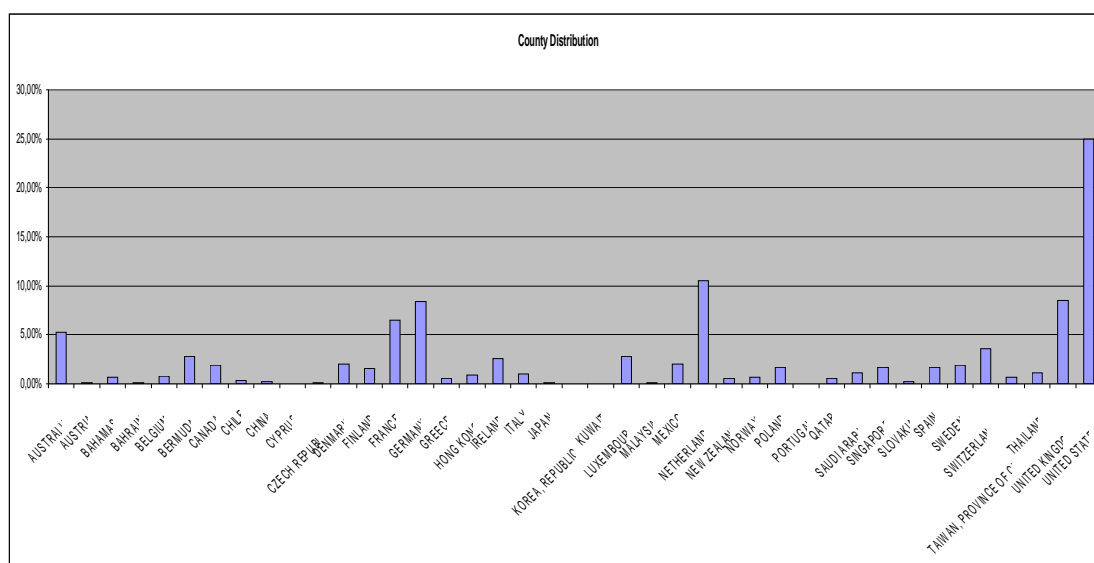
S&P Country Rating Distribution

Rating	Percentage
AAA	84,32%
AA+	1,34%
AA	3,61%
AA-	1,39%
A+	2,08%
A	1,55%
A-	2,54%
BBB+	1,17%
BBB	2,00%



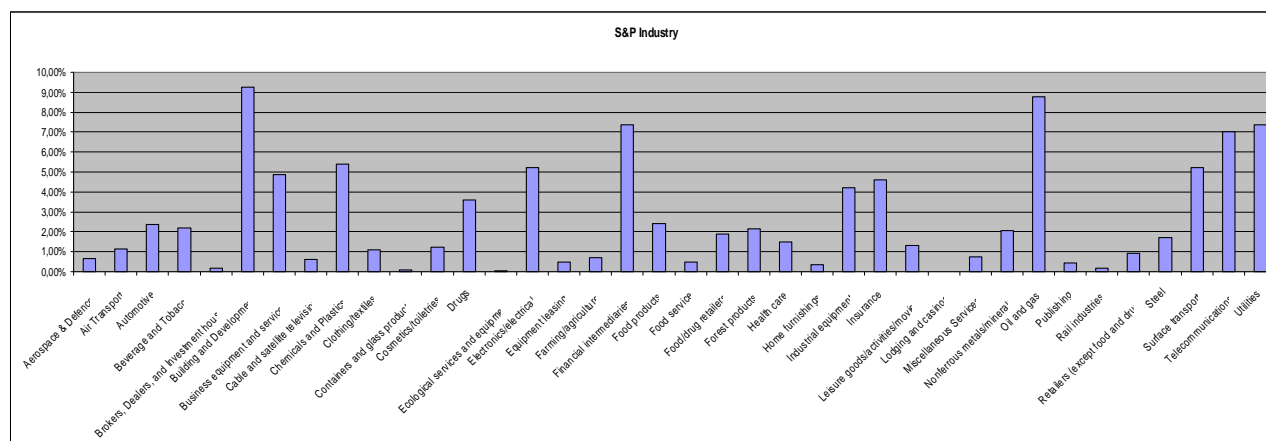
Country Distribution

Country	Percentage	Amount
AUSTRALIA	5,23%	522 731 135,68
AUSTRIA	0,08%	7 650 890,00
BAHAMAS	0,70%	70 012 850,00
BAHRAIN	0,16%	16 000 000,00
BELGIUM	0,73%	72 856 000,00
BERMUDA	2,77%	277 055 677,82
CANADA	1,92%	192 386 490,00
CHILE	0,35%	35 262 290,00
CHINA	0,22%	22 392 950,00
CYPRUS	0,01%	1 000 000,00
CZECH REPUBLIC	0,06%	6 267 000,00
DENMARK	2,06%	205 784 040,00
FINLAND	1,52%	152 272 550,00
FRANCE	6,44%	644 117 397,04
GERMANY	8,39%	839 195 980,00
GREECE	0,58%	58 484 850,00
HONG KONG	0,84%	84 142 235,76
IRELAND	2,53%	252 896 798,00
ITALY	1,00%	99 919 520,00
JAPAN	0,15%	14 847 280,00
KOREA, REPUBLIC OF	0,04%	3 608 050,00
KUWAIT	0,01%	1 000 000,00
LUXEMBOURG	2,77%	276 887 250,00
MALAYSIA	0,07%	6 747 930,00
MEXICO	2,00%	200 000 000,00
NETHERLANDS	10,53%	1 052 598 184,13
NEW ZEALAND	0,61%	61 099 430,00
NORWAY	0,62%	62 000 000,00
POLAND	1,71%	171 221 880,96
PORTUGAL	0,04%	4 000 000,00
QATAR	0,51%	51 074 280,00
SAUDI ARABIA	1,07%	106 866 630,00
SINGAPORE	1,69%	168 692 710,00
SLOVAKIA	0,18%	18 059 770,00
SPAIN	1,63%	163 239 400,00
SWEDEN	1,87%	187 494 420,00
SWITZERLAND	3,55%	355 135 640,00
TAIWAN, PROVINCE OF CHINA	0,69%	68 741 060,00
THAILAND	1,17%	116 815 505,68
UNITED KINGDOM	8,51%	850 695 095,30
UNITED STATES	24,99%	2 498 746 829,63



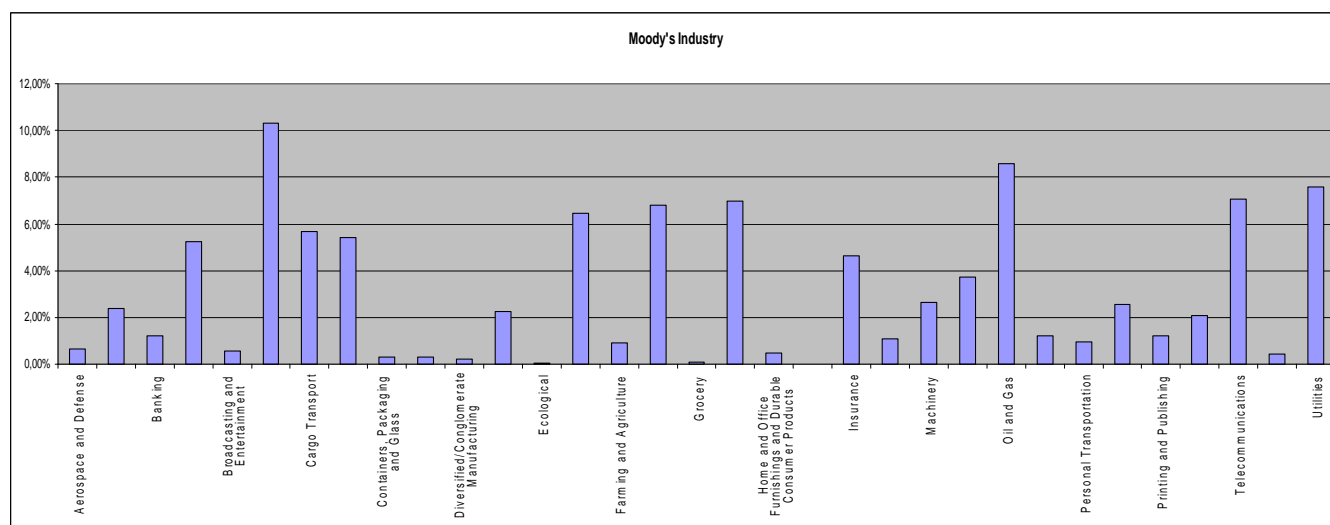
S&P Industry Distribution

Industry Category	Percentage
Aerospace & Defence	0,66%
Air Transport	1,15%
Automotive	2,35%
Beverage and Tobacco	2,21%
Brokers, Dealers, and Investment houses	0,19%
Building and Development	9,27%
Business equipment and services	4,88%
Cable and satellite television	0,63%
Chemicals and Plastics	5,41%
Clothing/textiles	1,09%
Containers and glass products	0,10%
Cosmetics/toiletries	1,23%
Drugs	3,61%
Ecological services and equipment	0,04%
Electronics/electrical	5,20%
Equipment leasing	0,50%
Farming/agriculture	0,72%
Financial intermediaries.	7,36%
Food products	2,42%
Food service	0,46%
Food/drug retailers	1,88%
Forest products	2,16%
Health care	1,49%
Home furnishings	0,37%
Industrial equipment	4,21%
Insurance	4,61%
Leisure goods/activities/movies	1,33%
Lodging and casinos	0,02%
Miscellaneous Services	0,77%
Nonferrous metals/minerals	2,06%
Oil and gas	8,78%
Publishing	0,46%
Rail industries	0,16%
Retailers (except food and drug)	0,91%
Steel	1,73%
Surface transport	5,20%
Telecommunications	7,02%
Utilities	7,38%
Total	100%



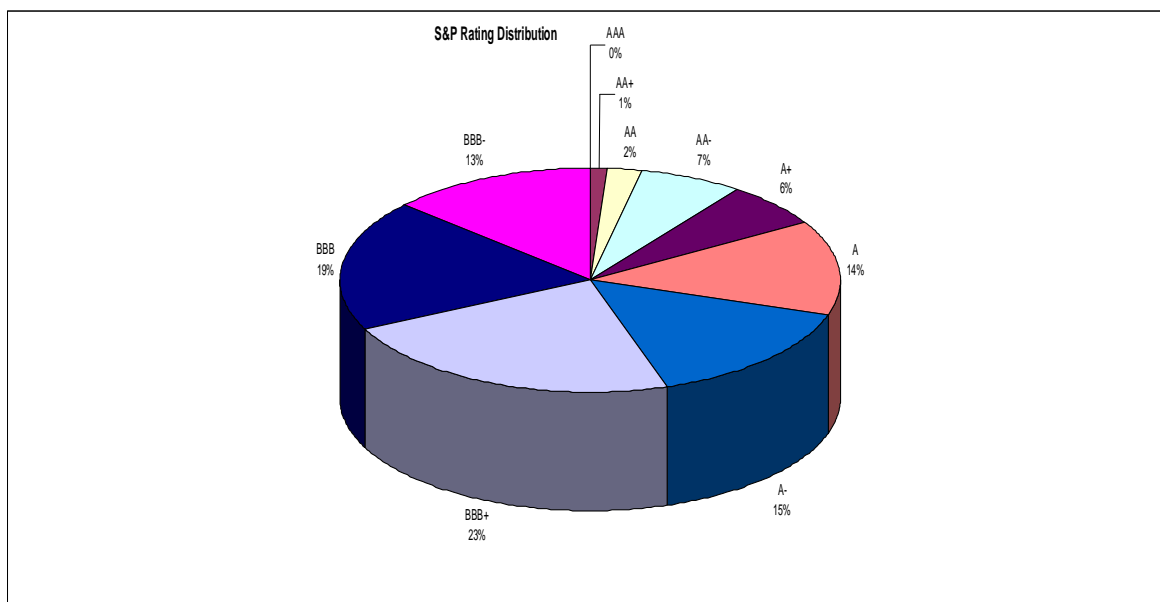
Moody's Industry Distribution

Industry Category	Percentage
Aerospace and Defense	0,66%
Automobile	2,40%
Banking	1,22%
Beverage, Food and Tobacco	5,24%
Broadcasting and Entertainment	0,58%
Buildings and Real Estate	10,30%
Cargo Transport	5,65%
Chemicals, Plastics and Rubber	5,41%
Containers, Packaging and Glass	0,30%
Diversified Natural Resources, Precious Metals and Min	0,29%
Diversified/Conglomerate Manufacturing	0,21%
Diversified/Conglomerate Service	2,24%
Ecological	0,04%
Electronics	6,47%
Farming and Agriculture	0,89%
Finance	6,82%
Grocery	0,09%
Healthcare, Education and Childcare	6,96%
Home and Office Furnishings and Durable Consumer Pi	0,49%
Hotels, Motels, Inns and Gaming	0,02%
Insurance	4,61%
Leisure, Amusement, Entertainment	1,10%
Machinery	2,63%
Mining, Steel, Iron and Non Precious Metals	3,72%
Oil and Gas	8,57%
Personal and Non Durable Consumer Products	1,23%
Personal Transportation	0,93%
Personal, Food and Miscellaneous	2,55%
Printing and Publishing	1,20%
Retail Stores	2,08%
Telecommunications	7,08%
Textiles and Leather	0,44%
Utilities	7,59%
Grand Total	100,00%



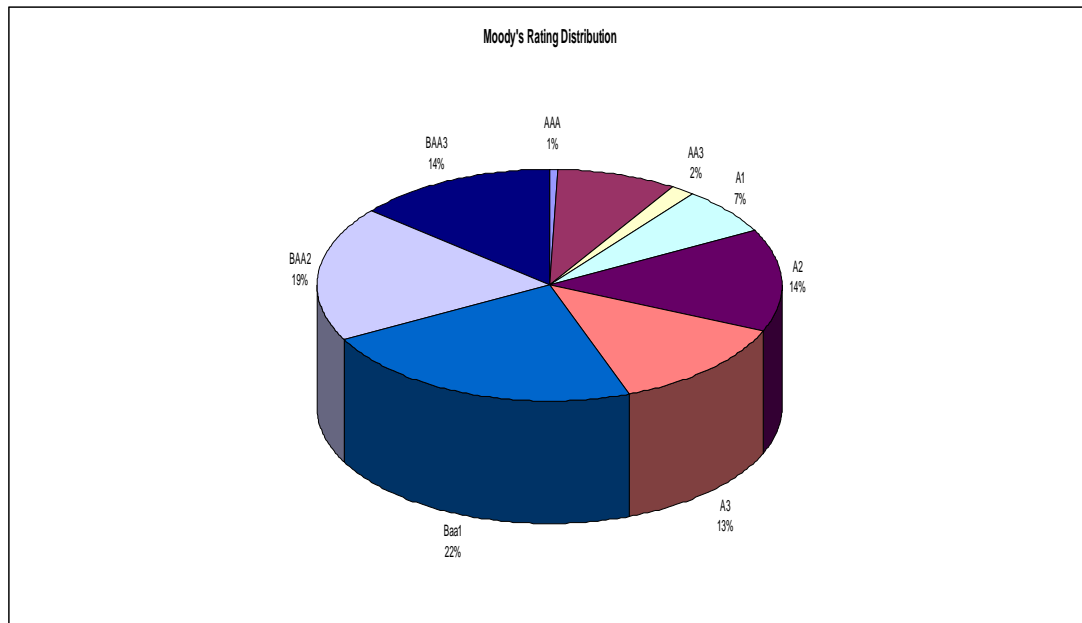
S&P Rating Distribution

Rating	Percentage
AAA	0,03%
AA+	1,00%
AA	2,33%
AA-	6,66%
A+	6,29%
A	13,81%
A-	14,93%
BBB+	22,62%
BBB	19,06%
BBB-	13,27%



Moody's Rating Distribution

<i>Rating</i>	<i>Percentage</i>
AAA	0,60%
Aa2	8,36%
AA3	1,56%
A1	6,59%
A2	14,40%
A3	12,99%
Baa1	22,81%
BAA2	18,87%
BAA3	13,83%



ISSUER

The Issuer, being “Amstel Securitisation of Highgrade Exposures 2007-1 B.V.”, was incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) for an unlimited duration on 26 April 2007. The Issuer is a resident of the Netherlands for Dutch tax purposes. The Issuer is incorporated under Dutch law and is registered with the Trade Register of the Chamber of Commerce and Industry in Amsterdam, the Netherlands under No. 34272688. As such, in addition to being subject to the Transaction Documents which are governed by either English or Dutch law, the Issuer is subject to the requirements of Dutch law that apply to it.

Registered Office

The registered office of the Issuer is at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands, and its telephone number +31 20 5222 555. The Issuer has its corporate seat in Amsterdam and its correspondence address is its registered office.

Share Capital

The authorised share capital of the Issuer is 18,000 euro divided into 18 shares with a nominal value of 1,000 euro each. The issued share capital of the Issuer is 18,000 euro, which is fully paid up.

Parent

All issued shares in the share capital of the Issuer are held by Stichting Amstel Securitisation of Highgrade Exposures 2007-01 (the **Parent**), a foundation established under the laws of the Netherlands. The Parent was established on 11 April 2007 by N.V. Algemeen Nederlands Trustkantoor ANT. The Parent is registered with the Trade Register of the Chamber of Commerce and Industry in Amsterdam, the Netherlands under no.33263803.

Management

N.V. Algemeen Nederlands Trustkantoor ANT has been appointed as the managing director of the Issuer and is responsible for the management and administration of the Issuer pursuant to a management agreement effective 26 April 2007. The business address of N.V. Algemeen Nederlands Trustkantoor ANT is at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands. ANT is a Dutch corporate services provider, based in Amsterdam. ANT has been involved with securitisation transactions since 1997. Apart from securitisations, ANT is administrator for share and option schemes of Dutch listed companies and supplies corporate services to foreign companies with a presence in the Netherlands. Neither the Swap Counterparty nor any associated body of it owns directly or indirectly any of the share capital of the Issuer or has been granted the right to subscribe for any share capital of the Issuer.

Cash Administrator

ABN AMRO BANK N.V., London Branch will act as Cash Administrator of the Issuer.

Objects

The corporate objects of the Issuer, as set out in Article 2 of its Articles of Association, include the following: (i) to raise funds, including the issue of bonds, evidences of indebtedness or other securities, to obtain loans and to invest funds raised by the company in, including but not limited to, derivatives, (interests in) loans, bonds and receivables due from companies or individuals, and to grant loans to companies; (ii) to enter into credit default swaps,

repo-transactions, interest and/or currency transactions and other swap transactions, sale and repurchase transactions and securities lending transactions as well as account and cash management agreements; (iii) to grant security in connection with the foregoing; and (iv) to enter into agreements and documents in connection with the foregoing and to exercise rights and to comply with its obligations under these agreements and documents. The company may do all such further acts that are related to the above or that are conducive thereto. The company shall not engage in any transactions that are not related or conducive to the above-described objects.

Activities

The Issuer has been established as a special purpose vehicle. Its sole activities will be (i) the issue of the Notes, (ii) the entering into of the Credit Default Swap, the Deed of Charge, the Cash Deposit Agreement and other related agreements (including, if required, entering into the Repo Agreement), and (iii) the exercise of related rights and powers and other activities and transactions reasonably incidental thereto.

Capitalisation

The unaudited capitalisation of the Issuer as at the date of the Prospectus, adjusted for the issue of the Notes is as follows:

Issued share capital: EUR 18,000.

Auditors

The auditors of the Issuer are Ernst & Young, whose registered office is at Drentestraat 20 1083 HK Amsterdam, the Netherlands. The accountants of Ernst & Young Accountants are members of the Royal NIVRA (Nederlands Instituut voor registeraccountants), the Dutch accountants board. Neither Ernst & Young nor any associated body of it owns directly or indirectly any of the share capital of the Issuer or has been granted the right to subscribe for any share capital of the Issuer.

Financial Statements

Since its incorporation, the Issuer has not commenced operations or entered into a transaction and no profits or losses have been made or incurred and no dividends have been paid to the Issuer as at 1 May 2007. Set out below is a summary of the balance sheet. No statutory financial statements have been drawn up and audited for any period since its incorporation.

Balance Sheet as at 1 May 2007

<u>Assets</u>	<u>2007</u>
(in euro's)	
Cash at banks	€18.000
<u>Financed by equity shareholders' funds</u>	<u>2007</u>
Share capital	€18.000

Loan Capital (in euros)	<p>445,000,000 Class A Credit-Linked Floating Rate Notes due 2017; 75,000,000 Class B Credit-Linked Floating Rate Notes due 2017; 115,000,000 Class C Credit-Linked Floating Rate Notes due 2017; 75,000,000 Class D Credit-Linked Floating Rate Notes due 2017; 90,000,000 Class E Credit-Linked Floating Rate Notes due 2017; and 200,000,000 Class F Credit-Linked Floating Rate Notes due 2017.</p>
Litigation	<p>Since the date of its incorporation on 26 April 2007, the Issuer has not been and is not involved in any governmental, legal or arbitration proceedings which may have, or have had since the date of its incorporation any significant effects on the Issuer and/or its financial position or profitability. The Issuer is not aware that any such governmental, legal or arbitration proceedings are pending or threatened.</p>
Material Contracts	<p>Apart from the Transaction Documents to which it is a party and which are described herein, the Issuer has not entered into any material contracts other than in the ordinary course of its business.</p>
Material Adverse Change	<p>Since the date of the Issuer's incorporation, there has been no material adverse change, or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) or prospects of the Issuer.</p>
Commissions and Expenses	<p>It is estimated that the expenses (including the legal expenses, listing expenses, and initial expenses of service providers) associated with the issue of the Notes will not exceed 1.25 per cent of the aggregate nominal amount of the Notes, (being EUR 1,000,000,000) or EUR 12,500,000. Such expenses have been paid or are payable by ABN AMRO Bank N.V.</p>

The following is a text of a confirmation received by a managing director of the Issuer from Ernst & Young, auditors to the Issuer.

AUDITORS' CONFIRMATION

Amstel Securitisation of Highgrade Exposures 2007-1 B.V. (the “**Issuer**”) was established on 26 April 2007 under number 34272688 of the Chamber of Commerce. The Issuer has not yet prepared any financial statements. Since its establishment, the Issuer has not conducted any activities, no profits or losses have been made or incurred and the Issuer has not made any distributions, save for the activities related to its establishment and the securitisation transaction and the issue of the Notes included in the Prospectus dated 1 May 2007.

Amsterdam, 1 May 2007

Ernst & Young Accountants

ABN AMRO HOLDING N.V.

ABN AMRO Holding N.V. (“**Holding**”) is incorporated as a limited liability company under Dutch law by deed of 30 May 1990 as the holding company of ABN AMRO Bank N.V. Holding’s main purpose is to own ABN AMRO Bank N.V. and its subsidiaries. Holding owns 100 per cent. of the shares of ABN AMRO Bank N.V. and is jointly and severally liable for all liabilities of ABN AMRO Bank N.V. ABN AMRO Bank N.V. is registered in the Commercial Register of Amsterdam under number 33002587. The registered office of ABN AMRO Bank N.V. is at Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands.

The ABN AMRO group (“**ABN AMRO**”), which consists of Holding and its subsidiaries, is a prominent international banking group offering a wide range of banking products and financial services on a global basis through its network of 3,870 offices and branches in 58 countries and territories as of year-end 2004. ABN AMRO is one of the largest banking groups in the world with total consolidated assets of EUR 608.6 billion as at 31 December 2004.

ABN AMRO is the largest banking group in the Netherlands and it has a substantial presence in Brazil and the MidWestern United States, its three “home markets”. ABN AMRO is one of the largest foreign banking groups in the United States, based on total assets held as of 31 December 2004. ABN AMRO is listed on Euronext and the New York Stock Exchange among others.

The long-term, unsecured, unsubordinated and unguaranteed debt obligations of ABN AMRO are currently rated “AA-” by S&P, “Aa3” by Moody’s and “AA-” by Fitch. The short-term, unsecured, unsubordinated and unguaranteed debt obligations of ABN AMRO are currently rated “A-1+” by S&P, “P-1” by Moody’s and “F1+” by Fitch.

Any press releases issued by ABN AMRO can be obtained from the ABN AMRO website at <http://www.abnamro.com/pressroom>.

The information in the preceding five paragraphs has been provided solely by ABN AMRO for use in this Prospectus and ABN AMRO is solely responsible for the accuracy of the preceding five paragraphs.

The following documents shall be deemed to be incorporated in, and form part of, this Prospectus:

- (a) ABN AMRO Holding’s publicly available consolidated audited annual financial statements for the years ended 31 December 2006, 31 December 2005 and 31 December 2004; and
- (b) ABN AMRO’s registration document dated 30 June 2006 pursuant to the Commission Regulation (EC) No 809/2004 (the EU Prospectus Regulation) for ABN AMRO Holding and ABN AMRO as approved by the AFM on 29 June 2006 as amended and supplemented on 8 August 2006, 1 November 2006, 27 February 2007 and 23 April 2007.

The Issuer will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Written requests for such documents should be directed to the Issuer at its registered office set out at the end of this Prospectus. In addition, such documents will be available from the office in Breda of ABN AMRO in its capacity as Paying Agent.

USE OF PROCEEDS

The net proceeds from the issue of the Notes are expected to be EUR 1,000,000,000 in aggregate, being 100% of the issue price of the Notes. Such proceeds will be used on the Closing Date by the Issuer to fund the initial Cash Deposit in accordance with the Cash Deposit Agreement pursuant to which such proceeds will be deposited in the Cash Deposit Account held with the Cash Deposit Bank.

CASH DEPOSIT AND REPO AGREEMENT

Cash Deposit

On the Closing Date, the Issuer will utilise the proceeds of the issue of the Notes to make the Cash Deposit with the Cash Deposit Bank pursuant to the Cash Deposit Agreement. In the event that the Cash Deposit Bank ceases to have the Cash Deposit Bank Required Rating, on the CD Replacement Date the Cash Deposit Bank will either be replaced with a successor Cash Deposit Bank which has the Cash Deposit Bank Required Rating and with which the Issuer will make a cash deposit or the Issuer will enter into an Initial Transaction under the Repo Agreement.

The Cash Deposit Agreement

The Cash Deposit is subject to the Cash Deposit Agreement to be entered into on or prior to the Closing Date and made between the Issuer, the Trustee, the Cash Administrator and the Cash Deposit Bank. The Cash Deposit Agreement provides for periodic income payments to be made to or to the order of the Issuer on each Interest Payment Date at a rate of three-month EURIBOR (save that in the case of the first Interest Period the rate will be a linear interpolation of EURIBOR for one month and two month euro deposits) minus the cash deposit margin (being 0.06% per annum or such other margin as the Cash Deposit Bank may apply from time to time in accordance with its internal policies) and calculated on the basis of a 360 day year. Such income comprises a portion of the Available Income Funds of the Issuer to be utilised (in accordance with the Available Income Funds Priority of Payments) by the Issuer on each Interest Payment Date.

The Cash Deposit Agreement provides among other things that, in the event of (i) one or more Credit Protection Payment Amounts becoming due by the Issuer under the Credit Default Swap or (ii) a Quarterly Amortisation Amounts or Defaulted Reference Obligation Recovery Amounts being allocated to reduce the outstanding Principal Balance of any Class, a commensurate amount shall be repaid by the Cash Deposit Bank (or, in the event that the Cash Deposit Agreement is replaced by a Repo Agreement, a commensurate amount of the Purchased Securities will be repurchased under the Repo Agreement and the Repo Agreement accordingly partially unwound) to or to the order of the Issuer in order to enable it to satisfy its payment obligations. The Deed of Charge provides for the Security (as defined in the Conditions) to be released in relation to any such release of funds from the Cash Deposit or under the Repo Agreement, as applicable. The Cash Deposit Agreement further provides for certain break costs to be paid to the Cash Deposit Bank in relation to any withdrawal from the Cash Deposit Account on a date other than an Interest Payment Date. Break costs are calculated based upon three-month EURIBOR and the cash deposit margin in relation to the withdrawn amount and the period starting on the date on which such amount is withdrawn from the Cash Deposit Account and ending on the next following Interest Payment Date.

Unless terminated earlier, the Cash Deposit Agreement will expire on the Scheduled Redemption Date (or, if the Notes are not redeemed in full on the Scheduled Redemption Date, the Final Redemption Date). The Cash Administrator may serve a notice of termination to the Issuer (with a copy to the Trustee and the Cash Deposit Bank) and effect an early termination of the Cash Deposit Agreement if there is a material default, payment default, or imposition of tax which would adversely affect the after-tax return to the Issuer of the income under the Cash Deposit Agreement. Pursuant to the Cash Deposit Agreement, the Cash Deposit Bank has agreed to certain non-petition provisions in relation to the Issuer.

Replacement of Cash Deposit Bank or Entry of Initial Transaction under Repo Agreement

In the event that (1) the Swap Counterparty elects to do so at least 30 days prior to any Interest Payment Date, or (2) the Cash Deposit Bank is downgraded below the Cash Deposit Bank Required Rating, then on the CD Replacement Date the Issuer will liquidate the Cash Deposit (and the Trustee will be required to release any security in relation thereto subject to substitute security being created in respect of the amounts so transferred, and shall bear no liability for so releasing such security) and use

the proceeds thereof to either (at the option of the Swap Counterparty) (a) enter into a replacement Cash Deposit Agreement with a successor Cash Deposit Bank which has the Cash Deposit Bank Required Rating, or (b) enter into an Initial Transaction (the “**Initial Transaction**”) with the Repo Counterparty pursuant to which the Issuer will purchase securities from the Repo Counterparty; or in the case of (2) above only, the Issuer must, within 30 days of the downgrade, find a guarantor with the Cash Deposit Bank Required Rating to guarantee the Cash Deposit Bank’s obligations pursuant to the Cash Deposit Agreement provided that the Issuer shall have obtained a prior written confirmation from the Rating Agencies that the ratings of the Notes will not be adversely affected as a result.

The securities eligible to be purchased from time to time by the Issuer from the Repo Counterparty under the Repo Agreement shall be securities denominated in euro with a remaining maturity of 10 years or less which (a) are negotiable instruments, and (b) either (i) are issued by a member state of the European Union and have a long-term rating of at least Aa3 from Moody’s and AA- from S&P, or (ii) are public *pfandbriefe*, *obligations foncières* or asset covered securities or equivalent securities, which have a rating of at least Aaa from Moody’s and AAA from S&P (the “**Eligible Securities**”), provided that in the event that the short-term rating of the Repo Counterparty becomes lower than P-1 from Moody’s or A-1+ from S&P or its long-term credit rating becomes lower than Aa3 from Moody’s, all Eligible Securities then credited to the securities account and rated lower than Aaa by Moody’s or AAA by S&P shall cease to be eligible to be purchased by the Issuer (the “**Ineligible Securities**” and, together with the Eligible Securities, as applicable, the “**Securities**”) and shall be replaced with new Eligible Securities rated Aaa by Moody’s and AAA by S&P, and the Issuer shall then be entitled to purchase from the Repo Counterparty Eligible Securities bearing such ratings only. On the CD Replacement Date, the Issuer shall purchase Eligible Securities under the Repo Agreement, having an aggregate Purchase Price equal to the amount of the Principal Balance of the Notes (the Eligible Securities when purchased by the Issuer under the Repo Agreement are referred to as the “**Purchased Securities**”). The Repo Counterparty is also obliged under the Repo Agreement to deliver Margin (as defined in the Repo Agreement) in the form of additional Eligible Securities and in accordance with the applicable Margin Ratio (any such securities delivered in respect of Margin shall be held on the same terms as the Purchased Securities). In the event that the value of the Securities held by the Issuer exceeds the value and Margin Ratio provided in the Repo Agreement, the Issuer is obliged under the Repo Agreement to release a corresponding amount of Securities to the Repo Counterparty. Conversely, in the event that the value of the Securities held by the Issuer is less than the value and Margin Ratio provided in the Repo Agreement, the Repo Counterparty will be required to deliver a corresponding additional amount of Eligible Securities to the Issuer. The Repo Counterparty, subject to certain credit rating requirements, may hold the Purchased Securities as custodian for the Issuer.

Price Differential under Repo Agreement

The price differential (“**Price Differential**”) shall accrue from time to time on the aggregate Purchase Price of the Purchased Securities (other than Purchased Securities which have, prior to the relevant time, been repurchased by the Repo Counterparty) at a rate per annum equal to three-month EURIBOR less the spread specified in the Repo Agreement. Such Price Differential shall accrue on the basis of the Day Count Fraction. The Price Differential forms the Issuer CD/Repo Income in the event that the Cash Deposit is replaced by the Repo Agreement.

Credit Protection Payment Amount and Repurchases of Purchased Securities

The Repo Counterparty will agree to adjust the terms of the Initial Transaction such that it repurchases Purchased Securities from the Issuer from time to time for cash in such amounts (the “**Repurchase Price**”) in euro as are necessary to enable the Issuer to make payment of any Credit Protection Payment Amount(s) due under the Credit Default Swap or to redeem the Notes (in part) to the extent of any Quarterly Amortisation Amounts or Defaulted Reference Obligation Recovery Amounts allocated to reduce the outstanding Principal Balance of any Class, or the Trustee to enforce the Security in accordance with the Conditions. Subject to receiving notice from the Calculation Agent not later than the business day immediately preceding the date on which a payment of any Credit Protection Payment Amounts, Quarterly Amortisation Amount or Defaulted Reference Obligation Recovery Amount in respect of any Class is due of the amount of Purchased Securities to be repurchased by the Repo

Counterparty on such date, the Repo Counterparty shall repurchase Purchased Securities and the Initial Transaction shall be adjusted in accordance with the terms of the Repo Agreement.

Repurchase

On the Termination Date, as defined therein, (unless earlier terminated in accordance with the terms of the Repo Agreement), the Repo Counterparty shall repurchase from the Issuer securities equivalent to (subject to any Credit Protection Payment Amounts arising prior to the Scheduled Redemption Date which have been notified to the Issuer and the Trustee) the Purchased Securities (which have not been repurchased previously pursuant to the Repo Agreement or Quarterly Amortisation Amounts or Defaulted Reference Obligation Recovery Amounts or other liquidation in accordance with the terms of the Repo Agreement).

Repo Counterparty Payments

All payments by the Repo Counterparty of any amounts under the Repo Agreement will be deposited to or to the order of an account (the “**Issuer Account**”, which expression shall include any replacement Issuer Account) in the name of the Issuer at the Issuer Account Bank and distributed in accordance with the orders or priority of payments set out in the Deed of Charge. The bank with which the Issuer Account is to be held (the “**Issuer Account Bank**”, which expression shall include any replacement bank in respect thereof and which initially shall be ABN AMRO) shall have a short-term credit rating of at least P-1 from Moody’s (as defined below) and A-1+ from S&P (as defined below) and a long-term credit rating of at least Aa3 from Moody’s (the “**Issuer Account Bank Required Rating**”). In the event that the Issuer Account Bank is downgraded below the Issuer Account Bank Required Rating, then on any date which is within 30 days of such downgrade the Issuer will either (a) arrange for the transfer of all amounts then standing to the credit of the Issuer Account to a successor Issuer Account Bank having the Issuer Account Bank Required Rating (and the Trustee will be required to release any security in respect of the Issuer Account, subject to substitute security being granted in respect of such amounts, and shall bear no liability for so releasing such security) or (b) find a guarantor with the Issuer Account Bank Required Rating to guarantee the Issuer Account Bank’s obligations provided that the Issuer shall have obtained a prior written confirmation from the Rating Agencies that the rating of the Notes will not be adversely affected as a result.

Custodian of the Purchased Securities

The Purchased Securities and any proceeds thereof may, subject to the Repo Counterparty having the Repo Counterparty Required Rating, be held by the Repo Counterparty as custodian for the Issuer in a separate securities account established and maintained by the Repo Counterparty at Euroclear or Clearstream Luxembourg, as the case may be, for the benefit of the Issuer.

Income

The Repo Counterparty in its capacity as custodian (when such custodian is ABN AMRO) of the Purchased Securities, which comprise securities which fall under the scope of the Dutch *Securities Book Entry Transfer Act (Wet giraal effecten verkeer)* (the “**Wge Securities**”), will, on behalf of the Issuer and in discharge of the Issuer’s obligations under the Repo Agreement, pay to the Repo Counterparty all income received by the Issuer in respect of the Wge Securities held by it. In the event that the Purchased Securities comprise securities which are not Wge Securities, the Repo Counterparty (if then ABN AMRO) may not hold such Purchased Securities (or relevant portion thereof) and a separate custodian may instead do so; in such event, the custodian of any such Purchased Securities (or portion thereof) will, on behalf of the Issuer and in discharge of the Issuer’s obligations under the Repo Agreement, pay to the Repo Counterparty all income received by the Issuer in respect of the Purchased Securities held by it.

Substitution of Purchased Securities

The Repo Counterparty may, at any time and from time to time, deliver to the account of the Issuer, in substitution for any Purchased Securities, securities having a Market Value (as defined in the Repo

Agreement) equal to the Purchase Price of such Purchased Securities, subject to the terms of the Repo Agreement, provided that in the event that the short-term credit rating of the Repo Counterparty becomes lower than P-1 from Moody's or A-1+ from S&P or its long-term credit rating becomes lower than Aa3 from Moody's, all Eligible Securities then credited to the Securities Account and rated lower than Aaa by Moody's or AAA by S&P shall cease to be eligible to be purchased by the Issuer and shall be replaced with new Eligible Securities rated Aaa by Moody's and AAA by S&P and the Issuer shall then be entitled to purchase from the Repo Counterparty Eligible Securities bearing such ratings only. The costs of any such substitution shall be assumed by the Repo Counterparty.

Events of Default under Repo Agreement

The Repo Agreement will include limited events of default such as the insolvency of the Issuer or the Repo Counterparty and failure to make payments or deliveries thereunder. Upon the occurrence of any such event of default (following service of a default notice), the Repurchase Date is deemed to occur immediately and an account is taken of all sums due from one party to the other under the Repo Agreement (including the value of the obligations to deliver securities equivalent to the Purchased Securities as established under the Repo Agreement). The sums due from one party to the other shall be set-off and only the balance of the account shall be payable between the parties on the following business day.

Acceleration Events under Repo Agreement

The Repo Agreement may, in addition, be accelerated:

- (a) if, by reason of any action taken by a tax authority or brought in a court of competent jurisdiction or a change in the fiscal or regulatory regime of any relevant jurisdiction, there will be a material adverse effect on the Repo Counterparty in the context of the Initial Transaction as may be adjusted from time to time (including, without limitation, the Repo Counterparty being required to gross up under the Repo Agreement or to receive payments in respect of income net of withholding or deduction for or an account of tax); or
- (b) if an early termination occurs in relation to the Credit Default Swap or the Notes are subject to acceleration or early redemption.

In addition, the Repo Agreement will be accelerated in the event that ABN AMRO ceases to have the Repo Counterparty Required Rating and, within 30 days of any such downgrade fails to transfer the Repo Agreement to a successor or replacement Repo Counterparty which has the Repo Counterparty Required Rating or provide additional margin in accordance with the Margin Ratio (as defined in the Repo Agreement) approved by the Rating Agencies (but provided that if the Repo Counterparty is downgraded to a short-term credit rating of P-2 by Moody's or A-2 or lower by S&P, the Repo Counterparty will be required, within 30 days of such downgrade, to identify a successor or replacement Repo Counterparty which has the Repo Counterparty Required Rating, and assign the Repo Agreement to it or arrange for a new Repo Agreement to be entered into between the Issuer and such replacement Repo Counterparty which has the Repo Counterparty Required Rating). Any such replacement of the Cash Deposit, replacement of the Repo Counterparty, repurchase of securities or provision of additional margin shall be at no cost to the Issuer. The Issuer shall not be entitled to enter into a new Cash Deposit held with a Cash Deposit Bank after it has entered into an Initial Transaction, including upon the occurrence of downgrade of the Repo Counterparty below the Repo Counterparty Required Rating.

Upon the occurrence of any such event, the Issuer or the Repo Counterparty may, by giving written notice to the other, accelerate the repurchase obligations under the Repo Agreement and specify a date in such notice as the Repurchase Date.

CASH ADMINISTRATION AGREEMENT

Cash Administrator

Under the cash administration agreement to be dated on or about the Closing Date between the Issuer, the Trustee, the Cash Administrator, the Cash Deposit Bank, the Swap Counterparty and the Issuer Account Bank (the “**Cash Administration Agreement**”), the Issuer will appoint ABN AMRO BANK N.V., London Branch (acting through its office at 82 Bishopsgate, London, EC2N 4BN, United Kingdom) as the Cash Administrator, to provide certain cash administration services on behalf of the Issuer as described in more detail in the following paragraphs.

Reporting

On each Interest Payment Date, the Cash Administrator will deliver to the Principal Paying Agent, the Issuer and the Trustee a duly completed and signed report in a form reasonably acceptable to the Cash Administrator (a Cash Administrator Report) specifying with respect to the related Interest Period the amounts of Available Income Funds to be distributed on that Interest Payment Date.

Administration of Accounts, Calculations and Determinations

The Cash Administrator will service and administer the Cash Deposit Account and the Issuer Account (together, the Accounts) in accordance with the Cash Administration Agreement and the other Transaction Documents.

The Cash Administrator will make calculations and determinations in respect of allocations and collect payments due in respect of the amounts due to and from the Issuer in accordance with its customary and usual procedures and will have full power and authority, acting alone or through any party designated by it under the Cash Administration Agreement, to do all necessary or desirable things in connection with such cash administration.

The Cash Administrator shall at all times maintain accurate records reflecting each transaction in the Accounts and in any ledger relating to each of the Accounts. The Cash Administrator will upon receipt direct to the appropriate ledgers:

- (a) any Swap Counterparty Payment and any Issuer CD/Repo Income;
- (b) any Quarterly Amortisation Amounts or Defaulted Reference Obligation Recovery Amounts allocated to reduce the Principal Balance of any Class and paid through the release by the Cash Deposit Bank of amounts under the Cash Deposit Agreement (or the repurchase by the Repo Counterparty of securities under the Repo Agreement); and
- (c) any amounts for paying Credit Protection Payment Amounts, realised through the release by the Cash Deposit Bank of amounts under the Cash Deposit Agreement (or repurchase by the Repo Counterparty of securities under the Repo Agreement),

each in accordance with the Cash Administration Agreement.

On or before each Interest Payment Date, the Cash Administrator will, on behalf of the Issuer, determine and allocate the Available Income Funds, the Available Redemption Funds, the Quarterly Amortisation Amounts (to the extent allocated to reduce the Principal Balance of the Notes) and the Defaulted Reference Obligation Recovery Amounts (to the extent allocated to reduce the Principal Balance of the Notes) for the related Interest Period by instructing the Cash Deposit Bank and the Issuer Account Bank (as applicable) to make the necessary transfers on or before each Interest Payment Date.

Until an Event of Default in relation to which an Enforcement Notice has been delivered has occurred in respect of the Issuer, the Cash Administrator (acting on behalf of the Issuer) will, as at each Interest Payment Date instruct the Issuer Account Bank or the Cash Deposit Bank (as applicable):

- (a) to make payments in accordance with the Available Income Funds Priority of Payments;
- (b) after the Revolving Period End Date and prior to the date on which any Class of Notes has, been declared due and repayable in whole in accordance with the Conditions, to make payments of Quarterly Amortisation Amounts or Defaulted Reference Obligation Recovery Amounts allocated to reduce the Principal Balance of any Class in accordance with Condition 5.2;
- (c) after any Class of Notes has been declared due and repayable in whole in accordance with the Conditions, to make payments in accordance with the Available Redemption Funds Priority of Payments;
- (d) to make payments of Credit Protection Payment Amounts to, or to the order of, the Swap Counterparty.

Following the occurrence of an Event of Default in relation to which an Enforcement Notice has been delivered, the Cash Administrator (acting on behalf of the Issuer or the Trustee, as the case may be) will instruct the Cash Deposit Bank to pay all amounts standing to the credit of the Accounts to, or to the order of, the Trustee for distribution in accordance with the Post-Enforcement Priority of Payments.

Costs and Expenses of the Cash Administrator

As compensation for its duties under the Cash Administration Agreement and as reimbursement for any expense incurred by it in connection therewith, the Issuer will pay to the Cash Administrator an annual fee on the Interest Payment Date falling in April in accordance with the Available Income Funds Priority of Payments.

Delegation

The Cash Administrator may, in accordance with the terms of the Cash Administration Agreement, delegate its duties under the Cash Administration Agreement to third parties. Any such delegation will not relieve the Cash Administrator of its liabilities and responsibility with respect to such duties, and will not constitute a resignation of the Cash Administrator nor will it entitle the Cash Administrator to receive any additional fee. Any delegation to a party other than an affiliate of the Cash Administrator will require prior notification to each of the Rating Agencies and (a) confirmation from S&P that the then current ratings of the Notes assigned by it and (b) the then current ratings of the Notes assigned by Moody's, will in each case not be adversely affected as a result of such delegation.

Termination of Appointment of the Cash Administrator

Under the Cash Administration Agreement, the Cash Administrator may resign upon 90 days' prior notice, or if the performance of its duties becomes illegal and there is no reasonable action which the Cash Administrator could take to remedy such illegality. The resignation of the Cash Administrator will not take effect until a successor cash administrator has been appointed in its place.

Upon the occurrence of certain events of default set out in the Cash Administration Agreement, the Issuer may terminate the appointment of the Cash Administrator. Such events of default in respect of the Cash Administrator include, among others: (i) a default in the performance of any of the Cash Administrator's covenants or obligations under the terms of the Cash Administration Agreement or any relevant Transaction Document which has a material adverse effect on the interests of the Issuer and which continues unremedied for a period of time specified in the Cash Administration Agreement, and (ii) the occurrence of certain insolvency related events in relation to the Cash Administrator. In such a case, the Issuer shall promptly appoint a substitute cash administrator.

Regardless of the termination of the appointment of the Cash Administrator, the Cash Administrator will continue to perform its duties until the date specified by or agreed with the Issuer. The identity and terms of appointment of any successor cash administrator must meet certain criteria set out in the Cash Administration Agreement. The fee payable to any successor cash administrator must not exceed or

have a higher priority than the fee payable to the Cash Administrator under the Cash Administration Agreement.

Upon the termination of its appointment, the Cash Administrator is required , as soon as reasonably practicable, to transfer its electronic records or electronic copies thereof relating to cash administration to the successor cash administrator together with all other records, correspondence and documents necessary for the continued cash administration in the manner and at such times as the successor cash administrator requests.

DESCRIPTION OF THE NOTES AND THE GLOBAL NOTES

The EUR 1,000,000,000 Credit-Linked Floating Rate Notes due 2017 of the Issuer comprising the EUR 445,000,000 Class A Credit-Linked Floating Rate Notes due 2017 (the “**Class A Notes**”), the EUR 75,000,000 Class B Credit-Linked Floating Rate Notes due 2017 (the “**Class B Notes**”), the EUR 115,000,000 Class C Credit-Linked Floating Rate Notes due 2017 (the “**Class C Notes**”), the EUR 75,000,000 Class D Credit-Linked Floating Rate Notes due 2017 (the “**Class D Notes**”), the EUR 90,000,000 Class E Credit-Linked Floating Rate Notes due 2017 (the “**Class E Notes**”) and the EUR 200,000,000 Class F Credit-Linked Floating Rate Notes due 2017 (the “**Class F Notes**”) (together the “**Notes**” and individually, a “**Note**” with references to a “**Class**” being to any class of Notes) are constituted pursuant to a trust deed to be entered into on or prior to the Closing Date (the “**Trust Deed**”, which expression includes such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified) and made between the Issuer and ABN AMRO Trustees Limited (the “**Trustee**”, which expression includes any further or other trustee under the Trust Deed) as trustee *inter alios* for the holders for the time being of the Class A Notes (the “**A Noteholders**”), the holders for the time being of the Class B Notes (the “**B Noteholders**”), the holders for the time being of the Class C Notes (the “**C Noteholders**”), the holders for the time being of the Class D Notes (the “**D Noteholders**”), the holders for the time being of the Class E Notes (the “**E Noteholders**”) and the holders for the time being of the Class F Notes (the “**F Noteholders**”), (such holders of Notes referred to collectively herein as the “**Noteholders**”). The Notes will, in certain circumstances, be issued in definitive form with principal receipts (the “**Receipts**” and the holders thereof, the “**Receiptholders**”) and with interest coupons (the “**Coupons**” and the holders thereof, the “**Couponholders**”). The Notes also have the benefit of a paying agency and agent bank agreement (the “**Paying Agency and Agent Bank Agreement**”, which expression includes any modification thereto) entered into on or before the Closing Date and made among the Issuer, ABN AMRO (in its capacities as agent bank (the “**Agent Bank**”) and as principal paying agent (the “**Principal Paying Agent**”), the Trustee and any further or other paying agents for the time being appointed in respect of the Notes (together with the Principal Paying Agent, the “**Paying Agents**” and, together with the Agent Bank, the “**Agents**”), pursuant to which provision is made for the payment of principal and interest in respect of the Notes. The statements in this DESCRIPTION OF THE NOTES AND THE GLOBAL NOTES section include summaries of, and are subject to, the detailed provisions of the Trust Deed, the deed of charge to be entered into on or prior to the Closing Date by the Issuer in favour of the Trustee (the “**Deed of Charge**”), the pledge agreement to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee in respect of the Cash Deposit (the “**Cash Deposit Account Pledge**”), the pledge agreement to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee in respect of the Issuer Account (the “**Issuer Account Pledge**” and the pledge agreement to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee in respect of the Dutch Tax Account (the “**Dutch Tax Account Pledge**”).

So long as the Notes are listed on Euronext Amsterdam, copies of this Prospectus, the Trust Deed, the Paying Agency and Agent Bank Agreement, the Master Definitions and Common Terms Agreement, the Cash Administration Agreement, the Issuer Account Pledge, the Cash Deposit Account Pledge, the Dutch Tax Account Pledge, the Deed of Charge, the Credit Default Swap, the Cash Deposit Agreement and the Repo Agreement will be available electronically on a secure website (currently www.cd trustee.com) as well as in hard copy on request, during normal office hours, at the principal office for the time being of the Trustee, being at the date hereof at 82 Bishopsgate, London EC2N 4BN, United Kingdom or the principal office for the time being of the Principal Paying Agent, being at the date hereof Kemelstede 2, 4817 ST Breda, the Netherlands. The Noteholders, the Receiptholders and the Couponholders (if any) are entitled to the benefit of, are bound by, and are deemed to have notice of, all of the provisions of the Trust Deed, and are deemed to have notice of, the Paying Agency and Agent Bank Agreement, the Master Definitions and Common Terms Agreement, the Issuer Account Pledge, the Cash Deposit Account Pledge, the Dutch Tax Account Pledge, the Cash Administration Agreement and the Deed of Charge. The issue of the Notes was authorised by a resolution of the sole managing director of the Issuer passed on 26 April 2007. Terms used in the Conditions shall, unless the context requires otherwise, have the meaning given to them in Condition 17.

The Notes of each Class will be represented initially by a temporary global note (the “**Temporary Global Note**”) in bearer form, without Receipts or Coupons, in the principal amount of EUR445,000,000 in relation to the Class A Notes, EUR 75,000,000 in relation to the Class B Notes, EUR 115,000,000 in relation to the Class C Notes, EUR 75,000,000 in relation to the Class D Notes, EUR 90,000,000 in relation to the Class E Notes and EUR 200,000,000 in relation to the Class F Notes.

Each Temporary Global Note will be deposited on behalf of the subscribers of the Notes with one of Euroclear and Clearstream, Luxembourg as common safekeeper (the “**Common Safekeeper**”), in each case on or about 11 May 2007. Upon deposit of each Temporary Global Note, Euroclear or Clearstream, Luxembourg (as the case may be) will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid. Interests in each Temporary Global Note will be exchangeable not earlier than 40 days after the Closing Date (provided certification of non-United States beneficial ownership has been received) for interests in a related permanent global note (the “**Permanent Global Note**”) in bearer form, without Receipts or Coupons, in the principal amount of EUR 445,000,000 in relation to the Class A Notes, EUR 75,000,000 in relation to the Class B Notes, EUR 115,000,000 in relation to the Class C Notes, EUR 75,000,000 in relation to the Class D Notes, EUR 90,000,000 in relation to the Class E Notes and EUR 200,000,000 in relation to the Class F Notes. The expressions “**Global Notes**” or “**Global Note**” mean respectively each Temporary Global Note and each Permanent Global Note or any of them, as the context may require. On exchange of a Temporary Global Note for the related Permanent Global Note, the Permanent Global Note will be deposited with the Common Safekeeper.

While the Notes are represented by the Permanent Global Note relating to that Class and the Permanent Global Note is deposited with a Common Safekeeper for Euroclear and Clearstream, Luxembourg, notices may be delivered to Euroclear and Clearstream, Luxembourg, as applicable, and each Paying Agent and in any case such notices shall be deemed to have been given to the Noteholders in accordance with the terms and conditions of the Notes on the date of delivery to Euroclear and Clearstream, Luxembourg, as applicable, and each Paying Agent.

The Permanent Global Notes will be transferable by delivery and will be exchangeable for definitive Notes only in the circumstances described below. Interest and principal on each Global Note will be payable against presentation of the relevant Global Note by the Common Safekeeper to the Principal Paying Agent, provided, so long as the Notes are in temporary global form, certification of non-United States beneficial ownership has been received by Euroclear or Clearstream, Luxembourg (as applicable) as provided below. A record of each payment made on a Global Note, distinguishing between any payment of principal and payment of interest, will be endorsed on such Global Note by or on behalf of the Paying Agent to which such Global Note was presented for the purpose of making such payment and such record shall be *prima facie* evidence that the payment in question has been made. Each of the persons shown from time to time in the records of Euroclear or Clearstream, Luxembourg, as the case may be, as the holder of a Note will be entitled to receive any payments made in respect of that Note in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes, which must be made by the holder of the relevant Global Note, for so long as such Global Note is outstanding. Each such person must give a certificate as to non-United States beneficial ownership as of the earlier of (i) the date on which the Issuer is obliged to exchange interests in the Temporary Global Note for interests in the related Permanent Global Note, which date shall be no earlier than the first day following the expiry of 40 days after the Closing Date (the “**Exchange Date**”) or (ii) the first Interest Payment Date, in order to obtain any payment due on the Notes.

For so long as the Notes of a Class are represented by a Global Note, interests in the Notes represented by that Global Note will be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as appropriate.

For so long as any Class is represented by a Global Note, each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg (as the case may be) as the holder of a particular principal amount of such Class will be treated by the Issuer and the Trustee as a holder of

such principal amount of such Class and the expression “Noteholder” will be construed accordingly, but without prejudice to the entitlement of the bearer of the relevant Global Note to be paid principal thereon and interest with respect thereto in accordance with and subject to its terms. Any statement in writing issued by Euroclear or Clearstream, Luxembourg (as the case may be) as to the person shown in its records as being entitled to such Notes and the respective principal amount of such Notes held by them shall be conclusive for all purposes.

If while the Notes are in global form (i) Euroclear or Clearstream, Luxembourg, is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces permanently to cease business or does in fact do so, or (ii) as a result of any amendment to, or change in the laws or regulation of the Netherlands (or any political sub-division thereof) or of any authority therein or thereof having power to tax or in the interpretation by a revenue authority or a court or in the administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is required by applicable law to make any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer, at its sole cost and expense, will issue Notes (or the relevant Class of Notes), Receipts and Coupons in definitive form relating to the Notes represented by the Global Notes or the affected Global Notes, as the case may be, in exchange for the whole outstanding interest in the Global Notes or the affected Global Notes, as the case may be, within 30 days of the occurrence of the relevant event.

The Notes, Receipts and Coupons, if issued in definitive form will bear the following legend: “Any United States Person (as defined in the *Internal Revenue Code*) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 154(j) and 1287(a) of the *Internal Revenue Code*”. The sections referred to in the legend provides that a United States Person will not, with certain exceptions, be permitted to deduct any loss and will not be eligible for favourable capital gains treatment with respect to any gain realised on a sale, exchange or redemption of any Note, Receipt or Coupon.

TERMS AND CONDITIONS OF THE NOTES

If Notes in definitive form were to be issued, the terms and conditions (subject to amendment and completion) set out on each Note would be as set out below. While the Notes remain in global form, the same terms and conditions govern such Notes, except to the extent that they are appropriate only to Notes in definitive form.

The EUR 1,000,000,000 Credit-Linked Floating Rate Notes due 2017 of the Issuer comprising the EUR 445,000,000 Class A Credit-Linked Floating Rate Notes due 2017 (the “**Class A Notes**”), the EUR 75,000,000 Class B Credit-Linked Floating Rate Notes due 2017 (the “**Class B Notes**”), the EUR 115,000,000 Class C Credit-Linked Floating Rate Notes due 2017 (the “**Class C Notes**”), the EUR 75,000,000 Class D Credit-Linked Floating Rate Notes due 2017 (the “**Class D Notes**”), the EUR 90,000,000 Class E Credit-Linked Floating Rate Notes due 2017 (the “**Class E Notes**”) and the EUR 200,000,000 Class F Credit-Linked Floating Rate Notes due 2017 (the “**Class F Notes**”) (together the “**Notes**” and individually, a “**Note**” with references to a “**Class**” being to any class of Notes) are constituted pursuant to a trust deed dated the Closing Date (the “**Trust Deed**”, which expression includes such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified) and made between the Issuer and ABN AMRO Trustees Limited (the “**Trustee**”, which expression includes any further or other trustee under the Trust Deed) as trustee *inter alios* for the holders for the time being of the Class A Notes (the “**A Noteholders**”), the holders for the time being of the Class B Notes (the “**B Noteholders**”), the holders for the time being of the Class C Notes (the “**C Noteholders**”), the holders for the time being of the Class D Notes (the “**D Noteholders**”), the holders for the time being of the Class E Notes (the “**E Noteholders**”) and the holders for the time being of the Class F Notes (the “**F Noteholders**”), (such holders of Notes referred to collectively herein as the “**Noteholders**”). The Notes will, in certain circumstances, be issued in definitive form with principal receipts (the “**Receipts**” and the holders thereof, the “**Receiptholders**”) and with interest coupons (the “**Coupons**” and the holders thereof, the “**Couponholders**”). The Notes also have the benefit of a paying agency and agent bank agreement (the “**Paying Agency and Agent Bank Agreement**”, which expression includes any modification thereto) and made among the Issuer, the Trustee, ABN AMRO (in its capacities as agent bank (the “**Agent Bank**”) and as principal paying agent (the “**Principal Paying Agent**”) and any further or other paying agents for the time being appointed in respect of the Notes (together with the Principal Paying Agent, the “**Paying Agents**” and, together with the Agent Bank, the “**Agents**”), pursuant to which provision is made for the payment of principal and interest in respect of the Notes. These Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the deed of charge to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee (the “**Deed of Charge**”), the pledge agreement to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee in respect of the Cash Deposit (the “**Cash Deposit Account Pledge**”), the pledge agreement to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee in respect of the Issuer Account (the “**Issuer Account Pledge**”) and the pledge agreement to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee in respect of the Dutch Tax Account (the “**Dutch Tax Account Pledge**”).

1. Form, Denomination and Title

References in these Conditions to “**€**”, “**EUR**” or “**euro**” are to the single currency of member states of the European Union participating in Economic and Monetary Union as contemplated in the Treaty of Rome of 25 March 1957 establishing the European Community, as amended by the Maastricht Treaty on European Union (which was signed in Maastricht on 7 February 1992 and came into force on 1 November 1993) and by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997), as further amended from time to time. The Notes of each Class (as defined below) when in definitive form are serially numbered and are issued in bearer form in the denomination of EUR 100,000 each with, at the date of issue, Receipts, Coupons and talons (each a “**Talon**”) for further Receipts and Coupons, attached. Title to the Notes, Receipts, Coupons and Talons shall pass by delivery and in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as appropriate. In these Conditions, “**Noteholder**” and “**Holder**” mean, in relation to any Note, the bearer of such Note. Reference to a Note of any Class shall include reference to the relevant

Receipts, Coupons and Talons, unless the context otherwise requires. Reference to a “**Class**” shall mean any class of the Notes.

The holder of each Receipt (each a “**Receiptholder**”) (whether or not the Receipt is attached to the Note), the holder of each Coupon (each a “**Couponholder**”) and the holder of each Talon (each a “**Talonholder**”) (whether or not the Coupon or Talon is attached to the Note) in his capacity as such shall be subject to and bound by all the provisions contained in the relevant Note. Reference to a Noteholder or a Holder shall include reference to the relevant Receiptholder, Couponholder or Talonholder unless the context otherwise requires.

The holder of any Note and the holder of any Receipt, Coupon or Talon may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, regardless of any notice of ownership, theft or loss, of any trust or other interest therein or of any writing thereon and no person will be liable for so treating the Noteholder.

Form and Denomination

(a) The Notes will be in the denomination of EUR 100,000 each. Each Class of Notes will be issued in bearer form and will initially be represented by a Temporary Global Note, without Coupons or Talons attached, in the aggregate principal amount on issue of EUR 445,000,000 for the Class A Notes, EUR 75,000,000 for the Class B Notes, EUR 115,000,000 for the Class C Notes, EUR 75,000,000 for the Class D Notes, EUR 90,000,000 for the Class E Notes and EUR 200,000,000 for the Class F Notes. The Temporary Global Notes will be deposited by the Principal Paying Agent on behalf of the subscribers and, at the instruction and authorisation of the Issuer, with a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) (each, a “**Clearing System**”) on the Closing Date. Upon deposit of the Temporary Global Notes, Euroclear or Clearstream, Luxembourg, as applicable, will credit the account of each Accountholder (as defined below) with the principal amount of the Notes for which it has subscribed and paid and make the appropriate entries in their records to reflect the initial outstanding aggregate principal amount of the Notes of the relevant Class.

Exchange for Permanent Global Notes

(b) Interests in each Temporary Global Note are exchangeable on and after the Exchange Date, upon certification of non US beneficial ownership, for interests in a Permanent Global Note, without Coupons or Talons attached, representing the same Class of Notes. The expression “**Global Note**” shall be read and construed to mean a Temporary Global Note or a Permanent Global Note and shall be construed (as applicable) to include Eurosystem-eligible new Global Notes as the context may require. On the exchange of each Temporary Global Note for the relevant Permanent Global Note in accordance with the Paying Agency and Agent Bank Agreement such Permanent Global Note will remain deposited with the Common Safekeeper.

Title to Global Notes

(c) Title to the Global Notes will pass by delivery. Interests in Notes represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as appropriate. Each person (other than the relevant Clearing System) who is for the time being shown in the records of the relevant Clearing System as the holder of a nominal amount of Notes represented by any Global Note may (except as ordered by a court of competent jurisdiction or otherwise required by law) be treated at all times by the Issuer, the Trustee and, the Paying Agents and the Common Safekeeper as the absolute owner of the nominal amount of Notes represented by that Global Note for the purposes of making payments thereon (regardless of any notice of ownership, trust or other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and none of the Issuer, the Trustee and, the Paying Agents and the Common Safekeeper shall be liable for so treating such holder. Each such holder must look solely to the relevant Clearing System for its share of each payment made to the bearer of such Global Note.

Issue of Definitive Notes

(d) If, while any Notes are represented by a Permanent Global Note an Exchange Event occurs, the Issuer will deliver Definitive Notes with (where applicable) Coupons and Talons attached on issue.

Form and Denomination of Definitive Notes

(e) Definitive Notes, if issued, will be in the denomination of EUR 100,000 each. The Definitive Notes will be serially numbered and in bearer form with (at the date of issue) Coupons falling due after the date of issue and Talons for further Coupons attached. The Definitive Notes, Coupons and Talons will be security printed in accordance with applicable legal and stock exchange requirements and shall be endorsed with these Conditions.

Title to Definitive Notes

(f) Title to the Definitive Notes, Coupons and Talons will pass by delivery. The holder of any Definitive Note, Coupon or Talon may (except as ordered by a court of competent jurisdiction or otherwise required by law) be treated at all times, by all persons and for all purposes, including the making of any payments in respect of the Notes, as the absolute owner of that Definitive Note, Coupon or Talon (regardless of any notice of ownership, trust or other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder. Each Couponholder and Talonholder (whether or not the Coupon or Talon is attached to the relevant Note) in his capacity as such shall be subject to and bound by all the provisions contained in the relevant Definitive Note.

2. Status, Relationship between Classes, Security and Priority, Credit Default Swap

2.1 Status and Relationship Between Classes

- (a) The Notes of each Class are direct, secured and unconditional obligations of the Issuer. The Notes are secured by pledges over all the assets of the Issuer (as more particularly described in the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge) and rank *pari passu* and rateably without any preference or priority amongst Notes of the same Class.
- (b) In accordance with the provisions of Condition 5, the Trust Deed and the Deed of Charge, payments of principal and interest due on each Class are subordinated to all payments of principal and interest due on every Class senior to it in accordance with the Order of Priority (as defined in paragraph (c) below) subject to the *pro rata* redemption of Notes in certain circumstances in accordance with the Available Redemption Funds Priority of Payments prior to the enforcement of security pursuant to Condition 9.
- (c) The Notes are all constituted by the Trust Deed and are secured by the same security, but (in order of seniority) (i) the Class A Notes will rank in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, (ii) the Class B Notes will rank in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, (iii) the Class C Notes will rank in priority to the Class D Notes, the Class E Notes and the Class F Notes, (iv) the Class D Notes will rank in priority to the Class E Notes and Class F Notes, and (v) the Class E Notes will rank in priority to the Class F Notes (collectively, the “**Order of Priority**”) in the event of the security created by the Deed of Charge, the Issuer Account Pledge, Dutch Tax Account Pledge and the Cash Deposit Account Pledge (the “**Security**”) being enforced. The Trust Deed and the Deed of Charge contain provisions stating that if, in the opinion of the Trustee, there is a conflict between the respective interests of the Noteholders of any Class, then the Trustee shall have regard at such time as regards powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise) only to the interests of the most senior Class of Noteholders then outstanding.
- (d) The Trustee is trustee for the Noteholders under the Trust Deed and has no obligation to, and shall have no regard to the interests of, the other Secured Creditors. The Trustee is obliged pursuant to the terms of the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge to consider the interests of all of the Secured Creditors, but in case of conflict of interest, to have equal regard only to the interests of the Swap Counterparty (as defined below) and the Noteholders or, if applicable, the holders of the most senior Class then outstanding.

- (e) The Trust Deed contains provisions limiting, *inter alia*, the powers of the Noteholders of a more junior Class of Notes to request or direct the Trustee to take any action or to pass any Extraordinary Resolution (as defined in Condition 10.1) affecting the interests of the Noteholders of a more senior Class of Notes in the Order of Priority. Except in certain circumstances, the Trust Deed imposes no such limitations on the powers of the Noteholders of a more senior Class of Notes in the Order of Priority, the exercise of which will be binding on the Noteholders all Classes of Notes that are junior to them, irrespective of the effect thereof on their interests.

2.2 *Security and Priority*

The Security is created pursuant to, and on the terms set out in, the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge and constitutes the Security for each Class of Notes and also stands as security for amounts payable to the Swap Counterparty under the Credit Default Swap to be entered into on or prior to the Closing Date and made between the Issuer and the Swap Counterparty (the “**Credit Default Swap**”) and to the other Secured Creditors. The Trust Deed and the Deed of Charge contain provisions regulating the priority of application of amounts forming part of the Security among the persons entitled thereto. Amounts payable to, among others, any receiver or trustee and amounts payable in respect of the Swap Counterparty will rank in priority to payments on the Notes and amounts payable in respect of a more senior Class of Notes will rank in priority to payments in respect of each more junior Class of Notes in accordance with the Order of Priority. Prior to the service of an Enforcement Notice (as defined in Condition 8), the Cash Administrator is required to apply all amounts available to the Issuer, including monies in respect of Available Redemption Funds and Available Income Funds in accordance with the Available Income Funds Priority of Payments and the Available Redemption Funds Priority of Payments (each as defined in Condition 17), unless otherwise provided in the Cash Administration Agreement. On enforcement of the Security, the Trustee is required to apply all amounts available to the Issuer and received by the Trustee or any receiver appointed thereby, including monies in respect of Available Redemption Funds and Available Income Funds in accordance with the Post-Enforcement Priority of Payments (each as defined in Condition 17).

2.3 *Credit Default Swap*

- (a) Reduction in Principal Balance of Notes

The Issuer shall be required to pay a Credit Protection Payment Amount to the Swap Counterparty on an Interest Payment Date if:

- (i) the following conditions (the “**Conditions to Credit Protection**”) are satisfied:
 - (1) the Calculation Agent has delivered a notice (the “**Credit Event Notice**”) to the Issuer (with a copy to the Trustee and the Rating Agencies) during the period (the “**Notice Delivery Period**”) commencing on the Closing Date and ending on the earlier to occur of (1) the Scheduled Redemption Date and (2) the date on which an early termination of the Credit Default Swap occurs or has been designated, containing information that confirms in reasonable detail (a) the occurrence of a Credit Event (as defined in the Credit Default Swap), (b) that the Credit Event (if such Credit Event is a Failure to Pay (as defined below) only) occurred at least 30 days prior to the date of delivery of such Credit Event Notice and is continuing, and (c) that Publicly Available Information (as defined below) exists regarding the occurrence of such Credit Event with respect to a Reference Entity, or in the event that no such Publicly Available Information exists, that a firm of internationally recognised independent accountants (the “**Independent Accountant**”) has confirmed in writing to the Issuer and the Trustee (a copy of which confirmation shall be attached to such notice) the occurrence of such a Credit Event. Such Credit Event Notice shall be delivered no later than the 90th calendar day after the Swap Counterparty has actual knowledge of the Credit Event referred to therein and if the Calculation Agent is (a) the sole source of information in its capacity as trustee, fiscal

agent, administrative agent, clearing agent or paying agent in respect of an Obligation or Reference Entity (each as defined below) which is the subject of a Credit Event Notice and (b) a holder of the Obligation with respect to which a Credit Event has occurred, the Calculation Agent shall be required to deliver to the Issuer (with a copy to the Trustee and the Rating Agencies) a certificate signed by an executive director (or other substantively equivalent title) of the Calculation Agent which shall certify the occurrence of the Credit Event. Provided these requirements are met, the Calculation Agent will determine the Credit Protection Payment Amount (as defined below) in accordance with the provisions of the Credit Default Swap. Except as otherwise specifically provided above, the determination by the Calculation Agent of the occurrence of a Credit Event shall be final and binding on the Issuer and the Swap Counterparty; and

- (2) when delivering a Credit Event Notice in accordance with (1) above, the Calculation Agent shall also deliver a notice (the “**Notice of Certification**”) from the Independent Accountant to the Issuer (with a copy to the Trustee and the Rating Agencies) certifying that (a) the following information contained in the Closing Date Report and the Adjustment Date Report (in each case, to the extent prepared on or after the Relevant Date) with respect to the relevant Reference Entity and Reference Obligation: its reference number, its ABN AMRO Credit Score, the description of its industry category and its Moody’s Rating and S&P Rating, and its Reference Obligation Notional Amount, corresponded in all material respects to the equivalent information in the Reference Register at the Relevant Date and each subsequent Adjustment Date, as the case may be and (b) the Reference Obligation to which the Credit Event relates satisfied the Conditions to Inclusion at the time when it was included in the Reference Portfolio (being the Report Date or relevant Adjustment Date, as the case may be); and
- (ii) the amount of the Credit Protection Payment Amount has been determined by the Calculation Agent in accordance with the Credit Default Swap at least five business days (as defined below) prior to the relevant Interest Payment Date.

In the case of a Credit Event other than a Failure to Pay, such Credit Event need not have been or be continuing on the date on which the Credit Event Notice is effective. Except as otherwise specifically provided above, the determination by the Calculation Agent of the occurrence of a Credit Event shall be final and binding on the Issuer and the Swap Counterparty. The Credit Protection Payment Amount shall be paid on the first Interest Payment Date falling at least five business days after the date on which the quantum thereof has been determined by the Calculation Agent, provided that the aggregate of the Credit Protection Payment Amounts on any Interest Payment Date shall not exceed the CDS Notional Amount (as defined in the Credit Default Swap) on such Interest Payment Date.

Subject to Condition 6, the Issuer shall be obliged to pay to the Swap Counterparty or to its order, on the Interest Payment Date falling not less than five business days following the date on which the Calculation Agent has determined the quantum of the Credit Protection Payment Amount, an amount equal to the Credit Protection Payment Amount (or, if more than one, the aggregate Credit Protection Payment Amounts) in relation to the relevant Reference Obligation to which the Credit Event relates (or the Reference Entity in respect of such Reference Obligation) and in respect of which the Conditions to Credit Protection are satisfied (and, thereafter, such Reference Obligation is called a “**Defaulted Reference Obligation**”) provided that the aggregate Credit Protection Payment Amounts payable by the Issuer on the Interest Payment Date do not exceed the notional amount of the Credit Default Swap (the “**CDS Notional Amount**”) on that Interest Payment Date. On any date on which a Credit Protection Payment Amount is payable, that Credit Protection Payment Amount will be allocated to reduce the Principal Balance of the Notes in accordance with the Reverse Order of Seniority. In order to satisfy its obligation to pay the Credit Protection Payment Amount(s) to the Swap Counterparty a commensurate amount of the Cash Deposit shall be released to the Issuer (or, in the event that the Cash Deposit Agreement is replaced by a Repo Agreement, a commensurate amount of the Purchased Securities will be repurchased under the Repo

Agreement and the Repo Agreement accordingly partially unwound) and the proceeds will be applied towards the Issuer's obligation in respect of such Credit Protection Payment Amount(s).

The Reference Portfolio Notional Amount shall be reduced by the amount of the Reference Obligation Notional Amount of the Defaulted Reference Obligation or, if more than one Defaulted Reference Obligation, by the aggregate thereof.

Upon payment of the Credit Protection Payment Amount, the Principal Balance of the most junior Class then outstanding shall be reduced by an amount equal to the lesser of (i) such Principal Balance, and (ii) the Credit Protection Payment Amount, with such reduction being made to the Principal Balance of each class of Notes, in sequence, on an ascending basis in accordance with the Reverse Order of Seniority until the respective Principal Balance thereof has been reduced to zero.

The Swap Counterparty has sole discretion whether to acquire, retain, sell or otherwise dispose of a Reference Obligation or any interest therein. As a result, the obligation of the Issuer to pay any Credit Protection Payment Amount exists regardless of whether the Swap Counterparty suffers a loss or is exposed to the risk of loss in respect of a Reference Obligation upon the occurrence of a Credit Event.

- (b) Termination of the Credit Default Swap on the occurrence of a Tax Event or Tax Event Upon Merger

If a Tax Event or Tax Event Upon Merger (each as defined in the Credit Default Swap) affects any payments made or to be made by the Swap Counterparty under the Credit Default Swap, it shall notify the Issuer and the Trustee as promptly as practicable after the occurrence of such event, supply the Issuer and the Trustee with an opinion, in a form acceptable to the Issuer and the Trustee, of legal counsel of the Swap Counterparty to the effect that a Tax Event or Tax Event Upon Merger, as applicable has occurred, and shall elect within 15 days of such notice to (i) terminate (in whole or, to the extent that any Class remains outstanding as a result of a Credit Event Notice having been duly delivered prior to the date fixed for the redemption resulting from the termination, but in respect of which the Credit Protection Payment Amount has not been calculated at least five business days prior to the date fixed for redemption, in part, as applicable) the Credit Default Swap provided that the Swap Counterparty shall only be entitled to make such election if (and to the extent that) the Issuer shall have, on the date fixed for redemption resulting from the termination (in whole or in part, as applicable) of the Credit Default Swap, sufficient funds to redeem the Notes of a particular Class in whole at the Principal Balance of the Notes of that Class (ii) make payment to the Issuer under the Credit Default Swap of such additional amounts as will result in the receipt by the Issuer of such amounts as would have been received by the Issuer thereunder if no such Tax Event or Tax Event Upon Merger, as applicable, had occurred, or (iii) arrange for the assumption of its obligations by another of its branches or agencies or the transfer of its obligations to another entity in a jurisdiction where no such Tax Event or Tax Event Upon Merger, as applicable, will apply. The Credit Default Swap may, in addition, be terminated at the option of the Swap Counterparty if any Credit Protection Payment Amount to be paid under the Credit Default Swap is affected by a Tax Event or Tax Event Upon Merger, as applicable.

3. Covenants of the Issuer

The Trust Deed contains, *inter alia*, covenants of the Issuer in favour of the Trustee which restrict the ability of the Issuer to create or incur any indebtedness (other than certain permitted indebtedness as set out in the Trust Deed), to dispose of assets, change the nature of its business or to take, or fail to take, any action which may adversely affect the priority or enforceability of the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge or the Cash Deposit Account Pledge.

4. Interest

4.1 Period of Accrual

Each Note accrues interest on its Principal Balance from time to time, from (and including) the Closing Date. Each Note shall cease to accrue interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal is improperly withheld or refused or default is otherwise made in the payment thereof. In such event, interest will continue to accrue thereon in accordance with this Condition (as well after as before any judgment) up to (but excluding) the date on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder, or (if earlier) the seventh day after notice is duly given by the Principal Paying Agent to the holder thereof (in accordance with Condition 4.5) that it has received all sums due in respect of such Note (except to the extent that there is any subsequent default in payment).

Whenever it is necessary to compute an amount of interest in respect of any Note for any period (including an Interest Period (as defined below)), such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

4.2 Interest Payment Dates and Interest Periods

Interest on the Notes of each Class is payable by reference to successive interest periods. Interest on the Notes of each Class is payable quarterly in arrear in euro on the 10th day of each of April, July, October and January in each year (or, if such day is not a business day such payment shall be postponed to the next day which is a business day unless such next business day falls in the next calendar month, in which case that interest payment date will be the first preceding day that is a business day) (each an “**Interest Payment Date**”), the first Interest Payment Date being 10 July 2007. The period from (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date is called an “**Interest Period**” in these Conditions, except that the first Interest Period will run from (and include) the Closing Date to (but exclude) the Interest Payment Date falling in July 2007. Each other Interest Period will commence on (and include) an Interest Payment Date and end on (but exclude) the next succeeding Interest Payment Date.

For the purposes of these Conditions “**business day**” means any TARGET Settlement Day which is a day other than a Saturday, Sunday or a day on which banking institutions in Amsterdam or London are authorised or obliged by law or executive order to be closed. “**TARGET Settlement Day**” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

Payment of interest in respect of the Notes is subject to the provisions of the Cash Administration Agreement pursuant to which the Cash Administrator shall apply Available Income Funds on each Interest Payment Date in accordance with the Available Income Funds Priority of Payments.

4.3 Rate of Interest

The respective rate of interest payable from time to time in respect of each of the Notes (each a “**Rate of Interest**”) and the relevant Interest Amount (as defined below) will be determined on the basis of the provisions set out below:

With respect to each Class of Notes,

- (a) on the second TARGET Settlement Day before the first day of the relevant Interest Period (each the “**Interest Determination Date**”), the Agent Bank will determine the rate for euro deposits for a period equal to the relevant Interest Period by reference to the display designated as such on the Reuters Screen EURIBOR 03 (save that in the case of the first Interest Period, the rate will be a linear interpolation of EURIBOR for one month and two month euro deposits or (i) such other page as may replace Reuters Screen EURIBOR 03 on that service for the purpose of displaying such information or (ii) if that service ceases to display such information, such page as displays such information on such service as may replace the Reuters Screen, at or about 12:00 noon (Amsterdam time) on that date (the

“**Screen Rate**”) and the Rate of Interest for such Interest Period shall, subject as provided below, be the Screen Rate plus the Relevant Margin (as defined below) (except with respect to Interest Periods falling during the Extension Period, where the Rate of Interest will not include the Relevant Margin);

- (b) if the Screen Rate does not appear on that page, the Agent Bank will:
- (i) request the principal euro-zone office of each of four major banks in the euro-zone interbank market to provide a quotation of the rate at which deposits in euro are offered by it at approximately 12:00 noon (Amsterdam time) on the Interest Determination Date to prime banks in the euro-zone interbank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time; and
 - (ii) determine the arithmetic mean (rounded, if necessary to the nearest one hundred thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations,

and the Rate of Interest for such Interest Period shall be such arithmetic mean as determined by the Agent Bank plus the Relevant Margin (except with respect to Interest Periods falling during the Extension Period, where the Rate of Interest will not include the Relevant Margin); and

- (c) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the euro-zone, selected by the Agent Bank, at approximately 12:00 noon (Amsterdam time) on the Interest Determination Date for loans in euro to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, and the Rate of Interest for such Interest Period shall be the sum of the Relevant Margin and the rate or (as the case may be) the arithmetic mean so determined, provided, however, that if the Agent Bank is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Relevant Margin and the rate or (as the case may be) arithmetic mean last determined in relation to the Notes in respect of the preceding Interest Period (except with respect to Interest Periods falling during the Extension Period, where the Rate of Interest will not include the Relevant Margin).

“**Relevant Margin**” means for each Interest Period (other than, for the avoidance of doubt, any Interest Period falling during the Extension Period):

- (i) 0.18 % per annum in respect of the Class A Notes;
- (ii) 0.27 % per annum in respect of the Class B Notes;
- (iii) 0.45 % per annum in respect of the Class C Notes;
- (iv) 0.90 % per annum in respect of the Class D Notes;
- (v) 2.85 % per annum in respect of the Class E Notes;
- (vii) 0.00% per annum in respect of the Class F Notes.

The determination of the Rate of Interest by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

4.4 *Determination of Rate of Interest and Calculation of Interest Amounts*

The Agent Bank shall, as soon as practicable after 12:00 noon (Amsterdam time) on each Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable in respect of each Class (or portion of such amount then outstanding) (the “**Interest Amount**”) for the relevant Interest Period. The Interest Amount in relation to each Class shall be calculated by applying

the applicable Rate of Interest to the Principal Balance in respect of the Notes during such Interest Period, multiplying such product by the Day Count Fraction and rounding up the resulting figure to the nearest EUR 0.01 (half a cent being rounded upwards). In the event that, at any time, a Credit Protection Payment Amount is required to be made in an amount which exceeds the Principal Balance of the most junior Class of Notes then outstanding, the Principal Balance of such Note shall be reduced to zero on the Interest Payment Date on which such Credit Protection Payment Amount is made, no interest shall accrue or be payable on such Class thereafter and the Principal Balance of the next most junior Class of Notes then outstanding shall be reduced by an amount equal to the excess of such Credit Protection Payment Amount over the outstanding Principal Balance of the most junior Class of Notes outstanding immediately prior to the allocation of such Credit Protection Payment Amount. The determination of the Interest Amount by the Agent Bank shall (in the absence of manifest error) be final and binding on all parties.

“Principal Balance of a Note” means the product of the Principal Balance of a Class multiplied by a fraction, the numerator of which is the denomination of the applicable Note and the denominator of which is the Initial Principal Balance of a Class.

4.5 Publication of Rate of Interest and Interest Amount

The Agent Bank will cause the Rate of Interest and the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified no later than the first business day of the relevant Interest Period to the Issuer, the Cash Administrator, the Trustee, each of the Paying Agents and (in relation to the relevant Notes for so long as they remain listed on the regulated market of Euronext Amsterdam) Euronext Amsterdam and will cause notice thereof to be given in accordance with Condition 12. The Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the Interest Period or in the case of manifest error.

4.6 Determination or Calculation by Trustee

If the Agent Bank does not at any time for any reason determine the Rate of Interest or calculate the Interest Amount for any Interest Period in accordance with the foregoing paragraphs, the Trustee shall (i) determine the applicable Rate of Interest at such rate as, in its absolute discretion, it shall deem fair and reasonable in all the circumstances, or (as the case may be) (ii) calculate the Interest Amount in the manner specified in Condition 4.4 above, and any such determination or calculation shall be deemed to have been made by the Agent Bank and shall (in the absence of manifest error) be final and binding upon all parties. The Trustee shall not be liable to any of the Noteholders, the Issuer, the Swap Counterparty or any other person in connection with the exercise of its discretion as provided in this Condition 4.6.

4.7 Agent Bank

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be an Agent Bank. If such Agent Bank (acting through its relevant office) is unable or unwilling to continue to act as the Agent Bank, or if the Agent Bank fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amount, the Issuer shall appoint such other bank as may be approved by the Trustee to act as such in its place. The Agent Bank may not resign its duties until a successor Agent Bank approved by the Trustee has been appointed.

5. Redemption

5.1 Scheduled Redemption

Unless previously purchased and cancelled or redeemed in full as provided in this Condition 5, the Issuer shall redeem each Class of Notes at its Principal Balance (as defined below) in accordance with the Available Redemption Funds Priority of Payments (as defined below) on the Interest Payment Date falling in October 2016 (the **“Scheduled Redemption Date”**). If the Issuer becomes aware that the Available Redemption Funds will not be sufficient on the Scheduled Redemption Date to redeem the

Notes in full at their Principal Balance (as a result of any Credit Event occurring on or prior to the Scheduled Redemption Date and the Credit Protection Payment Amount in respect thereof not having been determined on or prior to the fifth business day prior to the Scheduled Redemption Date) in accordance with the Available Redemption Funds Priority of Payments, the Issuer shall forthwith give notice of such fact to the Trustee and the Noteholders of each relevant Class, and the Notes of such Class shall remain outstanding to the extent of the difference between its Principal Balance and the Available Redemption Funds applied to such redemption on the Scheduled Redemption Date. In the event that the Notes of any Class have not been so redeemed in full on the Scheduled Redemption Date, the Notes of such Class shall remain outstanding until the date (the “**Final Redemption Date**”) which is the earlier of (a) the Interest Payment Date upon which the Notes have been so redeemed in full, and (b) the Interest Payment Date falling in April 2017. The period from the Scheduled Redemption Date to the Final Redemption Date is called the “**Extension Period**”. During the Extension Period, the Notes remaining outstanding shall continue to bear interest, payable quarterly in arrear at the rate specified in Condition 4 (which rate will not include the Relevant Margin). The outstanding Notes of any such Class shall be redeemed at their Principal Balance in accordance with the Available Redemption Funds Priority of Payments on the Final Redemption Date together with accrued interest thereon (which interest shall for the avoidance of doubt, be payable in accordance with the Available Income Funds Priority of Payments).

5.2 *Unscheduled Redemption Following Revolving Period End Date*

- (a) On each Interest Payment Date which falls following the Revolving Period End Date, the Issuer shall redeem each Class at its Principal Balance on that Interest Payment Date to the extent of any Quarterly Amortisation Amount allocated to reduce the Principal Balance of that Class on that Interest Payment Date in accordance with the Order of Allocation of Quarterly Amortisation Amounts (to the extent of Available Redemption Funds and in accordance with the Available Redemption Funds Priority of Payments). If the amount of the Quarterly Amortisation Amount allocated to a Class will not be sufficient on such Interest Payment Date to redeem a Class in full, such Class shall remain outstanding to the extent of the difference between the Principal Balance of the Notes of such Class and the amount of the Quarterly Amortisation Amount allocated to such Class on that Interest Payment Date. For the avoidance of doubt, the Credit Default Swap shall remain in force notwithstanding the redemption of the Notes of any Class in full at their Principal Balance until the earlier of (i) the date on which the Notes of each Class have been redeemed in full at their Principal Balance (plus any unpaid interest), and (ii) the Final Redemption Date. In relation to any Interest Payment Date, the Issuer will advise the Trustee, the Principal Paying Agent and the Agent Bank two business days prior to that Interest Payment Date of the amount of any Quarterly Amortisation Amount to be allocated to any Class of Notes on such Interest Payment Date.
- (b) **Defaulted Reference Obligation Recovery Amounts**

On each Interest Payment Date on which a Defaulted Reference Obligation Recovery Amount is allocated to reduce the Principal Balance of any Class of Notes in accordance with the Sequential Order of Allocation, the Issuer shall redeem such Class at its Principal Balance on that Interest Payment Date to the extent the Defaulted Reference Obligation Recovery Amount so allocated (to the extent of Available Redemption Funds and in accordance with the Available Redemption Funds Priority of Payments). If the amount of the Defaulted Reference Obligation Recovery Amount allocated to a Class will not be sufficient on such Interest Payment Date to redeem a Class in full, such Class shall remain outstanding to the extent of the difference between the Principal Balance of the Notes of such Class and the Defaulted Reference Obligation Recovery Amount so allocated. For the avoidance of doubt, the Credit Default Swap shall remain in force notwithstanding the redemption of the Notes of any Class in full at their Principal Balance until the earlier of (i) the date on which the Notes of each Class have been redeemed in full at their Principal Balance (plus any unpaid interest), and (ii) the Final Redemption Date. In relation to any Interest Payment Date, the Issuer will advise the Trustee, the Principal Paying Agent and the Agent Bank prior to the end of the Determination Period ending immediately prior to that Interest Payment Date of the amount of any Defaulted

Reference Obligation Recovery Amount to be allocated to any Class of Notes on such Interest Payment Date.

5.3 *Redemption for Regulatory Change, 10% Clean Up*

In the event (a) of the occurrence of a Regulatory Change and if the Swap Counterparty so directs the Issuer shall redeem any Class or Classes of Notes in whole but not in part at their Principal Balance on an Interest Payment Date, or (b) that the Reference Portfolio Notional Amount is less than 10% of the Initial Reference Portfolio Notional Amount and if the Swap Counterparty so directs the Issuer shall redeem all outstanding Notes in whole but not in part at their Principal Balance, in each case after reduction, *inter alia*, for any Credit Protection Payment Amount(s) payable on the relevant Interest Payment Date. The Notes, or in the case of (a) above the relevant Class(es) of Notes, shall be redeemed in whole but not in part at their Principal Balance together with any Interest Amount accrued to such redemption date, after reduction in respect of the Credit Protection Payment Amount(s), if any, payable on such redemption date and except to the extent that one or more Credit Event(s) have occurred on or prior to the redemption date and the Credit Protection Payment Amount has not been determined in respect thereof at least 5 business days prior to such redemption date, in each case in accordance with the Available Redemption Funds Priority of Payments. The Issuer shall give notice of such early redemption to Noteholders in accordance with Condition 12 and to the Trustee, the Swap Counterparty, the Principal Paying Agent, the Issuer Account Bank, the Cash Administrator and the Cash Deposit Bank or the Repo Counterparty (as the case may be), and each of the Rating Agencies not more than 60 days nor less than 30 days before the relevant redemption date. The Swap Counterparty shall only be permitted to give any direction to so redeem Notes pursuant to this Condition 5.3 if (and to the extent that) the Issuer shall have, on the date fixed for redemption, sufficient funds to redeem the Notes of the relevant Class(es) of Notes in whole at their Principal Balance in accordance with the Available Redemption Funds Priority of Payments.

5.4 *Redemption for Tax*

If the Issuer satisfies the Trustee (with respect to which the Trustee shall be entitled, but not obliged, to require the Issuer to provide an opinion addressed and acceptable to the Trustee from legal counsel to the Issuer) that, as a result of any change in or amendment to the laws or regulations of the Netherlands or any other jurisdiction or any political sub-division or any authority of any such jurisdiction, or any change in the application or official interpretation of such laws or regulations (including the holding by a court of competent jurisdiction), which becomes effective on or after the Closing Date:

- (i) either the Issuer or the Swap Counterparty is to make any payment under the Credit Default Swap and the Issuer or the Swap Counterparty would be required to make a deduction or withholding on account of tax in respect of such payment;
- (ii) the Issuer determines that the payment of any Issuer CD/Repo Income is subject to deduction or withholding for any tax, duty, assessment or other governmental charge or is otherwise subject to taxation in the Netherlands; or
- (iii) the Issuer is required, as a result of any change in or amendment to the laws or regulations of the Netherlands or any other jurisdiction or any political sub-division or any authority of any such jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change becomes effective on or after the Closing Date, to deduct or withhold from any payment to be made in respect of the Notes any amount for or on account of any present or future taxes, duties, assessments of whatever nature imposed, levied, collected, withheld or assessed by the Netherlands or any other jurisdiction or any political sub-division or any authority of such jurisdiction;

then the Issuer shall, in order to avoid the relevant events described above (and provided in the case of (i) above, only if the deduction or withholding applies in relation to payments by the Issuer), use all reasonable endeavours to change its place of residence for taxation purposes to a jurisdiction where no such event would apply or to arrange its substitution as principal obligor under the Notes and as a party under the Transaction Documents by a company incorporated in another jurisdiction where no such event would apply, in each case, subject to the criteria set out in the Trust Deed, which jurisdiction is

approved in writing by the Trustee and subject to (a) receipt by the Trustee of a confirmation from S&P that the then current ratings of the Notes assigned by it and (b) the then current ratings of the Notes assigned by Moody's will, in each case, not be adversely affected as a result of that such change or substitution.

If the Issuer is unable (after using reasonable endeavours) to arrange such change of residence or substitution, the Issuer shall give notice thereof to the Trustee and the Swap Counterparty who may, but shall not be bound, to commit to make available additional funds to the Issuer (in the event that any of the events described above will result in the Issuer being unable to fulfil its payment obligations to Noteholders in full) so that the Issuer is able to pay any amount owing to Noteholders as though the events described above had not occurred. If the Swap Counterparty does not make a commitment within 20 days of receipt of such notice or fails to make such additional funds available to the Issuer, the Issuer shall give notice thereof to the Trustee and the Noteholders in accordance with Condition 12 and the Issuer shall, if so directed by an Extraordinary Resolution of Noteholders of each Class, redeem the Notes in whole but not in part at their Principal Balance, after reduction in respect of any Credit Protection Payment Amounts payable on or after such redemption date (and except to the extent that Credit Protection Payment Amounts may become due and payable by the Issuer in respect of Credit Event Notices duly delivered prior to such redemption date) in accordance with the Available Redemption Funds Priority of Payments, together with any interest accrued to such redemption date (which interest shall, for the avoidance of doubt, be payable in accordance with the Available Income Funds Priority of Payments). The Issuer shall give notice of such early redemption to Noteholders in accordance with Condition 12 and to the Trustee, the Swap Counterparty, Principal Paying Agent, and the Cash Deposit Bank or the Repo Counterparty (as the case may be), and each of the Rating Agencies, not more than 60 days nor less than 30 days before the relevant redemption date provided that prior to the delivery of any such notice of redemption, the Issuer shall deliver to the Trustee:

- (1) a legal opinion addressed and acceptable to the Trustee from a firm of lawyers in the Netherlands, or any other jurisdiction as applicable, opining on the relevant change in tax law and a certificate signed by a duly authorised signatory of the Issuer stating that the obligation to make a deduction for or on account of tax cannot be avoided; and
- (2) a certificate signed by a duly authorised signatory of the Issuer to the effect that the Issuer will have the funds on the relevant Interest Payment Date, not subject to the interest of any other person, required to redeem the Notes and meet its payment obligations of a higher priority under the priority of payments set forth in the Conditions.

5.5 Redemption Following Termination of the Cash Deposit or the Repo Agreement

In the event that the Cash Deposit Agreement, or Repo Agreement (as the case may be), is terminated in whole or in part (which termination shall be at no cost to the Issuer) and is not replaced by a further Cash Deposit Agreement, or Repo Agreement, in each case subject to the requirements specified below, then the Issuer shall redeem the Notes in whole but not in part at their Principal Balance, after reduction in respect of any Credit Protection Payment Amounts payable on or after such redemption date (and except to the extent that Credit Protection Payment Amounts may become due and payable by the Issuer in respect of Credit Event Notices duly delivered prior to such redemption date), together with any interest accrued to such redemption date in accordance with the Available Redemption Funds Priority of Payments. The Issuer shall give notice of such early redemption to Noteholders in accordance with Condition 12 and to the Trustee, the Swap Counterparty, the Principal Paying Agent, the Issuer Account Bank, the Cash Administrator and the Cash Deposit Bank or the Repo Counterparty (as the case may be), and each of the Rating Agencies not more than 60 days nor less than 30 days before the relevant redemption date.

5.6 Termination of Credit Default Swap

In the event the Credit Default Swap is terminated (including, without limitation, an early termination due to payment defaults by the Swap Counterparty), the Issuer shall immediately become liable to redeem the Notes then outstanding in whole but not in part at their Principal Balance on the next

Interest Payment Date (except to the extent that Credit Protection Payment Amounts may become due and payable by the Issuer in respect of Credit Event Notices duly delivered on or prior to such termination date) together with any interest accrued to the date of redemption (to the extent of Available Redemption Funds) in accordance with the Available Redemption Funds Priority of Payments.

5.7 Issuer Purchases

The Issuer shall be entitled to purchase any Notes, Receipts, Coupons or Talons, provided that the purchase of the Notes is made in order of seniority, beginning with the most senior Class then outstanding and provided further that the Issuer has obtained a prior written confirmation from the Rating Agencies that the rating of any outstanding Notes will not be affected thereby.

5.8 No Other Redemption

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 5.1 to 5.6 (inclusive) above.

5.9 Cancellation

All Notes redeemed by the Issuer and any unmatured Receipts or Coupons or unexchanged Talons attached to or surrendered with them shall be cancelled by the Issuer forthwith following redemption and may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

5.10 Notice of Redemption

Any such Notice referred to in Conditions 5.1 to 5.6 above shall be irrevocable and, upon expiration of such notice, the Issuer shall be bound to redeem the relevant Notes at their Principal Balance or, as the case may be, shall be bound to make payment specified in such notice.

6. Payments

6.1 Principal and Interest in Respect of Notes

Payments of principal in respect of the Notes will be made against presentation and (provided that payment is made in full) surrender of the Receipt in respect of which such payment is to be made. Payment of interest on the Notes will be made against presentation and (provided that payment is made in full) surrender of the respective Coupons. Presentation must be made at the specified office of any of the Paying Agents outside the United States of America. Payments will be made in euro at the specified office of any Paying Agent by a euro cheque drawn on, or, at the option of the Noteholder, by transfer to a euro account maintained by the payee with a bank in the Netherlands.

6.2 Payments Subject to Tax Laws

All payments in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 6.1. No commissions or expenses shall be charged to the Noteholders, Receiptholders or Couponholders in respect of such payments.

6.3 Unmatured Receipts, Coupons and Talons Void

Upon the date for final redemption of any Note pursuant to Condition 5.1 or early redemption of such Note pursuant to Conditions 5.2, 5.3, 5.5 or 5.6 all unmatured Receipts, Coupons and Talons relating thereto (whether or not attached) shall become void and no payment or exchange shall be made in respect thereof. As used herein, unmatured Receipts and Coupons include any Talons insofar as they relate entirely (except to the extent that the Note was not redeemed in whole due to Credit Protection Payments Amounts that may become due and payable by the Issuer in respect of Credit Event Notices

duly delivered prior to the date for early redemption) to unmatured Receipts or as the case may be, Coupons.

6.4 Payments on Business Days

If the due date for payment of any amount in respect of any Note, Receipt or Coupon is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next following business day in such place and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, “**business day**” means, in respect of any place of presentation, any day on which banks are open for business in such place of presentation and, in the case of payment by transfer to a euro account as referred to above, on which dealings in foreign currencies may be carried on both in such place of presentation and in the location of the specified office of an Agent.

6.5 Partial Payments

If a Paying Agent makes a partial payment in respect of any Note, Receipt or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

6.6 Paying Agents

The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of the Paying Agent and appoint additional or other Paying Agents. The Issuer will at all times maintain (a) a Paying Agent in Amsterdam (if and for so long as the Notes are listed on Euronext Amsterdam and the rules of Euronext Amsterdam so require and, in respect of the Class F Notes, for so long as any of the Class F Notes are held by ABN AMRO) and (b) an Agent Bank. The Issuer will cause at least 30 days’ notice of any change in or addition to the Paying Agents or their specified offices to be given to the Noteholders and the Trustee in accordance with Condition 12. For so long as any Note is outstanding, if any European Directive on the taxation of savings implementing the conclusions of the ECOFIN Council Meeting of 26 to 27 November 2000 or any law implementing or complying with, or introduced in order to conform to such directive is introduced, the Issuer agrees that there will at all times be a Paying Agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to any such Directive or law.

6.7 Exchange of Talons

On or after the Interest Payment Date for the final Coupon or, as the case may be, Receipt, forming part of any Coupon sheet, or, as the case may be, Receipt sheet, the Talon forming part of such Coupon sheet or, as the case may be, Receipt sheet, may be surrendered at any specified office of any Paying Agent in exchange for a further Coupon sheet or, as the case may be, Receipt sheet (including a further Talon but excluding any Coupons or, as the case may be, Receipts, which shall have become void).

7. Limited Recourse, Prescription and Withholding Taxes

7.1 Principal

The aggregate amount of funds realised from the enforcement of the Security (hereafter referred to in this Condition 7.1 as the “**Principal Residual Amount**”) shall be applied in accordance with the Available Redemption Funds Priority of Payments to redeem in full each Class of Notes in descending order of seniority in accordance with the Order of Priority. If the Principal Residual Amount is insufficient to pay in full the Principal Balance of a Class of Notes in accordance with the foregoing priority of payments (such Class is hereafter referred to in this Condition 7.1 as the “**Residual Class**”), then the Principal Residual Amount (or the portion remaining after making provision for payment in full of each more senior Class then outstanding) shall be applied to redeem in part all of the Notes of the Residual Class by making payment of a *pro rata* share of the Principal Residual Amount (or the

portion remaining after making provision for payment in full of each more senior Class) of each of the Notes of the Residual Class then outstanding.

7.2 *Limited Recourse*

In the event that the Security in respect of the Notes and the Receipts and Coupons appertaining thereto is enforced and the proceeds of such enforcement are insufficient, after realisation of all of the property comprised in the Security and after payment of all other claims ranking in priority to, or *pari passu* with, the Notes of any Class and the Receipts and Coupons appertaining thereto under the Trust Deed, to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes of such Class, the debt represented by such shortfall shall be extinguished and the Noteholders of such Class and the holders of the Receipts and Coupons appertaining thereto shall have no further claim against the Issuer in respect of any such unpaid amounts.

7.3 *Prescription*

Claims for principal shall become void unless the relevant Notes (and in the case of any principal payment which becomes due on an Interest Payment Date, the relevant Receipts (which expression shall not in this Condition include Talons) are presented for payment within a period of 10 years from the Relevant Date in respect thereof. Coupons (which expression shall not in this Condition include Talons) shall become void unless presented for payment within a period of five years from the Relevant Date in respect thereof. As used in this Condition “**Relevant Date**”, in respect of a Note, Receipt or Coupon, is the date on which a payment in respect thereof becomes due or (if the full amount of the moneys payable in respect of all the Notes, Receipts and Coupons due on or before that date has not been duly received by the Paying Agents or the Trustee on or prior to such date) the date on which the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders or (as the case may be) Receiptholders or Couponholders in accordance with Condition 12.

7.4 *Withholding Taxes*

All payments in respect of the Notes will be made without withholding or deduction for any present or future taxes, duties or charges of whatsoever nature unless the Issuer or the relevant Paying Agent (as applicable) is required by applicable law to make any payment in respect of the Notes subject to any deduction for, or withholding for any such present or future taxes, duties or charges of whatsoever nature. In that event the Issuer or Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Paying Agents nor the Issuer will be obliged to make any additional payments to the holder of Notes, Receipts or Coupons in respect of such withholding or deduction except to the extent that the Swap Counterparty makes available additional funds to the Issuer in accordance with Condition 5.4 in relation to the occurrence of the events set out therein.

8. Issuer Events of Default

The Trustee may at its discretion, and shall if so directed by or pursuant to an Extraordinary Resolution of Noteholders of the most senior Class of Notes in the Order of Priority then outstanding, subject in each case to the Trustee being indemnified and/or secured to its satisfaction (provided that the holders of not less than 50% of the aggregate Principal Balance of the most senior Class of Notes in the Order of Priority then outstanding shall be entitled to request the Trustee in writing to convene a meeting of the Noteholders of such Class to vote in respect of such Extraordinary Resolution, subject to the Trustee being so indemnified and/or secured), and in the case of the event mentioned in Condition 8.1 below in relation to any payment of any nature on any Class of Notes only if the Cash Administrator shall have certified in writing to the Trustee that the Issuer had, on the due date for payment of the amount in question, sufficient cash to pay, in accordance with the provisions of the Cash Administration Agreement, such amount (after payment of all sums which it is permitted under the

Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge to pay in priority thereto or *pari passu* therewith)), give written notice to the Issuer (an “**Enforcement Notice**”) (with a copy to the Cash Deposit Bank or the Repo Counterparty, as applicable, and the Cash Administrator) declaring the Notes of each Class to be due and repayable subject to Condition 5, at any time after the occurrence of any of the following events (each an “**Event of Default**”) so long as it shall be continuing in respect of the Notes of such Class:

8.1 *Non-payment*

Default for a period of three days or more in the payment, on the due date for redemption in full or in part of any Class of Notes or any of them, of the amount of principal then due and payable, in accordance with Condition 5, on any Class of Notes or any of them, or for a period of five days or more in the payment on the due date therefor, of the amount of interest (if any) then due in accordance with Condition 4 and Condition 5, on any Class of Notes or any of them.

8.2 *Breach of Other Obligations*

Default by the Issuer in the performance or observance of any of its other obligations under or in respect of any Class of Notes or any of the Transaction Documents to which it is a party (other than any obligation for the payment of principal or interest on the Notes) and, except where, in the sole and absolute opinion of the Trustee, such default is incapable of remedy, in which case no notice will be required, such default remains unremedied for 10 days after the Trustee has given written notice thereof to the Issuer requiring the same to be remedied and certifying that such default is, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders of each Class.

8.3 *Insolvency, etc.*

(i) A receiver, administrator, administrative receiver or liquidator or similar officer in respect of the Issuer or the whole or any part of the undertaking, assets or revenues of the Issuer is appointed (or application for any such appointment is made) or an encumbrancer shall take possession of the whole or any substantial part of the assets or revenues of the Issuer, (ii) proceedings are initiated against the Issuer under any applicable bankruptcy, liquidation, administration, insolvency, composition, reorganisation or other similar laws and such proceedings are not, in the opinion of the Trustee, being disputed in good faith, (iii) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it, or (iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business except for purposes of or pursuant to an amalgamation or reconstruction as is referred to in Condition 8.4 below.

8.4 *Winding-up, etc.*

An order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction, the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders of each Class.

8.5 *Unlawfulness*

It is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, the Trust Deed, the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge, the Cash Deposit Account Pledge or any other Transaction Document, provided that where such unlawfulness has not yet taken effect then there shall not be an Event of Default if such unlawfulness can be avoided by the substitution of the Issuer of a Substitute Issuer in accordance with Clause 19 of the Trust Deed and such substitution is effected before such unlawfulness takes effect (but where such unlawfulness has taken effect, then there shall be an Event of Default if such substitution cannot be effected within a reasonable time before the next succeeding Interest Payment Date) and provided further that it shall not be an Event of Default (1) if the relevant unlawfulness relates solely to

the ability of the Issuer to make payments under the Notes, (2) such unlawfulness can be avoided (or ratified) by the substitution of a Substitute Issuer and the substitution of a Substitute Issuer has been effected, and (3) the other provisions of Clause 19 of the Trust Deed relating to substitutions have been fully complied with prior to the first date following such unlawfulness taking effect on which the Issuer is required under these Conditions to make any payment in respect of the Notes.

Notice of any such declaration shall promptly be given by the Issuer to the Noteholders. Upon any declaration being made by the Trustee in accordance with this Condition 8 that the Notes are due and repayable, the Notes of each Class shall immediately become due and repayable at their Principal Balance (except to the extent that Credit Protection Payment Amounts may become due and payable by the Issuer in respect of Credit Event Notices duly delivered in accordance with the terms of the Credit Default Swap) together with any interest accrued in accordance with these Conditions.

9. Enforcement of Security

At any time after the Notes have become due and repayable the Trustee may, and shall if directed or requested to do so in writing by the holders of not less than 50% in aggregate Principal Balance of the most senior Class of Notes in the Order of Priority then outstanding or it shall have been so directed by an Extraordinary Resolution of the Noteholders of such Class, provided that in each case the Trustee shall have been indemnified and/or secured to its satisfaction, enforce the Security created pursuant to the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge.

No Noteholder, Receipholder, Couponholder or Talonholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing.

If there is an Event of Default under the Notes, the Issuer will be obliged to inform the Trustee thereof under the provisions of the Trust Deed and the Trustee will act in relation to accelerating the Notes and enforcing the Security in accordance with these Conditions, the Trust Deed, the Issuer Account Pledge, the Dutch Tax Account Pledge, the Cash Deposit Account Pledge and the Deed of Charge.

10. Meetings of Noteholders; Modification; Waiver; Substitution

10.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders of each Class to consider matters affecting their interests, including the sanctioning by an Extraordinary Resolution (as defined below) of such Noteholders of any modification of the Notes of the relevant Class (including these Conditions as they relate to the Notes of such relevant Class). Any such meeting shall be held in Amsterdam, Netherlands, unless otherwise directed by the Trustee in its sole discretion.

Except as stated below, any such modification may be made if sanctioned by an Extraordinary Resolution of the Noteholders of the relevant Class. No Extraordinary Resolution of the Noteholders of any Class to sanction a modification of certain terms (as fully set out in the Trust Deed) including, *inter alia*, the date of maturity of the Notes of the relevant Class or a modification of which would have the effect of postponing any date for payment of interest thereon, the reduction or cancellation of the amount of principal payable in respect of such Notes, the alteration of the Rate of Interest applicable in respect of such Notes or the alteration of the quorum or the majority required to pass an Extraordinary Resolution, the alteration of the currency of payment of such Notes or any alteration of the manner of redemption of such Notes, any material modification to the Security granted by the Issuer or the Order of Priority or any modification to this definition (any such modification in respect of any such Class being referred to as a “**Basic Terms Modification**”) shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of the Noteholders of each other Class in respect of which Notes remain outstanding in accordance with a special quorum requirement as described below.

The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding Notes of the relevant Class or voting certificates in respect thereof or being proxies or

representatives and holding or representing a simple majority in Principal Balance of the Notes of the relevant Class then outstanding (except that, at any meeting the business of which includes the sanctioning of a Basic Terms Modification, the necessary quorum for passing an Extraordinary Resolution shall be two or more persons holding Notes of the relevant Class or voting certificates in respect thereof or being proxies or representatives and holding or representing in the aggregate not less than two-thirds of the Principal Balance of the Notes of the relevant Class then outstanding, and except further that the Trustee will be entitled, in the event that it is of the opinion that any bankruptcy, moratorium of payments or reorganisation of the Issuer is imminent, to agree to such requests, amendments, consents, waivers or actions in accordance with Condition 10.2). If a quorum is not present, the meeting may be adjourned for such period being not less than seven days and not more than one calendar month as the Chairman of the meeting shall determine (such adjourned meeting being a “**Second Meeting**”). At any Second Meeting (including a meeting convened to consider the sanctioning of a Basic Terms Modification), a quorum of two or more persons present holding Notes of the relevant Class or voting certificates in respect thereof or being proxies or representatives (whatever the aggregate of the Principal Balance of the Notes so held or represented by them) shall (subject as provided below) form a quorum and shall (subject as provided below) have power to pass any Extraordinary Resolution or other resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the requisite quorum been present. Notwithstanding the immediately preceding sentence, in the event that a resolution relating to the appointment or removal of a new Trustee is to be decided upon at a Second Meeting, a quorum of two or more persons present holding Notes of the relevant Class or voting certificates in respect thereof or being proxies or representatives and holding or representing in the aggregate not less than 30% in Principal Balance of the Notes of the relevant Class then outstanding shall be required. So long as all of the Notes or, as applicable, any Class of Notes are held by a single Noteholder, a single voter in relation thereto shall be deemed to be two voters for the purpose of forming a quorum.

An Extraordinary Resolution of the A Noteholders will be binding on the Noteholders of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes irrespective of the effect on their interests.

An Extraordinary Resolution of the B Noteholders shall be effective if, *inter alia*, the Trustee is of the opinion that it will not be materially prejudicial to the respective interests of each of the A Noteholders or it is sanctioned by an Extraordinary Resolution of the A Noteholders. Subject thereto, an Extraordinary Resolution of the B Noteholders will be binding on the Noteholders of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes irrespective of the effect on their interests.

An Extraordinary Resolution of the C Noteholders shall be effective if, *inter alia*, the Trustee is of the opinion that it will not be materially prejudicial to the respective interests of each of the A Noteholders, and the B Noteholders or it is sanctioned by an Extraordinary Resolution of each of the A Noteholders, and the B Noteholders. Subject thereto, an Extraordinary Resolution of the C Noteholders will be binding on the Noteholders of the Class D Notes, the Class E Notes and the Class F Notes irrespective of the effect on their interests.

An Extraordinary Resolution of the D Noteholders shall be effective if, *inter alia*, the Trustee is of the opinion that it will not be materially prejudicial to the respective interests of each of the A Noteholders the B Noteholders and the C Noteholders or it is sanctioned by an Extraordinary Resolution of each of the A Noteholders the B Noteholders and the C Noteholders. Subject thereto, an Extraordinary Resolution of the D Noteholders will be binding on the Noteholders of the Class E Notes and the Class F Notes irrespective of the effect on their interests.

An Extraordinary Resolution of the E Noteholders shall be effective if, *inter alia*, the Trustee is of the opinion that it will not be materially prejudicial to the respective interests of each of the A Noteholders, the B Noteholders, the C Noteholders and the D Noteholders or it is sanctioned by an Extraordinary Resolution of each of the A Noteholders the B Noteholders, the C Noteholders and the D Noteholders. Subject thereto, an Extraordinary Resolution of the E Noteholders will be binding on the Noteholders of the Class F Notes irrespective of the effect on their interests.

An Extraordinary Resolution of the F Noteholders shall be effective if, *inter alia*, the Trustee is of the opinion that it will not be materially prejudicial to the respective interests of each of the A Noteholders the B Noteholders, the C Noteholders, the D Noteholders and the E Noteholders or it is sanctioned by an Extraordinary Resolution of each of the A Noteholders the B Noteholders, the C Noteholders, the D Noteholders and the E Noteholders.

An Extraordinary Resolution passed at any meeting of the Noteholders of any Class duly convened and held in accordance with the Conditions shall be binding on all Noteholders, Receiptholders, Couponholders and Talonholders of that Class, whether or not they are, or are present at the meeting. The term “**Extraordinary Resolution**” shall mean a resolution passed at a meeting duly convened and held in accordance with the provisions contained in the Trust Deed by a majority consisting of at least two-thirds of the persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than two-thirds of the votes given on such poll.

10.2 Modification and Waiver

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein), the Trustee may agree (upon receiving at least 14 days’ prior written notice of the relevant request), without the consent of Noteholders or, in the case of (i) and (ii) below, other Secured Creditors, to (i) any modification of any of the provisions of the Trust Deed or the other Transaction Documents which is of a formal, minor or technical nature or which is made to correct a manifest error, (ii) except with respect to a Basic Terms Modification, any other modification of the Trust Deed or the other Transaction Documents which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders of any Class provided that so long as the Rated Notes are rated by the Rating Agencies such modification shall be notified in writing by the Issuer to each of the Rating Agencies as soon as reasonably practicable thereafter, and (iii) provided that, in the case of the Deed of Charge and the Issuer Pledges, the Trustee has received the prior written consent thereto of the other Secured Creditors, any waiver or authorisation of any breach or proposed breach of any of the provisions of the Trust Deed or the Deed of Charge or the Issuer Pledges which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders of any Class. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Receiptholders and Couponholders and, if the Trustee so required, such modification shall be notified to the Noteholders in accordance with Condition 12 as soon as practicable thereafter.

10.3 Substitution

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein) and subject to such amendment of the Trust Deed and the other Transaction Documents and such other conditions as the Trustee may require, but without the consent of the Noteholders, the Trustee may agree to the substitution of any other company in place of the Issuer as principal debtor under the Trust Deed and the Notes (but without affecting the security arrangements relating to the Notes) provided that such substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class and that the Rating Agencies have confirmed that such substitution would have no adverse effect on the then rating of the Rated Notes, and in the case of such a substitution the Trustee may agree, without the consent of the Noteholders but with the consent of the Swap Counterparty, to a change of the law governing the Notes, the Trust Deed or any other Transaction Documents provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any such substitution shall be notified to the Noteholders in accordance with Condition 12. No such substitution shall take effect unless it applies to all of the Classes of Notes.

11. Replacement of Notes, Receipts and Coupons

If any one Note, Receipt or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of any of the Principal Paying Agents upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, indemnity or security as the Issuer, the Principal Paying Agent and/or relevant Paying Agent may

reasonably require. Mutilated or defaced Notes, Receipts or Coupons must be surrendered before replacements will be issued.

12. Notices

- (a) All notices, other than notices given in accordance with the next following paragraph, to Noteholders of any Class shall be deemed to be duly given if published in *Het Financieele Dagblad* or, if such newspaper shall cease to be published or timely publication therein shall not be practicable, in such newspaper or newspapers as the Trustee shall approve having a general circulation in the Netherlands and, as long as any of the Notes are listed on Euronext Amsterdam, notices for Noteholders of any Notes shall be deemed to be duly given if published in such newspaper and in the English language in the Daily Official List of Euronext Amsterdam (*Officiële Prijscourant*) in Amsterdam. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which publication is required.
- (b) Any notice specifying an Interest Payment Date, a Rate of Interest, an Interest Amount, a principal payment, or the Principal Balance of a Note shall be deemed to have been duly given if the information contained in such notice appears on the relevant page of the Reuters Screen (as shall be notified to Noteholders by the Principal Paying Agent from time to time) or such other medium for the electronic display of data as may be previously approved in writing by the Trustee and notified to the Noteholders (the “**Relevant Screen**”). The information contained in such notice will also be made available at the specified office of each Paying Agent. Any such notice shall be deemed to have been given on the first date on which such information appeared on the Relevant Screen. If it is impossible or impracticable to give notice in accordance with this paragraph, then notice of the matters referred to in this Condition shall be given in accordance with Condition 12(a) above.
- (c) The Receiptholders and Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.
- (d) The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (including the Class F Noteholders) or category of them if, in its opinion such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

13. Trustee and Agents

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to realise the security for the Notes and the liabilities owing to the other Secured Creditors and to obtain payment of the Notes unless indemnified and/or secured to its satisfaction. The Trustee and their respective employees and affiliates, are entitled to enter into business transactions with the Issuer or any other party to any Transaction Document without accounting for any profit resulting from such transaction and to accept any office or position with the Issuer or any other party to any Transaction Document.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders (or any Class thereof) as a class and will not be responsible for any consequence for individual holders of Notes as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Paying Agency and Agent Bank Agreement, and in connection with the Notes, the Paying Agents and the Agent Bank act solely as agents of the Issuer and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

The Paying Agents and their specified offices are set out below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent or the Agent Bank and to appoint successor or additional paying agents or a successor agent bank, provided that the Issuer shall at all times maintain (a) a Paying Agent in Amsterdam, if and for so long as any of the Notes are listed on the regulated market of Euronext Amsterdam and, in respect of the Class F Notes, for so long as any of the Class F Notes are held by ABN AMRO, and (b) an Agent Bank. Notice of any change in the Paying Agents, in the specified office of any Paying Agent or in the Agent Bank shall promptly be given to the Noteholders in accordance with Condition 12.

14. Notifications and Other Matters to be Final

Notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of the Notes, the Receipts and the Coupons, whether by the Issuer, the Trustee, the Cash Administrator, or the Agent Bank shall (in the absence of wilful default, negligence or manifest error) be binding on the Issuer, the Trustee, the Agent Bank, the Paying Agents, all Noteholders, all Receiptholders and all Couponholders and (subject as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders, shall attach to the Paying Agents, the Agent Bank, the Cash Administrator or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions.

15. Additional Obligations

If and for so long as any Notes are listed on Euronext Amsterdam, the Issuer will in relation thereto comply with the provisions set out in the Euronext Rule Books, or any amended form of the said provisions in force for the time being.

16. Governing Law

The Notes, the Conditions, the Receipts, the Coupons, the Talons and the Trust Deed are governed by, and shall be construed in accordance with, English law.

17. Definitions

In these Conditions capitalised terms shall, except where the context otherwise requires and save where otherwise defined herein, bear the meanings ascribed to them in the Master Definitions and Common Terms Agreement entered into between, among others, the Issuer and the Trustee and dated the Closing Date (as the same may be amended, varied or supplemented from time to time with the consent of the parties thereto (the “**Master Definitions and Common Terms Agreement**”)).

“**A Noteholders**” means, the holders for the time being of the Class A Notes.

“**Adjustment Date**” means, in respect of any Adjustment, the date on which that adjustment was recorded in the Reference Register.

“**Agents**” means ABN AMRO (in its capacities as agent bank (the “**Agent Bank**”) and as principal paying agent (the “**Principal Paying Agent**”) together with any further or other paying agents for the time being appointed in respect of the Notes (together with the Principal Paying Agent, the “**Paying Agents**”).

“**Available Income Funds**” on any Interest Payment Date means (a) the Swap Counterparty Payment made on such Interest Payment Date together with, if the Swap Counterparty ceases to have the Swap Counterparty Required Rating, the relevant portion of the Swap Counterparty Payment made on the applicable previous Interest Payment Date, plus (b) the Issuer CD/Repo Income to be paid to the Issuer on such Interest Payment Date.

“**Available Income Funds Priority of Payments**” means, on any Interest Payment Date payments in the following order of priority, in each case to the extent of Available Income Funds:

- (i) to the extent not paid by the Swap Counterparty on its behalf, to pay any Budgeted Operating Expenses and Exceptional Expenses due and unpaid to the Trustee on the relevant Interest Payment Date;
- (ii) to pay into an account (the “**Dutch Tax Account**”) an amount equal to 1.25% of the annual fee payable by the Issuer under the Management Agreement between the Issuer and its manager (the “**Management Fee**”);
- (iii) to pay or provide for any tax liabilities incurred by or assessments made against the Issuer, other than any Netherlands corporate income tax of an amount that is less than or equal to the credit balance of the Dutch Tax Account on such Interest Payment Date;
- (iv) to the extent not paid by the Swap Counterparty on its behalf, to pay *pari passu* to the relevant parties (other than the Trustee) the Budgeted Operating Expenses due and unpaid on the relevant Interest Payment Date;
- (v) to pay any accrued and unpaid interest on each Class on the relevant Interest Payment Date in the order of seniority specified in the Conditions;
- (vi) to the extent not paid by the Swap Counterparty on its behalf, to pay *pari passu* to the Operating Creditors (other than the Trustee) any Exceptional Expenses due and unpaid on the relevant Interest Payment Date; and
- (vii) on any Full Redemption Date, to pay the Swap Counterparty the Swap Termination Payment.

“**Available Redemption Funds**” means any liquidated amount of the Cash Deposit or, if the Cash Deposit is replaced by a Repo Agreement, proceeds of realisation of the Purchased Securities (excluding income in relation thereto to the extent that such income is used on the relevant date to make a payment due in accordance with the Available Income Funds Priority of Payments), and in relation to the Scheduled Redemption Date or a date fixed for redemption in whole of the Notes only, includes any amount standing to the credit of the Issuer Account (after application of the Available Income Funds Priority of Payments) less the Reference Obligation Notional Amount in relation to any Defaulted Reference Obligation in respect of which a Credit Event Notice has been duly delivered but which the amount of the Credit Protection Payment Amount has not yet been determined or was not determined on the date falling five business days prior to the relevant redemption date.

“**Available Redemption Funds Priority of Payments**” means payments made or to be made prior to the delivery of an Enforcement Notice pursuant to Condition 8 in the following order of priority, in each case to the extent of Available Redemption Funds as:

- (i) to the payment of the amounts referred to above in paragraphs (i) to (iv) of the Available Income Funds Priority of Payments only to the extent not paid in full thereunder;
- (ii) to pay to the Swap Counterparty the aggregate amount of Credit Protection Payment Amounts, if any, due and unpaid on the relevant Interest Payment Date;
- (iii) on any Interest Payment Date that is not a Full Redemption Date, to make payments of principal then due on each Class with reference to the Order of Allocation of Quarterly Amortisation Amounts in respect of Quarterly Amortisation Amounts or the Sequential Order of Allocation in respect of Defaulted Reference Obligation Recovery Amounts *pari passu* and *pro rata* within each Class;
- (iv) on a Full Redemption Date, to make payments of principal then due on each Class, sequentially in descending Order of Priority starting with the most senior Class then outstanding and *pari passu* and *pro rata* within each Class;

- (v) to the extent not paid by the Swap Counterparty on its behalf, to pay *pari passu* the Operating Creditors (other than the Trustee) any Exceptional Expenses due and unpaid on the relevant Interest Payment Date (to the extent not paid out of Available Income Funds);
- (vi) to pay *pari passu* to the Cash Deposit Bank any break costs in accordance with the provisions of the Cash Deposit Agreement and to pay to the Repo Counterparty any termination amount under the Repo Agreement; and
- (vii) on any Full Redemption Date to pay the Swap Counterparty the Swap Termination Payment.

“B Noteholders” means the holders for the time being of the Class B Notes.

“Borrowed Money” means an obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

“Budgeted Operating Expenses” means any anticipated fees and expenses payable by the Issuer on any Interest Payment Date to any Operating Creditor.

“C Noteholders” means the holders for the time being of the Class C Notes.

“Calculation Agent” means the Calculation Agent under the Credit Default Swap.

“Cash Administrator” means ABN AMRO Bank N.V., London Branch in its capacity as cash administrator under the Cash Administration Agreement.

“Cash Deposit” means the deposit made by the Issuer pursuant to the terms of the Cash Deposit Agreement and interest thereon in certain circumstances.

“Cash Deposit Account” means the account in the name of the Issuer into which the Issuer deposits funds to constitute the Cash Deposit held in the Netherlands with the Cash Deposit Bank or, as applicable upon the occurrence of a CD Replacement Date, the cash deposit account replacing the initial cash deposit account.

“Cash Deposit Account Pledge” means the pledge made by the Issuer in favour of the Trustee in respect of the Cash Deposit Account pursuant to the pledge agreement to be entered into on or prior to the Closing Date or, as applicable upon the occurrence of a CD Replacement Date, the pledge agreement dated the CD Replacement Date made by the Issuer in favour of the Trustee in respect of the replacement Cash Deposit Account.

“Cash Deposit Agreement” means the cash deposit agreement made between the Issuer, the Cash Deposit Bank, the Cash Administrator and the Trustee to be entered into on or prior to the Closing Date or, as applicable upon the occurrence of a CD Replacement Date, the cash deposit agreement replacing (and on the same terms as) the initial cash deposit agreement.

“Cash Deposit Bank” means a bank, having the Cash Deposit Bank Required Rating, with whom the Cash Deposit Account is held (including any replacement bank in respect thereof). The Cash Deposit Bank shall initially be ABN AMRO.

“Cash Deposit Bank Required Rating” means a short-term credit rating of P-1 from Moody's and A-1+ from S&P and a long-term credit rating of at least Aa3 from Moody's.

“CD Replacement Date” means the date on which the Issuer (a) enters into a replacement Cash Deposit Agreement with a successor to the Cash Deposit Bank which has the Cash Deposit Bank Required Rating, or (b) enters into the Initial Transaction pursuant to the Repo Agreement with the Repo Counterparty, and which date shall be the next Interest Payment Date which is at least 30 days following the election by the Swap Counterparty to replace the Cash Deposit or any date which is

within 30 days of the Cash Deposit Bank being downgraded below the Cash Deposit Bank Required Rating, as applicable.

“Class” means a class of Notes;

“Class A Notes” means the EUR 445,000,000 Class A Credit-Linked Floating Rate Notes due 2017 issued by the Issuer.

“Class B Notes” means the EUR 75,000,000 Class B Credit-Linked Floating Rate Notes due 2017 issued by the Issuer.

“Class C Notes” means the EUR 115,000,000 Class C Credit-Linked Floating Rate Notes due 2017 issued by the Issuer.

“Class D Notes” means the EUR 75,000,000 Class D Credit-Linked Floating Rate Notes due 2017 issued by the Issuer.

“Class E Notes” means the EUR 90,000,000 Class E Credit-Linked Floating Rate Notes due 2017 issued by the Issuer.

“Class F Notes” means the EUR 200,000,000 Class F Credit-Linked Floating Rate Notes due 2017 issued by the Issuer.

“Closing Date” means 11 May 2007.

“Common Safekeeper” means Euroclear or Clearstream, Luxembourg.

“Conditions to Inclusion” means:

(a) in respect of the Reference Obligations forming part of the Reference Portfolio on the Report Date (and not included in the Reference Portfolio pursuant to a Substitution) that (a) the Reference Portfolio satisfied the Reference Portfolio Criteria and (b) each such Reference Obligation satisfied the Reference Obligation Criteria in each case on the Report Date, (it being understood that where a Reference Obligation does not satisfy Reference Obligation Criteria or causes a breach of the Reference Portfolio Criteria, this shall not in itself mean that any other Reference Obligations do not satisfy the Conditions to Inclusion); and

(b) in respect of a Reference Obligation included in the Reference Portfolio pursuant to a Substitution, that the Conditions to Substitution were satisfied in respect of such Substitution on the relevant Adjustment Date.

“Conditions to Substitution” means:

- (a) the Swap Counterparty has no actual knowledge (after reasonable enquiry) that an event or condition that could constitute a Credit Event exists with respect to such Reference Obligation or Reference Entity as of the relevant Adjustment Date;
- (b) the Reference Entity in respect of the substituted Reference Obligation has a Moody's Rating of at least Baa3 and an S&P Rating of at least BBB- (or, if such Reference Entity does not have a Moody's Rating and a S&P Rating, the equivalent ABN AMRO Credit Score);
- (c) after giving effect to all Substitutions to be made on any business day, the sum of all Reference Obligation Notional Amounts on such business day does not exceed the Maximum Reference Portfolio Notional Amount in effect immediately prior to such Substitutions,
- (d) the substituted Reference Obligation complies with the Reference Obligation Criteria;
- (e) the Reference Portfolio following the Substitution complies with the Reference Portfolio Criteria or, if the Reference Portfolio did not comply with the Reference Portfolio Criteria

immediately prior to such Substitution, the Substitution does not increase the extent of such non-compliance of the Reference Portfolio with the Reference Portfolio Criteria;

- (f) the Swap Counterparty has not materially changed the method in effect as at the Closing Date of calculating the ABN AMRO Credit Score and has not materially changed its credit process in effect as at the Closing Date, unless any such change does not adversely affect the rating of the Notes; and
- (g) the Adjustment Date in relation to such Substitution is on or prior to the Revolving Period End Date.

“Credit Protection Payment Amount” means, with respect to a Defaulted Reference Obligation, the amount calculated pursuant to and in accordance with the Credit Default Swap, being equal to the product of (i) the Defaulted Reference Obligation Notional Amount as at the date on which the Conditions to Credit Protection are satisfied and (2) one less the Valuation Price of that Defaulted Reference Obligation.

“D Noteholders” means the holders for the time being of the Class D Notes.

“Day Count Fraction” means for all Classes, the actual number of days in the Determination Period in respect of which payment is being made divided by 360.

“Deed of Charge” means the deed of charge to be entered into on or prior to the Closing Date between the Issuer and the Trustee.

“Defaulted Reference Obligation” means a Reference Obligation in respect of which a Credit Event has occurred and the Conditions to Credit Protection are satisfied.

“Defaulted Reference Obligation Recovery Amount” means, with respect to a Defaulted Reference Obligation, an amount equal to the difference between the Reference Obligation Notional Amount of that Defaulted Reference Obligation and the Credit Protection Payment Amount with respect to that Defaulted Reference Obligation.

“Definitive Notes” means the Notes in definitive bearer form which will be issued pursuant to, and in the circumstances specified in, each Permanent Global Note and includes any replacement for Definitive Notes issued pursuant to Condition 11.

“Determination Date” means the date falling five business days before each Interest Payment Date.

“Determination Period” means (a) in relation to the first such period the period from (and including) the Closing Date to (but excluding) the next Determination Date, and (b) in relation to each subsequent such period, the period from (and including) a Determination Date to (but excluding) the next Determination Date.

“Dutch Tax Account” means the account in the name of the Issuer (initially held with ABN AMRO) into which the Issuer makes payments which represent a provision for the Issuer’s corporate income tax in the Netherlands.

“Dutch Tax Account Pledge” means the pledge agreement to be entered into on or prior to the Closing Date made by the Issuer in favour of the Trustee in respect of the Dutch Tax Account.

“E Noteholders” means the holders for the time being of the Class E Notes.

“Eligibility Criteria” means the eligibility criteria set out in the Credit Default Swap comprised of the Reference Obligation Criteria and the Reference Portfolio Criteria;

“Euroclear” means Euroclear Bank S.A./N.V as operator of the Euroclear System.

“Eurosysteem” means the network of central banks composed of the European Central Bank and the national central bank of each member state of the European Union that has adopted the euro as its currency.

“Exceptional Expenses” means any fees, expenses, out of pocket expenses, costs, liabilities or indemnity amounts or any other amounts which are incurred or claimed by any Operating Creditor which are not Budgeted Operating Expenses and which are payable by the Issuer under a Transaction Document to which it is a party.

“Exchange Event” means:

- (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or in fact do so cease business and no other alternative clearing system satisfactory to the Trustee is available; or
- (b) as a result of any amendment to, or change in the laws or regulation of the Netherlands (or any political sub-division thereof) or of any authority therein or thereof having power to tax or in the interpretation by a revenue authority or a court or in the administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes were in definitive form.

“F Noteholders” means the holders for the time being of the Class F Notes.

“Full Redemption Date” means, the Scheduled Redemption Date, the Final Redemption Date and each other date fixed for redemption in whole (but not in part) of the Notes.

“Initial Principal Balance” in relation to any Class means the aggregate principal amount of such Class on the Closing Date.

“Initial Reference Portfolio Notional Amount” means the Maximum Reference Portfolio Notional Amount on the Closing Date, being EUR 10,000,000,000.

“Investment Company Act” means the United States Investment Company Act of 1940, as amended.

“Issuer ” means Amstel Securitisation of Highgrade Exposures 2007-1 B.V.

“Issuer Account” means the account in the name of the Issuer (initially held with ABN AMRO) into which the Issuer deposits the CD/Repo Income, the Swap Counterparty Payments and other operating funds.

“Issuer Account Bank” means a bank, having the Issuer Account Bank Required Rating, with whom the Issuer Account is held (including any replacement bank in respect thereof). The Issuer Account Bank shall initially be ABN AMRO.

“Issuer Account Bank Required Rating” means a short-term credit rating of P-1 from Moody's and A-1+ from S&P and a long-term credit rating of at least Aa3 from Moody's.

“Issuer Account Pledge” means the pledge agreement dated the Closing Date made by the Issuer in favour of the Trustee in respect of the Issuer Account.

“Issuer CD Income” means income payments made in each Interest Payment Date to the Issuer under the Cash Deposit Agreement.

“Issuer CD/Repo Income” means Issuer CD Income or, as applicable, any income to be paid to the Issuer in relation to the Repo Agreement which replaces the Cash Deposit.

“Issuer Pledges” means the Issuer Account Pledge, the Cash Deposit Account Pledge and the Dutch Tax Account Pledge.

“Maximum Reference Portfolio Notional Amount” means EUR 10,000,000,000 less the aggregate of all Defaulted Reference Obligation Notional Amounts.

“Noteholders” means the holders for the time being of the Notes or of any Class, as the context may require.

“Notes” means, collectively, the Class A Notes the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

“Obligation” means (a) any obligation of a Reference Entity (either directly or indirectly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the Credit Default Swap, as provider of any Qualifying Guarantee) determined pursuant to the method described in Section 2.19 of the 2003 Definitions (but excluding any Excluded Obligation), (b) each Reference Obligation, unless specified in the Credit Default Swap as an Excluded Obligation, and (c) any other obligation of a Reference Entity specified as such in the Credit Default Swap.

“Operating Creditor” means any of (1) the Trustee, and any agent, delegate or other appointee thereof, (2) any Receiver of the Issuer, (3) any Agent, (4) the Cash Administrator, (5) any director of the Issuer or the Parent, (6) any stock exchange on which any of the Issuer’s Notes are listed, (7) the Issuer’s auditors and tax advisers or tax auditors, and any Chamber of Commerce fees paid by the Issuer, (8) any Rating Agency, (9) any independent experts or independent calculation agent appointed under the Credit Default Swap, (10) any other creditor (other than the Noteholders, Swap Counterparty or the Repo Counterparty) from time to time of the Issuer who has been notified to the Cash Administrator in accordance with the Cash Administration Agreement (and including any amounts of value added tax or other taxes due to any applicable revenue authorities).

“Order of Allocation of Quarterly Amortisation Amounts” means the allocation of Quarterly Amortisation Amounts to reduce the Senior CDS Notional Amount and the outstanding Principal Balance of the Notes (and the CDS Notional Amount) on each Interest Payment Date in the following order of priority:

- (a) If no Sequential Amortisation Trigger Event has occurred on or at any time prior to the Determination Date falling immediately prior to that Interest Payment Date, the relevant Quarterly Amortisation Amount will be allocated (i) first, to reduce the Senior CDS Notional Amount and the outstanding Principal Balance of each Class of Notes (other than the Class F Notes), on a *pari passu* and *pro rata* basis, (in each case up to a maximum amount equal to the Senior CDS Notional Amount or the Principal Balance of that Class, as applicable) and (ii) thereafter (if the Senior CDS Notional Amount and the outstanding Principal Balance of the Notes other than the the Class F Notes have been reduced to zero on or prior to such Payment Date), to reduce the outstanding Principal Balance of the Class F Notes in descending Order of Priority
- (b) If a Sequential Amortisation Trigger Event has occurred on or at any time prior to the Determination Date falling immediately prior to that Interest Payment Date, then, the relevant Quarterly Amortisation Amount will be allocated in accordance with the Sequential Order of Allocation.

“Order of Priority” has the meaning provided in Condition 2.1(c).

“Parent” means Stichting Amstel Securitisation of Highgrade Exposures 2007-01

“Post-Enforcement Priority of Payments” means the following order of priority on the relevant date to be applied to payments made or to be made by or on behalf of the Issuer in following the delivery of an Enforcement Notice pursuant to Condition 8:

- (i) to the extent not paid by the Swap Counterparty on its behalf, to pay any Budgeted Operating Expenses and Exceptional Expenses due and unpaid to the Trustee on such date;
- (ii) to pay or provide for any tax liabilities due or incurred by, or assessments made against, the Issuer on such date;
- (iii) to pay to the Swap Counterparty the aggregate amount of Credit Protection Payment Amounts, if any, due and unpaid on such date;
- (iv) to pay *pari passu* and *pro rata* according to the amount then payable all principal (calculated at the Principal Balance thereof) and interest then due and unpaid in respect of the Class A Notes, applying the payment first to interest and then to principal;
- (v) to pay *pari passu* and *pro rata* according to the amount then payable all principal (calculated at the Principal Balance thereof) and interest then due and unpaid in respect of the Class B Notes, applying the payment first to interest and then to principal;
- (vi) to pay *pari passu* and *pro rata* according to the amount then payable all principal (calculated at the Principal Balance thereof) and interest then due and unpaid in respect of the Class C Notes, applying the payment first to interest and then to principal;
- (vii) to pay *pari passu* and *pro rata* according to the amount then payable all principal (calculated at the Principal Balance thereof) and interest then due and unpaid in respect of the Class D Notes, applying the payment first to interest and then to principal;
- (viii) to pay *pari passu* and *pro rata* according to the amount then payable all principal (calculated at the Principal Balance thereof) and interest then due and unpaid in respect of the Class E Notes, applying the payment first to interest and then to principal;
- (ix) to pay *pari passu* and *pro rata* according to the amount then payable all principal (calculated at the Principal Balance thereof) and interest then due and unpaid in respect of the Class F Notes, applying the payment first to interest and then to principal;
- (x) to the extent not paid by the Swap Counterparty on its behalf, to pay *pari passu* to the Operating Creditors (other than the Trustee) any Budgeted Operating Expenses and Exceptional Expenses due and unpaid on such date;
- (xi) to pay *pari passu* to the Cash Deposit Bank any break costs pursuant to the terms of the Cash Deposit Agreement and to pay to the Repo Counterparty any termination amount under the Repo Agreement, as applicable; and
- (xii) to pay to the Swap Counterparty the Swap Termination Payment, if any, due and unpaid on such date.

“Principal Balance” of any Class means: on any Interest Payment Date the greater of:

- (a)
 - (i) the Initial Principal Balance of that Class;
 - minus
 - (ii) the aggregate amount of Credit Protection Payment Amounts (if any) made by the Issuer in the period from the Closing Date to the date of calculation to the extent that an amount equal thereto has been applied in reduction of the aggregate principal amount of that Class;
 - minus

- (iii) the aggregate amount of Quarterly Amortisation Amounts and Defaulted Reference Obligation Recovery Amounts allocated to reduce the Principal Balance of that Class in the period from the Closing Date to the date of calculation; and
- (b) zero.

“Principal Balance of a Note” means the product of the Principal Balance of a Class multiplied by a fraction, the numerator of which is the denomination of the applicable Note and the denominator of which is the Initial Principal Balance of a Class as at the Closing Date.

“Qualifying Guarantee” means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or other equivalent legal arrangement) to pay all amounts due under an Underlying Obligation of an Underlying Obligor.

“Quarterly Amortisation Amount” means an amount equal to:

- (a) on the first Interest Payment Date falling after the Revolving Period the amount, if any, by which (i) the aggregate of all Reduction Amounts and Removal Amounts during the Revolving Period exceeds (ii) the aggregate of the Reference Obligation Notional Amount corresponding to Substitutions made during the Revolving Period; or
- (b) on any subsequent Interest Payment Date, the aggregate of all Reduction Amounts and Removal Amounts during the most recent Determination Period.

“Rated Notes” means each Class of Notes except for the Class F Notes.

“Rating Agencies” means Moody’s Investors Service Inc. and Standard & Poor’s Rating Services, a division of The McGraw-Hill Inc. group of companies or, in either case, any successor.

“Reduction” means either a Mandatory Reduction or a Voluntary Reduction.

“Reduction Amount” means an amount (i) determined by reference to the amount of the relevant prepayment, repayment, cancellation or amortisation (in the case of a Mandatory Reduction), or (ii) determined by ABN AMRO at its sole discretion (in the case of a Voluntary Reduction).

“Reference Entity” means the obligor in respect of a Reference Obligation.

“Reference Entity Notional Amount” for any Reference Entity at any time means the aggregate of the Reference Obligation Notional Amounts of all Reference Obligations of such Reference Entity.

“Reference Obligation” means payment obligations under certain debt instruments other than asset-backed securities (whether drawn or undrawn and including term and revolving loans, guarantees and reimbursement obligations in relation to letters of credit of Reference Entities identified by the Swap Counterparty as Reference Obligations pursuant to the terms of the Credit Default Swap.

“Reference Obligation Criteria” means the criteria described as “Reference Obligation Criteria” and set out in the Credit Default Swap comprising a part of the Eligibility Criteria;

“Reference Obligation Notional Amount” means the amount denominated in euro and designated by the Swap Counterparty in respect of a Reference Obligation (subject to changes to reflect any Adjustments) on the date of inclusion of such Reference Obligation in the Reference Portfolio, by reference to which any Credit Protection Payment Amount in respect of such Reference Obligation shall be calculated. The aggregate of the Reference Obligation Notional Amounts of all Reference

Obligations in the Reference Portfolio shall not at any time exceed the Maximum Reference Portfolio Notional Amount.

“Reference Portfolio” means the portfolio designated by the Swap Counterparty on the Report Date (as the same may be varied from time to time) consisting of a pool of Reference Obligations of the Reference Entities that will be the subject of the Credit Default Swap.

“Reference Portfolio Criteria” means the criteria described as “Reference Portfolio Criteria” and set out in the Credit Default Swap comprising a part of the Eligibility Criteria;

“Reference Portfolio Notional Amount” means, at any time, the aggregate of the Reference Obligation Notional Amounts for all Reference Obligations in the Reference Portfolio.

“Reference Register” means the register maintained by or on behalf of the Swap Counterparty pursuant to the Credit Default Swap Agreement, listing the Reference Obligations comprising the Reference Portfolio and setting out such other information in relation thereto as is required by the terms of the Credit Default Swap Agreement.

“Regulatory Change” means, on or after the date of the Credit Default Swap, a change in the international, European or Dutch regulations, rules and instructions (the **“Bank Regulations”**) applicable to the Swap Counterparty, a change in the manner in which such Bank Regulations are interpreted or applied by any relevant competent international, European or national body (including any relevant international, European or Dutch central bank or other competent authority), or a change in the regulator of the Swap Counterparty, which has the effect of adversely affecting the rate of return on capital of the Swap Counterparty or increasing the cost or reducing or negating the benefit to the Swap Counterparty with respect to the transactions contemplated by the Credit Default Swap and the Transaction Documents.

“Removal” means either a Mandatory Removal or a Voluntary Removal.

“Removal Amount” means the Reference Obligation Notional Amount of a Reference Obligation which is removed from the Reference Portfolio pursuant to a Removal.

“Repo Agreement” means the TBMA/ISMA Global Master Repurchase Agreement (2000 version) entered into by the Issuer (such agreement to be entered in on or prior to the Closing Date and the initial transaction thereunder to be entered into on the relevant CD Replacement Date, if any), together with the annexes, confirmation and any amendment or supplement thereto, and which expression shall include any TBMA/ISMA Global Master Repurchase Agreement replacing (and on the same terms as) the initial Repo Agreement.

“Repo Counterparty” means the counterparty who enters into a Repo Agreement with the Issuer, which expression shall include any counterparty replacing the initial Repo Counterparty). The Repo Counterparty shall initially be ABN AMRO.

“Report Date” means 30 March 2007

“Reverse Order of Seniority” means, with respect to the allocation of any Credit Protection Payment Amount as between the Notes of all Classes, the following order of priority:

- (i) first, to reduce the Principal Balance of the Class F Notes;
- (ii) second, if the Principal Balance of the Class F Notes has been reduced to zero, to reduce the Principal Balance of the Class E Notes;
- (iii) third, if the Principal Balance of the Class E Notes has been reduced to zero, to reduce the Principal Balance of the Class D Notes;

- (iv) fourth, if the Principal Balance of the Class D Notes has been reduced to zero, to reduce the Principal Balance of the Class C Notes;
- (v) fifth, if the Principal Balance of the Class C Notes has been reduced to zero, to reduce the Principal Balance of the Class B Notes; and
- (vi) sixth, if the Principal Balance of the Class B Notes has been reduced to zero, to reduce the Principal Balance of the Class A Notes.

“Revolving Period” means the period from (and including) the Closing Date to (and including) the Revolving Period End Date.

“Revolving Period End Date” means the Determination Date immediately prior to the Interest Payment Date falling in October 2008.

“Secured Creditors” means the beneficiaries of the Security constituted by the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge and the Cash Deposit Account Pledge (including without limitation the Trustee, any appointee thereof, the Noteholders, the Swap Counterparty, the Agents and any receiver of the Issuer).

“Securities Act” means the United States Act of 1933, as amended.

“Senior Credit Default Swap” means the credit default swap transaction pursuant to a 1992 ISDA Master Agreement (Multicurrency–Cross Border), a Senior Credit Default Swap Schedule and a Senior Credit Default Swap Confirmation entered into by the Swap Counterparty with a third party OECD bank counterparty.

“Sequential Amortisation Trigger Event” means the occurrence of one or more of the following events:

- (i) the S&P Substitution Test is not satisfied on an Interest Payment Date;
- (ii) the Moody’s CDOROM Test is not satisfied on an Interest Payment Date; or
- (iii) the Reference Portfolio Notional Amount is equal to or less than 40% of the Maximum Reference Portfolio Notional Amount.

“Sequential Order of Allocation” means the allocation of Defaulted Reference Obligation Recovery Amounts, and, following the occurrence of a Sequential Amortisation Trigger Event, of Quarterly Amortisation Amounts, determined with respect to any Interest Payment Date in the following order: (i) first to reduce the Senior CDS Notional Amount to zero and (ii) thereafter, to reduce the outstanding Principal Balance of each Class of Notes (in each case up to a maximum amount equal to the Principal Balance of that Class) in descending Order of Priority starting with the most senior Class then outstanding and *pari passu* and *pro rata* within each Class.

“Subscription Agreement” means the subscription agreement made between the Issuer and the Lead Manager on or about the date of this Prospectus.

“Swap Counterparty” means ABN AMRO in its capacity as swap counterparty under the Credit Default Swap.

“Swap Counterparty Required Rating” means, in respect of the Swap Counterparty, a short-term credit rating of at least P-1 from Moody’s and A-1+ from S&P and a long-term credit rating of at least A1 from Moody’s.

“Swap Termination Payment” means an amount equal to the balance of the Available Income Funds and the Available Redemption Funds (if any) remaining on a Full Redemption Date after applying such

funds to item (i) to (vi) of the Available Income Funds Priority of Payments and (i) to (vi) of the Available Redemption Funds Priority of Payments.

“Transaction Documents” means the Credit Default Swap, the Cash Deposit Agreement, the Repo Agreement, the Trust Deed, the Deed of Charge, the Issuer Account Pledge, the Dutch Tax Account Pledge, the Cash Deposit Account Pledge, the Paying Agency and Agent Bank Agreement, the Subscription Agreement, the Master Definitions and Common Terms Agreement (as defined in the Trust Deed) and the Cash Administration Agreement.

“Underlying Obligation” means an Obligation of another party (the **“Underlying Obligor”**) that is the subject of a Qualifying Guarantee and that is not at the time of the Credit Event subordinated to any unsubordinated Borrowed Money obligation of the Underlying Obligor (with references in the definition of Subordination to the Reference Entity deemed to refer to the Underlying Obligor).

“Valuation Price” has the meaning ascribed to it in the Credit Default Swap.

TAXATION

The comments below are of a general nature based on current law and practice in the Netherlands, which is subject to changes that could prospectively or retrospectively affect the stated tax consequences. The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes and so should be treated with appropriate caution. Prospective investors should consult their own professional advisers concerning the possible tax consequences of purchasing, holding or selling Notes under the applicable laws of their country of citizenship, residence or domicile.

Withholding Tax

All payments under the Notes may be made free of withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Taxes on Income and Capital Gains

A holder of Notes will not be subject to any Netherlands taxes on income or capital gains in respect of the Notes, including such tax on any payment under the Notes or in respect of any gain realised on the disposal, deemed disposal or exchange of the Notes, provided that:

- (i) such holder is neither a resident nor deemed to be a resident of the Netherlands nor, if he is an individual, has elected to be taxed as a resident of the Netherlands; and
- (ii) such holder does not have 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 and to which enterprise or part of an enterprise, as the case may be, the Notes are attributable; and
- (iii) if such holder is an individual, such income or capital gain do not form “benefits from miscellaneous activities in the Netherlands” (“*resultaat uit overige werkzaamheden in Nederland*”), which would for instance be the case if the activities in the Netherlands with respect to the Notes exceed “normal, active asset management” (“*normaal, actief vermogensbeheer*”).

A holder of Notes will not be subject to taxation in the Netherlands by reason only of the execution, delivery or enforcement of the Transaction Documents and the issue of the Notes or the performance by the Issuer of its obligations thereunder or under the Notes.

Gift, Estate and Inheritance Taxes

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition or deemed acquisition of Notes by way of a gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless:

- (i) such holder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Notes are or were attributable; or
- (ii) in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

Other Taxes

No Netherlands turnover tax, capital tax, registration tax, custom duty, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the Courts of the Netherlands) of the Transaction Documents or the performance by the Issuer of its obligations thereunder or under the Notes.

EU Savings Directive

Under the EU Council Directive 2003/48/EU on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have agreed to adopt or have adopted similar measures (a withholding system in the case of Switzerland).

SUBSCRIPTION AND SALE

The Lead Manager has, in respect of the Notes, entered into a subscription agreement dated on or about the date of this Prospectus (the “**Subscription Agreement**”) with the Issuer upon the terms and subject to the conditions contained therein, pursuant to which the Lead Manager has agreed to subscribe and pay for the Notes at their issue price of 100% of their principal amount. The Lead Manager is entitled in certain circumstances to be released and discharged from its obligations under the Subscription Agreement prior to the closing of the issue of the Notes.

In connection with the issue of the Notes, ABN AMRO Bank N.V., London Branch in its capacity as Lead Manager will act as stabilisation manager (the “**Stabilisation Manager**”). The Stabilisation Manager may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate principal amount of the Notes) or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

EUROPEAN ECONOMIC AREA

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a “Relevant Member State”), the Lead Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that member state (the “Relevant Implementation Date”) it has not made and will not make an offer of securities to the public in that Relevant Member State prior to the publication of a prospectus in relation to the securities that has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with article 18 of the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of securities to the public in that Relevant Member State at any time:

- (a) to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity that has two or more of (i) an average of at least 250 employees during the last fiscal year; (ii) a total balance sheet of more than €43,000,000 and (3) an annual turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances that do not require the publication by the issuer of a prospectus pursuant to article 3 of the Prospectus Directive.

For the purposes of this provision, the expression “an offer of securities to the public” in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state. The term “Prospectus Directive” means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, and includes any relevant implementing measure in each Relevant Member State.

UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or the state securities laws of any state of the United States of America 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 transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

The Lead Manager has agreed that, except as permitted by the Subscription Agreement, not to offer, sell or deliver the Notes: (a) as part of their distribution at any time; and (b) otherwise until forty (40) days after the later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells Notes during the distribution compliance period, as defined in Regulation S under the Securities Act, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Until forty (40) calendar days after the later of the commencement of the offering or the Closing Date, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

In addition,

- (i) except to the extent permitted under US Treas. Reg. § 1.163-5(c)(2)(i)(D) (the “**D Rules**”), the Lead Manager (a) represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Notes to a person who is within the United States or its possessions or to a United States person, and (b) represents that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (ii) the Lead Manager represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (iii) if it is a United States person, it represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and if it retains Notes for its own account, it will only do so in accordance with the requirements of US Treas. Reg. § 1.163-5(c)(2)(i)(D)(6); and
- (iv) with respect to each affiliate that acquires from it Notes for the purpose of offering or selling such Notes during the restricted period, it either (A) repeats and confirms the representations and agreements contained in paragraphs (i), (ii) and (iii) above on its behalf or (B) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in paragraphs (i), (ii) and (iii) above.

Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code and regulations thereunder, including the D Rules.

Each holder of the Notes will be deemed to have represented that such holder is aware that the sale of such Notes to it is being made in reliance on the exemption from registration provided by Regulation S and understands that the Global Notes, definitive Notes and coupons and talons will bear the following legend:

"THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND THE ISSUER HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940. THE NOTES 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 A UNITED STATES PERSON (AS DEFINED IN THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE")), EXCEPT IN CERTAIN TRANSACTIONS PERMITTED BY U.S. TAX REGULATIONS.

ANY UNITED STATES PERSON (AS DEFINED IN SECTION 7701(A)(30) OF THE CODE) WHO HOLDS THIS OBLIGATION, DIRECTLY OR INDIRECTLY, 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 CODE".

UNITED KINGDOM

The Lead Manager has further represented and agreed that: (a) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the **FSMA**) with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

JAPAN

The Notes have not been, and will not be, registered in Japan under the Securities and Exchange Law of Japan (Law No. 25 of 1948 as amended) (the **SEL**) nor the Financial Instruments and Exchange Law (as the successor legislation to the SEL) (the **FIEL**) and neither the Notes nor any interest therein will be offered, sold, or otherwise transferred directly or indirectly, in Japan or to or for the benefit of any resident of Japan, or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the SEL, the FIEL and all other applicable laws, regulations and guidelines in Japan. For the purposes of this paragraph, *resident of Japan* shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan. The Notes are issued outside Japan and may not be offered, directly or indirectly, to the public therein and no offering material may be distributed to the public in Japan.

General

Other than with respect to the listing of the Notes, no action has been or will be taken in any jurisdiction by the Issuer or the Lead Manager that would, or is intended to, permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Prospectus comes are required by the Issuer and the Lead Manager to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

GENERAL INFORMATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The creation and issue of the Notes has been authorised by a written resolution of the sole managing director of the Issuer dated 26 April 2007.
2. The Notes have been accepted for clearance through Euroclear or Clearstream, Luxembourg and through Euronext Amsterdam. The Common Code and International Securities Identification Number and Fondscore in respect of each Class of Notes is as follows:

Class	Common Code	ISIN Code	Fondscore
Class A	029730938	XS0297309386	81740
Class B	029731071	XS0297310715	81742
Class C	029731233	XS0297312331	81743
Class D	029731381	XS0297313818	81744
Class E	029731462	XS0297314626	81745
Class F	029731691	XS0297316910	81746

3. Save as disclosed herein, since the incorporation of the Issuer, there has been no material adverse change in the financial position or prospects of the Issuer and no significant change in the financial or trading position of the Issuer.
4. The Issuer was incorporated in The Netherlands on 26 April 2007 with registered number 34272688.
5. Since the date of its incorporation on 26 April 2007, the Issuer has not been and is not involved in any governmental, legal or arbitration proceedings which may have, or have had, since the date of its incorporation, any significant effects on the Issuer and/or its financial position or profitability. The Issuer is not aware that any such governmental, legal or arbitration proceedings are pending or threatened.
6. Ernst & Young have given and not withdrawn their written consent to, as the case may be, the inclusion in this Prospectus of their report or to references to their report in this Prospectus and references to their respective names in the form and context in which they are included and have authorised the contents of those parts of the Prospectus. So long as the Notes are listed on Euronext Amsterdam the report prepared by Ernst & Young can be requested in an electronic format by contacting the Issuer whose address is: Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands; telephone number +31 20 5222 555.
7. Netherlands company law combined with the holding structure of the Issuer, covenants made by the Issuer in the Transaction Documents and the role of the Trustee are together intended to prevent any abuse of control of the Issuer. As far as the Issuer is aware, there are currently no arrangements in place which may at a subsequent date result in a change of control of the Issuer.
8. The audited financial statements of the Issuer will be made available during normal office hours, free of charge at the offices of the Trustee which is for the time being at 82 Bishopsgate, London, EC2N 4BN, United Kingdom.
9. The Articles of Association of the Issuer are incorporated herein by reference. So long as the Notes are listed on Euronext Amsterdam, copies of the Articles of Association of the Issuer and together with the financial statements of the Issuer will be available electronically as well as in hard copy on request, free of charge, at the specified office of the Principal Paying Agent which

is for the time being at Kemelstede 2, 4817 ST Breda, the Netherlands. The Issuer does not prepare interim financial statements.

10. A copy of each of the Adjustment Date Report and the Quarterly Trustee Report will be posted on a secure website administered by the Trustee (currently www.cdoftrustee.com) to which, amongst others, the Noteholders will be given access upon request to the Trustee.
11. In relation to this transaction the Issuer has on the date hereof entered into the Subscription Agreement referred to in “SUBSCRIPTION AND SALE” above which is or may be material.
12. So long as any Notes are listed on Euronext Amsterdam, copies of the following documents will be available electronically on a secure website (currently www.cdoftrustee.com) as well as in hard copy on request, during normal office hours, at the principal office for the time being of the Trustee, being at the date hereof at 82 Bishopsgate, London EC2N 4BN, or the principal office for the time being of the Principal Paying Agent, being at the date hereof Kemelstede 2, 4817 ST Breda, the Netherlands:
 - (a) The consent referred to in paragraph 6 above; and
 - (b) Copies of the following documents:
 - (i) Trust Deed (including the respective forms of the Global Notes and the Notes in definitive form and the Coupons);
 - (ii) Deed of Charge;
 - (iii) Cash Administration Agreement;
 - (iv) Master Definitions and Common Terms Agreement;
 - (v) Cash Deposit Account Pledge;
 - (vi) Issuer Account Pledge;
 - (vii) Dutch Tax Account Pledge;
 - (viii) Paying Agency and Agent Bank Agreement;
 - (ix) Credit Default Swap;
 - (x) Cash Deposit Agreement;
 - (xi) Repo Agreement; and
 - (xii) this Prospectus.
12. The Notes will be issued in New Global Note form and are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with one of Euroclear and Clearstream, Luxembourg (the “ICSDs”) as Common Safekeeper and does not necessarily mean that the Notes 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.

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REGISTERED OFFICE OF THE ISSUER

Amstel Securitisation of Highgrade Exposures 2007-1 B.V.

Attn: The Directors

Claude Debussylaan 24,
1082 MD Amsterdam,
the Netherlands

TRUSTEE

ABN AMRO Trustees Limited

Attn: GSTS:Amstel Securitisation of Highgrade
Exposures 2007-1 B.V.
82 Bishopsgate
London EC2N 4BN
United Kingdom

LEGAL ADVISERS

To the Lead Manager

As to English law:

Freshfields Bruckhaus Deringer

2 rue Paul Cézanne
75008 Paris
France

as to Dutch law:

Freshfields Bruckhaus Deringer

Strawinskylaan 10
1077XZ Amsterdam
The Netherlands

AUDITORS TO THE ISSUER

Ernst & Young Accountants

Drentestraat 20
1083 HK Amsterdam
The Netherlands

Postal Address:

P.O. Box 7883
1008 AB Amsterdam
The Netherlands

PRINCIPAL PAYING AGENT

ABN AMRO Bank N.V.

Attn: Paying Agency
Kemelstede 2
4817 ST Breda
The Netherlands

LEGAL ADVISERS

To the Trustee

As to English law:

Allen & Overy LLP

One Bishops Square
London E1 6AO
United Kingdom

AMSTERDAM LISTING AGENT

ABN AMRO Bank N.V.

Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands