PROSPECTUS DATED 12 APRIL 2023

Lowland Mortgage Backed Securities 7 B.V. as Issuer

(incorporated with limited liability in the Netherlands) Unique identifier: 724500A1FNICHSDF2I11N202301

This Prospectus has been approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus nor as an endorsement of the quality of any Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Prospectus shall be valid for a period of up to 12 months from the date of its approval by the AFM and shall expire on 12 April 2024 at the latest or, if earlier, the time when trading on a regulated market begins. The obligation to supplement this Prospectus, in the event of significant new factors, material mistakes or material inaccuracies only, shall cease to apply upon the expiry of the validity period of this Prospectus. For this purpose, "valid" means valid for admissions to trading on a regulated market of the Notes and the obligation to supplement the Prospectus is only required within its period of validity between the time when the Prospectus is approved and the time when trading on a regulated market begins.

| | Class A | Class B | Class C | Class D | Class E |
|---|---|---|---|---|---|
| Principal Amount | EUR 7,560,000,000 | EUR 156,000,000 | EUR 120,000,000 | EUR 104,000,000 | EUR 60,000,000 |
| Issue Price | 100 per cent. |
| Interest rate | 1.00 per cent. per annum | 0.00 per cent. per annum |
| Expected credit ratings (Fitch / Moody's) | AAAsf / Aaa(sf) | AA+sf / Aa3(sf) | AA-sf / A1(sf) | A-sf / Baa1(sf) | B-sf / B2(sf) |
| First Notes Payment Date | May 2023 |
| First Optional Redemption Date | Notes Payment Date falling in April 2028 |
| Final Maturity Date | Notes Payment Date falling in April 2060 |

de Volksbank N.V. as Seller

| Closing Date | The Issuer will issue the Notes in the Classes set out above on the Closing Date. |
|--|---|
| Underlying Assets | The Issuer will make payments on the Notes from, <i>inter alia</i> , payments of principal and interest received from a portfolio comprising mortgage loans originated by de Volksbank and secured over residential properties located in the Netherlands. Legal title to the resulting Mortgage Receivables will be assigned by the Seller to the Issuer on the Closing Date and, subject to certain conditions being met, the Issuer will purchase and accept assignment of Further Advance Receivables and New Mortgage Receivables from the Closing Date until (but excluding) the First Optional Redemption Date. See section 0 (<i>Description of Mortgage Loans</i>) for more details. |
| Security for the Notes | The Noteholders will, together with the other Secured Creditors, benefit from security rights created in favour of the Security Trustee over, <i>inter alia</i> , the Mortgage Receivables, the Beneficiary Rights and the Issuer Rights (see section 4.7 (Security)). |
| Denomination | The Notes will have a denomination of EUR 100,000. |
| Form | The Notes will be in bearer form. The Notes will be represented by Global Notes, without coupons attached. Interests in the Global Notes will only in limited circumstances be exchangeable for Notes in definitive form. |
| Interest | The Class A Notes will carry a fixed rate of interest as set out above, payable in arrear on each Notes Payment Date. The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will not carry any interest. See further section 4.1 (<i>Terms and Conditions</i>) under Condition 4 (<i>Interest</i>). |
| Redemption Provisions | Payments of principal on the Notes will be made monthly in arrear on each Notes Payment Date in the circumstances set out in, and subject to and in accordance with, the Conditions. The Notes will mature on the Final Maturity Date. On the First Optional Redemption Date and each Optional Redemption Date thereafter and in certain other circumstances, the Issuer will have the option to redeem all (but not some only) of the Notes. See further section 4.1 (<i>Terms and Conditions</i>) under Condition 6 (<i>Redemption</i>). |
| Subscription and sale | The Manager has agreed to purchase the Notes on the Closing Date, subject to certain conditions precedent being satisfied. |
| Credit Rating Agencies | Each of the Credit Rating Agencies is established in the European Union and is registered under the CRA Regulation. As such, each of the Credit Rating Agencies is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation. |
| | |
| Credit Ratings | Credit ratings will be assigned to the Notes as set out above on or before the Closing Date. It is not a condition precedent for the issuance of the Notes (other than the Class A Notes) that the credit ratings assigned to the Notes (other than the Class A Notes) are the expected credit ratings. |
| Credit Ratings | Date. It is not a condition precedent for the issuance of the Notes (other than the Class A Notes) that the credit ratings assigned to the Notes (other than the Class A Notes) |
| Credit Ratings | Date. It is not a condition precedent for the issuance of the Notes (other than the Class A Notes) that the credit ratings assigned to the Notes (other than the Class A Notes) are the expected credit ratings. The credit ratings assigned by Fitch address the likelihood of (a) timely payment of interest due to the Class A Noteholders on each Notes Payment Date and (b) full payment of principal by a date that is not later than the Final Maturity Date. The credit ratings assigned by Moody's address the expected loss to a Noteholder in proportion to the initial principal amount of the Class of Notes held by such Noteholder by the |
| Credit Ratings Listing and admission to trading | Date. It is not a condition precedent for the issuance of the Notes (other than the Class A Notes) that the credit ratings assigned to the Notes (other than the Class A Notes) are the expected credit ratings. The credit ratings assigned by Fitch address the likelihood of (a) timely payment of interest due to the Class A Noteholders on each Notes Payment Date and (b) full payment of principal by a date that is not later than the Final Maturity Date. The credit ratings assigned by Moody's address the expected loss to a Noteholder in proportion to the initial principal amount of the Class of Notes held by such Noteholder by the Final Maturity Date. The assignment of credit ratings to the Notes is not a recommendation to invest in the Notes. Any such credit rating may be reviewed, revised, suspended or withdrawn at any time. Any such review, revision, suspension or withdrawal could adversely affect |
| Listing and admission to | Date. It is not a condition precedent for the issuance of the Notes (other than the Class A Notes) that the credit ratings assigned to the Notes (other than the Class A Notes) are the expected credit ratings. The credit ratings assigned by Fitch address the likelihood of (a) timely payment of interest due to the Class A Noteholders on each Notes Payment Date and (b) full payment of principal by a date that is not later than the Final Maturity Date. The credit ratings assigned by Moody's address the expected loss to a Noteholder in proportion to the initial principal amount of the Class of Notes held by such Noteholder by the Final Maturity Date. The assignment of credit ratings to the Notes is not a recommendation to invest in the Notes. Any such credit rating may be reviewed, revised, suspended or withdrawn at any time. Any such review, revision, suspension or withdrawal could adversely affect the market value of the Notes. Application has been made to Euronext Amsterdam for the Class A Notes to be admitted to the official list and trading on its regulated market. The Class A Notes are expected to be listed on or about the Closing Date. There can be no assurance that |

| Eligibility | Eurosystem Eligible Collateral. This means that the Class A Notes are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg as common safekeeper, each of which is recognised as an International Central Securities Depositary within the meaning of the Eurosystem monetary policy. It does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. |
|---------------------------------------|--|
| Limited recourse obligations | The Notes will be limited recourse obligations of the Issuer alone and will not be the obligations of, or guaranteed by, or be the responsibility of, any other entity. The Issuer will have limited sources of funds available. See section 1 (<i>Risk Factors</i>). |
| Subordination | The right to payment of principal on the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be subordinated and may be limited as more fully described in the section 4.1 (<i>Terms and Conditions</i>). |
| No STS designation | The securitisation transaction described in this Prospectus is not intended to qualify as an STS securitisation within the meaning of article 18 of the Securitisation Regulation. Consequently, neither the Issuer, the Seller, the Arranger nor the Manager has any intention to notify ESMA or otherwise seek designation of the securitisation in connection with which the Notes are issued, as 'STS' or 'simple, transparent and standardised' as set out in chapter 4 of the Securitisation Regulation, or to seek compliance with all criteria and requirements for such designation set out therein. However, the Seller and the Issuer will, on a voluntary basis, comply with some of the substantive STS requirements, as further set in section 4.4 (<i>Regulatory and Industry Compliance</i>). |
| Retention and information undertaking | de Volksbank, as originator within the meaning of article 6 of the Securitisation Regulation, has undertaken in the Notes Purchase Agreement to retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the securitisation transaction described in this Prospectus in accordance with article 6 of the Securitisation Regulation. As at the Closing Date, such material net economic interest is retained in accordance with article 6(3)(a) of the Securitisation Regulation by the retention of not less than five (5) per cent. of the nominal value of each of the tranches sold or transferred to investors. |
| | In addition to the information set out herein and forming part of this Prospectus, the Seller has undertaken to make available materially relevant information to investors in accordance with and as required pursuant to article 7 of the Securitisation Regulation so that investors are able to verify compliance with article 6 of the Securitisation Regulation. Each prospective Noteholder should ensure that it complies with the Securitisation Regulation to the extent applicable to it. The Issuer, or the Issuer Administrator on its behalf, will also on behalf of the Seller, prepare Notes and Cash Reports on a monthly basis wherein relevant information with regard to the Mortgage Loans and Mortgage Receivables will be disclosed publicly together with information on the retention of the material net economic interest by the Seller. Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the Securitisation Regulation (see section 8 (General) for more details). See further section 1 (Risk Factors) 'Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes' and section 4.4 (Regulatory and Industry Compliance) for more details. |

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

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

Unless otherwise indicated in this Prospectus or the context otherwise requires, capitalised terms used in this Prospectus have the meaning ascribed thereto in section 9.1 (*Definitions*) of the Glossary of Defined Terms set

out in this Prospectus.

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

Manager and Arranger de Volksbank

TABLE OF CONTENTS

| 1. | RISK FACTORS | / |
|-----|---|----|
| | RISK FACTORS REGARDING THE ISSUER | 7 |
| | RISK FACTORS REGARDING THE NOTES | 8 |
| | A. RISK FACTORS REGARDING THE TERMS AND CONDITIONS OF THE NOTES | |
| | B. RISK FACTORS REGARDING COUNTERPARTIES AND THIRD PARTIES | |
| | C. RISKS RELATED TO THE ADMISSION OF THE NOTES TO TRADING ON A | |
| | MARKET | |
| | D. RISKS REGARDING CREDIT RATINGS | |
| | E. REGULATORY RISKS REGARDING THE NOTESF. TAX RISKS REGARDING THE NOTES | |
| | RISK FACTORS REGARDING THE MORTGAGE RECEIVABLES, SET-OFF AND SEC | |
| | RIGHTS | |
| | A. RISKS REGARDING THE MORTGAGE RECEIVABLES | |
| | B. SET-OFF RISKS AND OTHER DEFENCES THAT MAY AFFECT THE | |
| | RECEIVABLES | |
| | C. RISK FACTORS REGARDING SECURITY RIGHTS | 33 |
| 2. | TRANSACTION OVERVIEW | 37 |
| | 2.1 STRUCTURE DIAGRAM | 38 |
| | 2.2 PRINCIPAL PARTIES | |
| | 2.3 NOTES | 41 |
| | 2.4 CREDIT STRUCTURE | 48 |
| | 2.5 PORTFOLIO INFORMATION | |
| | 2.6 PORTFOLIO DOCUMENTATION | _ |
| | 2.7 GENERAL | |
| 3. | PRINCIPAL PARTIES | 59 |
| | 3.1 ISSUER | 59 |
| | 3.2 SHAREHOLDER | 61 |
| | 3.3 SECURITY TRUSTEE | 62 |
| | 3.4 SELLER | |
| | 3.5 SERVICER | |
| | 3.6 ISSUER ADMINISTRATOR | |
| | 3.7 OTHER PARTIES | |
| 4. | NOTES | |
| | 4.1 TERMS AND CONDITIONS | |
| | 4.2 FORM OF THE NOTES | |
| | 4.3 SUBSCRIPTION AND SALE | |
| | 4.4 REGULATORY AND INDUSTRY COMPLIANCE | |
| | 4.5 USE OF PROCEEDS | |
| | 4.7 SECURITY | |
| | 4.8 CREDIT RATINGS | |
| 5. | CREDIT STRUCTURE | |
| ٠. | | |
| | 5.1 AVAILABLE FUNDS | |
| | 5.3 LOSS ALLOCATION | |
| | 5.4 HEDGING | |
| | 5.5 LIQUIDITY SUPPORT | |
| | 5.6 ISSUER ACCOUNTS | |
| | 5.7 ADMINISTRATION AGREEMENT | |
| 6. | PORTFOLIO INFORMATION | |
| - * | 6.1 STRATIFICATION TABLES | |
| | 6.2 DESCRIPTION OF MORTGAGE LOANS | |
| | 6.3 ORIGINATION AND SERVICING | |
| | 6.4 DUTCH RESIDENTIAL MORTGAGE MARKET | |
| | 6.5 NHG GUARANTEE PROGRAMME | |
| 7. | | |
| | | |

| 7.2 REPRESENTATIONS AND WARRANTIES 153 7.3 MORTGAGE LOAN CRITERIA 157 7.4 PORTFOLIO CONDITIONS 159 7.5 SERVICING AGREEMENT 161 7.6 SUB-PARTICIPATION 162 8. GENERAL 164 9. GLOSSARY OF DEFINED TERMS 167 9.1 DEFINITIONS 167 9.2 INTERPRETATION 195 10. REGISTERED OFFICES 197 | | 7.1 PURCHASE, REPURCHASE AND SALE | 149 |
|--|-----|------------------------------------|-----|
| 7.4 PORTFOLIO CONDITIONS 159 7.5 SERVICING AGREEMENT 161 7.6 SUB-PARTICIPATION 162 8. GENERAL 164 9. GLOSSARY OF DEFINED TERMS 167 9.1 DEFINITIONS 167 9.2 INTERPRETATION 195 | | 7.2 REPRESENTATIONS AND WARRANTIES | 153 |
| 7.5 SERVICING AGREEMENT | | 7.3 MORTGAGE LOAN CRITERIA | 157 |
| 7.6 SUB-PARTICIPATION 162 8. GENERAL 164 9. GLOSSARY OF DEFINED TERMS 167 9.1 DEFINITIONS 167 9.2 INTERPRETATION 195 | | 7.4 PORTFOLIO CONDITIONS | 159 |
| 8. GENERAL | | 7.5 SERVICING AGREEMENT | 161 |
| 9. GLOSSARY OF DEFINED TERMS | | | |
| 9.1 DEFINITIONS 167 9.2 INTERPRETATION 195 | 8. | GENERAL | 164 |
| 9.2 INTERPRETATION | 9. | GLOSSARY OF DEFINED TERMS | 167 |
| | | 9.1 DEFINITIONS | 167 |
| 10. REGISTERED OFFICES | | 9.2 INTERPRETATION | 195 |
| | 10. | REGISTERED OFFICES | 197 |

1. RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these risk factors and events are contingencies which may or may not occur. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.

Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Issuer's business, financial condition, results of operations and prospects. The Issuer may face a number of these risks described below simultaneously. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section. Where a risk factor could belong in more than one category, such risk factor is included in the category that is deemed the most appropriate by the Issuer.

The Issuer believes that the factors described below represent the material risks inherent to investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of investing in any Notes are exhaustive. Other risks, events, facts or circumstances not included in this Prospectus, not presently known to the Issuer, or that the Issuer currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Issuer's business, financial condition, results of operations and prospects or the Mortgage Receivables. Prospective investors should carefully read and review the entire Prospectus and should form their own views before making an investment decision with respect to the Notes.

Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's personal circumstances.

RISK FACTORS REGARDING THE ISSUER

1. The Issuer is exposed to credit risks

The Issuer is subject to the risk of default in payment by the Borrowers and the failure by the Servicer to realise or recover sufficient funds under the arrears and default procedures in respect of the relevant Mortgage Loans in order to discharge all amounts due and owed by the relevant Borrowers under the relevant Mortgage Loans. This risk may affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by certain credit enhancement features, which aim to protect the transaction or a Higher Ranking Class of Notes against potential losses under the Mortgage Receivables or provide liquidity support. An example of such credit enhancement feature is subordination; Noteholders of any Class of Notes with a lower payment priority bear a greater risk of non-payment than any Class of Notes with a higher payment priority, thereby serving as credit support for the Classes of Notes with a higher payment priority. Another example is the possibility for the Issuer to make drawings under the Cash Advance Facility, subject to certain conditions being met, pursuant to which the Issuer will be entitled to make drawings in order to meet certain shortfalls in its available revenue receipts. The credit enhancement features are described in more detail in section 5 (Credit Structure). There is no assurance that these measures will protect the holders of any Class of Notes against all risks of losses and therefore there remains a risk that the Issuer will not have sufficient funds available to fulfil its payment obligations under the Notes.

The Issuer will report the Mortgage Loans in arrears and the Realised Losses in respect thereof in the report on the performance of the Mortgage Receivables on an aggregate basis. Investors should be aware that the Realised Losses reported may not reflect all losses that already have occurred or are expected to occur, because a Realised Loss is recorded, *inter alia*, only after the Servicer has determined that foreclosure of the Mortgage and other collateral securing the Mortgage Receivable has been completed. Such foreclosure process may take a considerable amount of time and may not necessarily be in line with the policies of other originators in the Dutch market.

2. Risk that the Notes are solely the obligations of the Issuer

The payment obligations under the Notes will be solely the obligations of the Issuer. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity or person, acting in whatever capacity, including, without limitation, the Seller, the other Secured Creditors and the Security Trustee. Furthermore, none of the Seller, the other Secured Creditors, the Manager and the Security Trustee, nor any other person acting in whatever capacity, will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes. None of the Seller, the other Secured Creditors, the Manager and the Security Trustee will be under any obligation whatsoever to provide additional funds to the Issuer (save in the limited circumstances pursuant to the Transaction Documents, such as the payments due under the Cash Advance Facility Agreement by the Cash Advance Facility Provider). Therefore, if the Issuer has insufficient funds available to fulfil its payment obligations under the Notes, this may lead to losses under the Notes

3. Risk that the Issuer has limited resources available to meet its obligations under the Notes

The ability of the Issuer to meet its obligations in full to pay principal and, to the extent applicable, interest on the Notes will be dependent solely on (a) the receipt by it of funds under the Mortgage Receivables and the Beneficiary Rights, (b) the proceeds of the sale of any Mortgage Receivables, (c) the receipt of amounts under the Bank Savings Participation Agreement, (d) drawings under the Cash Advance Facility Agreement and (e) the receipt by it of interest in respect of the balance standing to the credit of the Issuer Accounts. See section 5 (*Credit Structure*). The Issuer does not have any other resources available to it to meet its obligations under the Notes. Consequently, the Issuer may be unable to recover fully and/or timely funds necessary to fulfil its payment obligations under the Notes. If such funds are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Creditors, subject to the applicable Priority of Payments and the Noteholders shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts. As a result, the Noteholders may not receive payments or these payments may not cover all amounts the Noteholders may expect to receive.

4. Risks related to license requirement under the Wft

Under the Wft a special purpose vehicle which services (beheert) and administers (uitvoert) loans granted to consumers in the Netherlands, such as the Issuer, must have a license under the Wft. An exemption from the license requirement is available, if the special purpose vehicle outsources the servicing of the loans and the administration thereof to an entity holding a license under the Wft. Pursuant to the Servicing Agreement, the Issuer has outsourced the servicing and administration of the Mortgage Receivables to de Volksbank in its capacity as Servicer. The Servicer is licensed as a bank and therefore licensed to act as intermediary (bemiddelaar) and offeror of credit (aanbieder van krediet) under the Wft and the Issuer thus benefits from the exemption. If the Servicing Agreement is terminated, the Issuer will need to outsource the servicing and administration of the Mortgage Receivables to another licensed entity or it needs to apply for and hold a license itself (see section 7.5 (Servicing Agreement) for further information on termination events under the Servicing Agreement). In the latter case, the Issuer will have to comply with the applicable requirements under the Wft. If the Servicing Agreement is terminated and the Issuer has not outsourced the servicing and administration of the Mortgage Receivables to a licensed entity and, in such case, it will not hold a license itself, the Issuer will have to terminate its activities and may have to sell the Mortgage Receivables. There is a risk that proceeds of such sale will not be sufficient for the Issuer to fulfil its payment obligations under the Notes and could therefore lead to losses under the Notes. Similar risks apply in case that future changes to the (conditions of the) exemption would result in the Issuer no longer being able to rely on the exemption.

RISK FACTORS REGARDING THE NOTES

A. RISK FACTORS REGARDING THE TERMS AND CONDITIONS OF THE NOTES

1. Risk that the Issuer will not exercise its right to redeem the Notes at the Optional Redemption Dates or the Final Maturity Date

The Issuer will undertake in the Trust Deed vis-à-vis the Security Trustee to use its reasonable efforts to sell and assign the Mortgage Receivables to one or more parties on the First Optional Redemption Date and, as the case may be, any Optional Redemption Date thereafter. However, no guarantee can be given that the Issuer will on the First Optional Redemption Date or on any Optional Redemption Date thereafter actually exercise its right to redeem the Notes. There is no incentive to exercise the right to redeem any of the Notes on the Optional Redemption Dates.

The exercise by the Issuer of its right to redeem the Notes on any Optional Redemption Date or, as the case may be, on the Final Maturity Date in full and to pay all amounts due to the Noteholders, including after the occurrence of an Event of Default, will, *inter alia*, depend on the ability of the Issuer to have sufficient funds available to redeem the Notes, for example through a sale of Mortgage Receivables still outstanding at that time. The purchase price will be calculated as described in section 7.1 (*Purchase, Repurchase and Sale*). Upon exercise of its right to redeem the Notes, the Issuer shall first offer the Mortgage Receivables to the Seller but the Seller does not have an obligation to repurchase the Mortgage Receivables. As a result, there is no guarantee that such a sale of the Mortgage Receivables will take place. Noteholders should be aware, that the optional redemption feature of the Notes is likely to limit their market value. During any period when the Issuer may elect to redeem the Notes on or after the First Optional Redemption Date, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to the First Optional Redemption Date. This could adversely affect a Noteholder's ability to sell the Notes and/or the price an investor receives for the Notes in the secondary market.

2. Risk of early redemption of the Notes

The yield to maturity and weighted average life of each Class of Notes will depend upon, *inter alia*, (i) the amount and timing of payments of principal by the Borrowers under the Mortgage Receivables, (ii) the amount of timing of prepayments on all Mortgage Loans and the Outstanding Principal Amount of New Mortgage Receivables and Further Advance Receivables offered by the Seller and purchased by the Issuer on any Notes Payment Date until the First Optional Redemption Date (including, *inter alia*, full and partial prepayments), (iii) any exercise of the Tax Call Option by the Issuer or any exercise of the Cleanup Call Option by the Seller, (iv) Net Foreclosure Proceeds upon enforcement of a Mortgage Receivable and (v) the potential repurchase by the Seller of the Mortgage Receivables from time to time in the event of a breach of any of the representations and warranties.

In addition, the rate of prepayment on the Mortgage Receivables may be influenced by a wide variety of economic, social and other factors, including prevailing market interest rates, changes in tax laws (including but not limited to changes in the Dutch tax treatment of interest on Mortgage Loans as further described in the risk factor 'Risk that changes to Dutch tax treatment of interest on Mortgage Loans and tax deductibility may have an adverse impact on the ability of Borrowers to pay interest and principal on their Mortgage Loans'), local and regional economic conditions, lack of liquidity or bankruptcy of Borrowers, damage or destruction of the Mortgaged Assets and changes in Borrower's behaviour (including but not limited to home-owner mobility, see the risk factor 'Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks'). No guarantee can be given as to the level of prepayments (in part of in full) that the Mortgage Receivables may experience, and variation in the rate of prepayments of principal of the Mortgage Loans may affect each Class of Notes differently.

A higher than anticipated rate of principal repayments and/or prepayments on the Mortgage Receivables, any repurchases of Mortgage Receivables by the Seller pursuant to the Mortgage Receivables Purchase Agreement or a sale (upon exercise of the Tax Call Option or the Clean-Up Call Option) of all (but not some) of the Mortgage Receivables will cause the Issuer to make payments of principal on each Class of Notes earlier than expected and will shorten the maturity of such Class.

If principal is repaid on the Notes earlier than expected, Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the relevant Class of Notes. Similarly, if principal is repaid on any Class of Notes later than expected due to lower rates of principal repayments and/or prepayments than expected on certain Mortgage Receivables, Noteholders may also lose reinvestment opportunities. Noteholders will bear all reinvestment risk resulting from receiving payments of principal on the relevant Class of Notes earlier or later than expected.

3. Risk of redemption of Class B Notes, Class C Notes, Class D Notes and Class E Notes with a Principal Shortfall

In accordance with Condition 9(a) (*Principal*), a Class B Note, a Class C Note, a Class D Note and/or a Class E Note may be redeemed in part, subject to a Class B Principal Shortfall, a Class C Principal Shortfall, a Class D Principal Shortfall or a Class E Principal Shortfall respectively. As a consequence, a holder of a Class B Note, a Class C Note, a Class D Note or a Class E Note may not receive the full Principal Amount Outstanding of such Note upon redemption in accordance with and subject to Condition

6 (*Redemption*), which may result in a loss on such Notes. This applies not only to redemption of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes on the Final Maturity Date, but also to redemption in accordance with Condition 6(b) (*Mandatory Redemption*), Condition 6(d) (*Optional Redemption*) and Condition 6(e) (*Redemption for tax reasons*). The Class A Notes may not be redeemed with a principal shortfall.

4. Risk related to subordination of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes

The Noteholders of any Class of Notes with a lower payment priority bear a greater risk of non-payment than any Class of Notes with a higher payment priority than such Class of Notes. To the extent set forth in Condition 6 (*Redemption*) and Condition 9 (*Subordination and Limited Recourse*), (a) the Class B Notes are subordinated in right of payment to the Class A Notes, (b) the Class C Notes are subordinated in right of payment to the Class A Notes, the Class B Notes, (c) the Class D Notes are subordinated in right of payment to the Class A Notes, the Class B Notes, the Class C Notes and (d) the Class E Notes are subordinated in right of payment to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. Hence, if the Issuer will not have sufficient funds available to fulfil its payment obligations under the Notes, the Noteholders of any Class of Notes with a lower payment priority bear a greater risk of non-payment than any Class of Notes with a higher payment priority than such Class of Notes. See section 4.1 (*Terms and Conditions*) and section 5 (*Credit Structure*).

5. Risk related to Notes represented by a Global Note

Each Class of Notes shall be initially represented by a Temporary Global Note in bearer form. The Notes will initially be held by the Common Safekeeper on behalf of Euroclear and/or Clearstream, Luxembourg. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) not earlier than the Exchange Date for interests in the relevant Permanent Global Note in bearer form in the principal amount of the Notes of the relevant Class. Each Permanent Global Note will be exchangeable for Notes in definitive form only in the circumstances as more fully described in section 4.2 (*Form of the Notes*).

For as long as any Notes are represented by a Global Note, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular Principal Amount Outstanding of that Class of Notes will be treated by the Issuer and the Security Trustee as a holder of such Principal Amount Outstanding of that Class of Notes, 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.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the rules and procedures of Euroclear or Clearstream, Luxembourg, as applicable. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes, which must be made by the holder of a Global Note, for so long as such Global Note is outstanding. Any statement in writing issued by Euroclear or Clearstream, Luxembourg as to the persons shown in its records as being entitled to such Notes and the respective Principal Amount Outstanding of such Notes held by them shall be conclusive for all purposes. Thus, the Noteholders will have to rely on the procedures of Euroclear or Clearstream, Luxembourg for transfers, payments and communications from the Issuer, which may cause the Issuer being unable to meet its obligations under the Notes.

6. Interest rate risk in respect of the Class A Notes

The interest rate risk on the Class A Notes has not been hedged under an interest rate swap agreement with a swap counterparty. Accordingly, the Issuer is exposed to interest rate risk, including the risk that the (scheduled) interest receipts are insufficient to pay interest due on the Class A Notes, which risk may for example materialise if the weighted average interest rate on the Mortgage Receivables is below the interest rate payable on the Class A Notes. On the basis of the Portfolio Conditions, the aggregate Net Outstanding Principal Amount of all Floating Rate Mortgage Receivables should be limited and should not exceed 5 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables. In addition, pursuant to the Mortgage Receivables Purchase Agreement, the Seller is required to repurchase Floating Rate Mortgage Receivables to the extent such percentage would be exceeded and may not sell and assign Further Advance Receivables and/or New Mortgage Receivables to the Issuer if as a result thereof such percentage is exceeded. The Issuer is not exposed to interest rate risk in

respect of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, as these Classes of Notes will not carry any interest.

B. RISK FACTORS REGARDING COUNTERPARTIES AND THIRD PARTIES

7. The Issuer has counterparty risk exposure

No assurance can be given as to the soundness of the financial position of the counterparties to the Issuer or that their financial position will not decline in the future. This may affect the performance of their respective obligations under the Transaction Documents. In the event that any of the parties to the Transaction Documents were to fail to perform its obligations under the respective agreement(s) to which it is a party, payments on the Notes may be adversely affected. Investors should also be aware that third parties on which the Issuer relies may be adversely impacted by the general economic climate (including any failure arising from circumstances beyond their control such as natural disasters, war and epidemics (for example, COVID-19)).

With regard to the Seller specifically, see the risk factor 'Risk that the Seller fails to repurchase the Mortgage Receivables'. This may affect the performance of their respective obligations under the Transaction Documents, which may result in the Issuer not being able to meet its obligations under the Notes, including any payments under the Notes. This may lead to losses under the Notes, as the Issuer may have incorrect information, insufficient funds available to fulfil its obligations under the Notes or available funds may not be applied in accordance with the Transaction Documents.

8. Risk that the Seller fails to repurchase the Mortgage Receivables

There is a risk that the Seller will not perform its obligations under the Transaction Documents, such as the obligation of the Seller under certain limited circumstances to repurchase Mortgage Receivables from the Issuer that, *inter alia*, are in breach of the representations and warranties made by the Seller in the Mortgage Receivables Purchase Agreement. If the Seller is unable to repurchase the Mortgage Receivables for instance because it has insufficient funds available as a result of economic circumstances or otherwise, or unable to or perform its ongoing obligations under the transactions described in this Prospectus, the performance of the Notes may be adversely affected and this may lead to losses under the Notes.

Risk that the credit ratings of the counterparties change and risk of compulsory replacement of counterparties and/or termination of the relevant Transaction Document

Certain Transaction Documents to which the Issuer is a party such as the Issuer Account Agreement, the Cash Advance Facility Agreement and the Receivables Proceeds Distribution Agreement provide for minimum required credit ratings of the counterparties to such Transaction Documents. If the credit rating of such counterparty falls below such minimum required credit rating, remedial actions are required to be taken, which may, for example, entail posting of collateral and/or replacement of such counterparty and/or eventually the termination of such Transaction Document. If a replacement counterparty must be appointed or another remedial action must be taken, it is not certain whether a replacement counterparty can be found which complies with the criteria or is willing to perform such role or such remedial action is available. In addition, such replacement or action when taken, may lead to higher costs and expenses, as a result of which the Issuer may have insufficient funds to pay its liabilities in full. This may lead to losses under the Notes. Also, Noteholders should be aware that if they intend to sell any Notes, a deterioration of the credit quality of any of the Issuer's counterparties, a downgrade of their credit rating and/or the failure to take remedial actions could have an adverse effect on the credit rating assigned to, and/or the value of, the Notes.

10. The Security Trustee may agree to waivers, modifications or authorisations without the Noteholders' prior consent

Pursuant to the terms of the Trust Deed, the Security Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Notes and the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error, or (ii) any modification of any of the provisions of the Notes and the Transaction Documents which is required under Securitisation Regulation, the Benchmarks Regulation or which is a result of the determination of a substitute, alternative or successor rate in accordance with the Transaction Documents and (iii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions the Notes and the Transaction Documents which is in the opinion of the Security Trustee not materially

prejudicial to the interests of the Noteholders, provided that in case of (ii) and (iii) the Security Trustee (a) has notified the Credit Rating Agencies and (b) in its reasonable opinion, does not expect that the then current credit ratings assigned to the Class A Notes will be adversely affected as a consequence of any such modification, authorisation, waiver or consent. Any such modification, authorisation or waiver shall be binding on the Noteholders.

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

11. A resolution adopted at a meeting of the Class A Noteholders is binding on all Noteholders and a resolution adopted by a Noteholders' meeting of another relevant Class is binding on all Noteholders of that relevant Class only

The Trust Deed contains provisions for convening meetings of the Noteholders of any Class to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution, of such Noteholders of the relevant Class of a change of any of the Conditions or certain provisions of the Transaction Documents. An Extraordinary Resolution passed at any Meeting of the Most Senior Class shall be binding upon all Noteholders of a Class irrespective of the effect upon them, provided that in case of an Extraordinary Resolution approving a Basic Terms Change, such Extraordinary Resolution shall not be effective unless it has been approved by Extraordinary Resolutions of Noteholders of each such Class or unless and to the extent that it shall not, in the sole opinion of the Security Trustee, be materially prejudicial to the interests of Noteholders of each such Class. All resolutions, including Extraordinary Resolutions, duly adopted at a Meeting are binding upon all Noteholders of the relevant Class, whether or not they are present at the Meeting. Changes to the Transaction Documents and the Conditions may therefore be made without the approval of the Noteholders of a relevant Class of Notes (other than the Most Senior Class) in case of a resolution of the Noteholders of the Most Senior Class of Notes or individual Noteholder in case of a resolution of the relevant Class and/or in each case without the Noteholder being present at the relevant meeting (see for more details and information on the required majorities and quorum, Condition 14 (Meetings of Noteholders; Modification; Consents; Waiver) below). Noteholders, other than the Noteholders of the Most Senior Class, are therefore exposed to the risk that changes are made to the Transaction Documents and the Conditions without their consent and/or which may have an adverse effect on the (conditions and/or value of) Notes, also if a Noteholder intends to sell any Notes.

12. Risk relating to conflict of interest between the interests of holders of different Classes of Notes and other Secured Creditors

Circumstances may arise when the interests of the holders of different Classes of Notes could conflict. The Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of the Noteholders as regards all powers, trust, authorities, duties and discretions of the Security Trustee (except where expressly provided otherwise). If, in the sole opinion of the Security Trustee there is a conflict between the interests of the holders of different Classes of Notes, the Security Trustee shall have regard only to the interests of the Higher Ranking Class of Notes. In addition, the Security Trustee shall have regard to the interests of the other Secured Creditors and, in case of a conflict of interest between the Secured Creditors, the Post-Enforcement Priority of Payments set forth in the Trust Deed determines which interest of which Secured Creditor prevails. Noteholders should be aware that the interests of Secured Creditors ranking higher in the Post-Enforcement Priority of Payments than the relevant Class of Notes shall prevail. Noteholders should be aware that there is a risk that actions of the Security Trustee (in conflicting circumstances having regard only to the interests of the Higher Ranking Class of Notes) may not be in the interest of a Noteholder (other than the holders of the Higher Ranking Class of Notes) and this may lead to losses under its Notes and/or (if it intends to sell such Notes) could have an adverse effect on (the value of) such Notes.

de Volksbank has the intention to retain all Notes on the Closing Date. de Volksbank will be able to exercise the voting rights in respect of the Notes. Should de Volksbank sell part of the Notes in the secondary market after the Closing Date, the purchaser of such Notes should be aware that de Volksbank will remain able to exercise its voting rights in respect of the Notes it has retained, which may be prejudicial to other Noteholders. In case de Volksbank retains the majority of the Notes after such

purchase, this means that de Volksbank could have the effective control when resolutions are taken by the meeting of Noteholders. It should further be noted that in exercising its voting rights de Volksbank may take into account factors specific to it. In this respect de Volksbank may, inter alia, take into account its different roles in the transaction, including its role as Seller and Cash Advance Facility Provider, when exercising its voting rights with respect to such Notes.

13. Risk related to other conflicts of interest

Certain Transaction Parties, such as de Volksbank in its capacity as Seller, Servicer, Issuer Administrator, Cash Advance Facility Provider, Issuer Account Bank, Bank Savings Participant, Arranger and Manager and ABN AMRO Bank in its capacity as Paying Agent and Listing Agent are the same entity or form part of the same group or one or more have ultimately a common shareholder and act in different capacities in relation to the Transaction Documents and may also be engaged in other commercial relationships, in particular, provide banking, investment and other financial services to the Transaction Parties and other relevant parties. In such relationships, *inter alios*, the Seller, the Servicer, the Issuer Administrator, the Cash Advance Facility Provider, the Issuer Account Bank, the Bank Savings Participant, the Arranger, the Manager, the Paying Agent and the Listing Agent are not obliged to take into consideration the interests of the Noteholders. Consequently, a conflict of interest may arise.

Furthermore, the Issuer Director and the Shareholder Director belong to the same group of companies, and as each of the Issuer Director and Shareholder Director has obligations towards the Issuer and towards each other and such parties are also creditors (each as a Secured Creditor) of the Issuer, a conflict of interest may arise.

If for whatever reason any such parties would not comply with any of its obligations under the Transaction Documents and act contrary to the interest of the party it represents (e.g. non-payment or fraudulent payments), this may lead to the Issuer having insufficient funds available to it to fulfil its payment obligations under the Notes and as a result, this may lead to losses under the Notes.

14. Risk related to absence of Mortgage Reports

Pursuant to the Trust Deed, in case the Issuer Administrator does not receive a Mortgage Report from the Servicer with respect to a Mortgage Calculation Period, the Issuer (or the Issuer Administrator on its behalf) shall have the right to calculate and determine the Available Revenue Funds, the Available Principal Funds and all amounts payable under the Transaction Documents using the three (3) most recent Mortgage Reports available in accordance with the Administration Agreement.

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

C. RISKS RELATED TO THE ADMISSION OF THE NOTES TO TRADING ON A REGULATED MARKET

15. Risk that no secondary market may develop and risk of illiquidity

There is not, at present, any active and liquid secondary market for the Notes. Although application has been made to Euronext Amsterdam for the Class A Notes to be admitted to the official list and trading on its regulated market, there can be no assurance that a secondary market for any of the Notes will develop, or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity or that

such liquidity will continue for the life of the Notes. In addition, considering that de Volksbank has agreed to purchase the Notes as a part of the initial issuance of the Notes, this may adversely affect the liquidity of the Notes. A decrease in the liquidity of the Notes may cause, in turn, an increase in the volatility associated with the price of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Limited liquidity in the secondary market for mortgage-backed securities has had and may in the future have an adverse effect on the market value of mortgage-backed securities. Limited liquidity in the secondary market may have a severe adverse effect on the market value of mortgage-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, an investor in the Notes may not be able to sell its Notes readily. The market values of the Notes are likely to fluctuate and may be difficult to determine. Any of these fluctuations may be significant and could result in significant losses to such investor.

In addition, the forced sale into the market of mortgage-backed securities held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that experience funding difficulties could adversely affect an investor's ability to sell the Notes and/or the price an investor receives for the Notes in the secondary market. Thus, Noteholders bear the risk of limited liquidity of the secondary market for mortgage-backed securities and the effect thereof on the value of the Notes and should therefore be aware that they may suffer a loss if they intend to sell any of the Notes on the secondary market for such Notes.

16. Risk related to the Class A Notes no longer being listed

Application has been made to Euronext Amsterdam for the Class A Notes to be admitted to the official list and trading on its regulated market. Once admitted to the official list and trading on Euronext Amsterdam, there is a risk that any of such Notes will no longer be listed on Euronext Amsterdam. Consequently, investors may not be able to sell their Notes readily. The market values of the Notes may therefore decrease. This could adversely affect a Noteholder's ability to sell the Notes and/or the price an investor receives for the Notes in the secondary market. As a result, the Noteholders should be aware that they may not be able to sell or suffer a loss, if they intend to sell any of the Notes on the secondary market for such Notes and such Notes are no longer listed.

17. Risk that the Class A Notes may not be recognised as Eurosystem Eligible Collateral

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. The Class A Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper. This does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction at the Eurosystem's discretion of the Eurosystem eligibility criteria as amended from time to time, which criteria include the requirement that loan-by-loan information shall be made available to investors by means of the Securitisation Repository designated pursuant to article 10 of the Securitisation Regulation in accordance with the final disclosure templates as adopted in the final regulatory technical standards and final implementing technical standards pursuant to article 7(4) of the Securitisation Regulation. It has been agreed in the Administration Agreement and the Servicing Agreement, respectively, that the Issuer Administrator or, at the instruction of the Issuer Administrator, the Servicer shall use its best efforts to make such loan-by-loan information available on a monthly basis within one month after each Notes Payment Date, for as long as such requirement is effective and to the extent it has such information available. Should such loan-by-loan information not comply with the ECB's requirements or not be available at such time, the Class A Notes may not be recognised as Eurosystem Eligible Collateral.

In addition, the Eurosystem eligibility criteria include that the Notes must be admitted to trading on a regulated market as defined in MiFID, or traded on certain non-regulated markets as specified by the ECB. Application has been made to Euronext Amsterdam for the Class A Notes to be admitted to listing on or about the Closing Date. However, there is no assurance that the Class A Notes will be admitted to listing on Euronext Amsterdam. If the Class A Notes will not be admitted to listing, they will not be recognised as Eurosystem Eligible Collateral. If the Class A Notes do not fulfil all the Eurosystem eligibility criteria, they will not be recognised as Eurosystem Eligible Collateral and this is likely to have a negative impact on the liquidity and/or value of the Class A Notes. Noteholders should therefore be aware that they may not be able to sell the Class A Notes and/or they may suffer loss if they intend to sell any

of the Class A Notes.

The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are not intended to be held in a manner which allows their Eurosystem eligibility.

18. The performance of the Notes may be adversely affected by the conditions in the global financial markets and these conditions may not improve in the near future

The business operations of the Seller, the Servicer, the Cash Advance Facility Provider and the Issuer Account Bank, their third party service providers and clients might be adversely affected by the conditions in the global financial markets and might be vulnerable to epidemics or pandemics, outbreaks of infectious diseases or any other serious public health concerns such as the COVID-19 outbreak, other forms of natural disasters such as earthquakes and other disasters beyond their control such as war and heightened geopolitical tension, including the war in Ukraine and the sanctions issued against Russia and Belarus in response thereto. The inflation in the EEA has risen to approximately 6.9 per cent. in March 2023 according to Eurostat. Potentially, additional inflation might be driven by, *inter alia*, further rising of energy prices caused by the Russia/Ukraine war and other factors.

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

In the event of continued or increasing market disruptions and volatility, the Seller, the Servicer, the Cash Advance Facility Provider and the Issuer Account Bank may experience reductions in business activity, increased funding costs, decreased liquidity, decreased asset values, additional credit impairment losses and lower profitability and revenues, which may affect their ability to perform their respective obligations under the relevant Transaction Documents. Failure to perform obligations under the relevant Transaction Documents may adversely affect the performance of the Notes. These factors could result in the Issuer having insufficient funds to fulfil its obligations under the Notes in full and as a result could adversely affect the performance of the Notes and lead to losses under the Notes. Noteholders should also be aware that these factors could have an adverse effect on the value of the Notes if they intend to sell such Notes.

19. Risk related to the ECB asset purchase programme

In September 2014, the ECB initiated an asset purchase programme which encompasses an assetbacked securities purchase programme. Between 21 November 2014 and 19 December 2018, the ECB conducted net purchases of asset-backed securities under the asset-backed securities purchase programme. From January to October 2019, the ECB only reinvested the principal payments from maturing securities held in the asset-backed securities purchase programme. Purchases of securities under the asset-backed securities purchase programme were restarted on 1 November 2019 and continued until the end of June 2022. From July 2022, the ECB is only reinvesting the principal payments from maturing securities and, from March 2023, the ECB is only partially reinvesting principal payments from maturing securities. It remains to be seen what the effect of the phasing out of purchases under the asset-backed securities purchase programme and the discontinuation of such programme will be on the volatility in the financial markets and the overall economy in the Euro-zone and the wider European Union and the UK. The Noteholders should be aware that they may suffer loss if they intend to sell any of the Notes on the secondary market for such Notes as a result of the impact of the phasing out of purchases under the asset-backed securities purchase programme and/or a (potential) discontinuation of the assetbacked securities purchase programme may have on the secondary market value of the Notes and the liquidity in the secondary market for the Notes.

D. RISKS REGARDING CREDIT RATINGS

20. Risk that the credit rating of the Notes changes

The Credit Rating Agencies are expected to assign credit ratings to the Notes ultimately on the Closing Date. There is no assurance that any such credit rating will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the Credit Rating Agencies if, in

any of the Credit Rating Agencies' judgement, circumstances so warrant. The Issuer does not have an obligation to maintain the credit ratings assigned to the Notes. A revisions, suspension, downgrade or withdrawal of the credit ratings assigned to the Notes may adversely affect the market value and/or the liquidity of the Notes.

21. Risk that the credit ratings assigned to the Notes do not reflect all risks

The credit rating to be assigned to the Notes addresses the assessments made by the Credit Rating Agencies of the likelihood of full and timely payment of interest, to the extent applicable, and ultimate payment of principal on or before the Final Maturity Date, but does not provide any certainty nor guarantee.

The Credit Rating Agencies based their assessment on, *inter alia*, the value and cash flow generating ability of the Mortgage Receivables and other relevant structural features of the transaction, and reflect only the view of each of the Credit Rating Agencies. Any changes in credit rating methodologies may affect the market value of the Notes. Furthermore, the credit ratings may not reflect the potential impact of all rights related to the structure, market, additional factors discussed above or below and other factors that may affect the value of the Notes. Any downgrade of the credit ratings may have a negative effect on the value of the Notes.

Noteholders should be aware that if they intend to sell any Notes, a deterioration of the credit quality of any of the Issuer's counterparties, a downgrade of their credit rating and/or the failure to take remedial actions could have an adverse effect on the credit rating assigned to, and/or the value of, the Notes.

22. Risk related to unsolicited credit ratings on the Notes

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

23. Risk related to confirmations from Credit Rating Agencies and Credit Rating Agency Confirmations

A credit rating is an assessment of credit risk and does not address other matters that may be of relevance to the Noteholder. A confirmation from a Credit Rating Agency regarding any action proposed to be taken by the Security Trustee and the Issuer does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or not prejudicial to, the Noteholders. While Noteholders are entitled to have regard to the fact that the Credit Rating Agencies have confirmed that their then current credit ratings of the relevant Class of Notes would not be adversely affected, a confirmation from the relevant Credit Rating Agency does not impose or extend any actual or contingent liability on the Credit Rating Agencies to the Noteholders, the Issuer, the Security Trustee or any other person or create any legal relationship between the Credit Rating Agencies and the Noteholders, the Issuer, the Security Trustee or any other person whether by way of contract or otherwise. Any confirmation from the relevant Credit Rating Agency may or may not be given at the sole discretion of each Credit Rating Agency.

Furthermore, it is noted that the defined term "Credit Rating Agency Confirmation" as used in this Prospectus and the Transaction Documents and which is relied upon by the Security Trustee, does not only refer to the situation that the Security Trustee has received a confirmation from each Credit Rating Agency that the then current credit ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter (a "confirmation"), but also includes a written response from a Credit Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an "indication") or, if no confirmation and no indication is forthcoming, that thirty (30) days have passed since such Credit Rating Agency was notified of the relevant matter (see section 9.1 (Definitions)).

Thus, Noteholders incur the risk of losses under the Notes when relying solely on a Credit Rating Agency Confirmation, including on a confirmation from each Credit Rating Agency that the then current credit ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter. Furthermore, if no confirmation or indication is forthcoming from any Credit Rating Agency and

confirmation of the Credit Rating Agencies is implied in accordance with the definition of Credit Rating Agency Confirmation, the Credit Rating Agencies may nevertheless downgrade the credit ratings assigned to the Notes, which could lead to losses under the Notes.

24. CRA Regulation

The Credit Rating Agencies are, at the date of this Prospectus, included in the register of certified rating agencies as maintained by ESMA in accordance with the CRA Regulation. The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Should any of the Credit Rating Agencies not be registered or endorsed under the CRA Regulation or should such registration or endorsement be withdrawn or suspended, this may result in the Notes no longer being rated. This may have a negative impact on the price and liquidity of the Notes in the secondary market.

E. REGULATORY RISKS REGARDING THE NOTES

25. Risks related to the Securitisation Regulation

On 12 December 2017, the European Parliament adopted the Securitisation Regulation, which lays down common rules on securitisation and which applies from 1 January 2019 and fully applies to the Notes. Any changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, if a Noteholder intends to sell its Notes, this may have a negative impact on the price and liquidity of the Notes in the secondary market.

Various parties to the securitisation transaction described in this Prospectus are subject to the requirements of the Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to national regulators. Prospective investors are referred to section 4.4 (*Regulatory and Industry Compliance*) for further details and should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with article 7 of the Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the Securitisation Regulation.

Noteholders should be aware that the securitisation transaction described in this Prospectus is not intended to qualify as an STS securitisation within the meaning of article 18 of the Securitisation Regulation. Consequently, neither the Issuer, the Seller, the Arranger nor the Manager has any intention to notify ESMA or otherwise seek designation of the securitisation in connection with which the Notes are issued, as 'STS' or 'simple, transparent and standardised' as set out in chapter 4 of the Securitisation Regulation, or to seek compliance with all criteria and requirements for such designation set out therein.

26. Reporting requirements under the Securitisation Regulation

Pursuant to article 7(2) of the Securitisation Regulation, the seller, the sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements set out in points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1), which includes making available the prospectus and the transaction documents, to a regulated securitisation repository. In accordance with article 7(2) of the Securitisation Regulation, in the Mortgage Receivables Purchase Agreement, the Issuer and the Seller have designated the Seller as the entity responsible for fulfilling the information requirements of article 7 of the Securitisation Regulation in respect of the transaction described in this Prospectus and will either fulfil such requirements itself or shall procure that such requirements are fulfilled on its behalf. The Securitisation Repository, which needs to comply with the authorisation requirements set out in chapter 3 of the Securitisation Regulation and the regulatory technical standards applicable in relation thereto, will in turn disclose information on the transaction described in this Prospectus to the public. With regard to the transparency requirements set out in article 7 of the Securitisation Regulation, each of the Seller and the Issuer has certain direct obligations imposed upon it. Should the Seller or the Issuer not comply with the direct obligations under article 7 of the Securitisation Regulation, the Seller or the Issuer could face certain regulatory issues, inclusive of fines and pecuniary sanctions, which may have an impact on the ability of the Seller or the Issuer to perform their functions under the Transaction Documents, including the Issuer's obligations under the Notes.

For a description of the undertakings and representations and warranties of the Seller relating to the above, see section 4.4 (*Regulatory and Industry Compliance*) and section 8 (*General*). Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with the risk retention and due diligence requirements described above and none of the Issuer, the Security Trustee, the Seller, the Arranger nor the Manager makes any representation that the information described above in relation to the EU risk retention and due diligence requirements is sufficient in all circumstances for such purposes.

27. Regulatory treatment securitisation positions

CRR and Solvency II affect the risk weighting of the Notes in respect of certain investors if those investors are regulated in a manner which will be affected by these rules. Consequently, prospective investors should consult their own advisers as to the consequences of and the effect on them of the application of CRR and Solvency II, as implemented by their own regulator, to their holding of any Notes. It cannot be excluded that further amendments will be proposed and will have to be implemented in the legislation of the relevant EU Member States which may have a further impact on, among other things, the risk weighting, liquidity and value of the Notes.

Qualifying STS securitisations will obtain a preferential treatment as regards their capital requirements weighting for credit institutions and investment firms (as these are defined in the CRR) investing in such securitisation positions. Neither the Issuer, the Seller, the Arranger nor the Manager has any intention to notify ESMA or otherwise seek designation of the securitisation in connection with which the Notes are issued, as 'STS' or 'simple, transparent and standardised' as set out in chapter 4 of the Securitisation Regulation, or to seek compliance with all criteria and requirements for such designation set out therein. Therefore, the Notes will not obtain a preferential treatment as STS compliant securitisation as regards its capital requirements weighting for credit institutions and investment firms.

28. Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes

Regulatory capital requirements may be subject to determinations being made or discretion being exercised by the relevant competent authorities, or to different interpretations or ongoing change, and are expected to become more stringent. This is especially due to the implementation and entry into force of the EU Banking Reforms and the Basel III Reforms (informally referred to as Basel IV). The Basel III Reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. In addition, pursuant to Solvency II, more stringent rules apply to European insurance companies in respect of instruments such as the Notes in order to qualify as regulatory capital that may impact certain investors. Solvency II is currently under review on an EU level.

Any changes to the prudential framework applicable to banks, insurance companies or other institutions investing in the Notes, may affect the risk-weighting of the Notes for these investors. This could affect the market value of the Notes in general and the relative value for the investors in the Notes.

Potential investors should consult their own advisers as to the consequences to and effect on them of regulatory rules or requirements, including CRD IV, the EU Banking Reforms, the Basel III Reforms and Solvency II and the application of such rules or requirements to their holding of any Notes. None of the Issuer, the Manager, the Arranger or the Seller is responsible for informing Noteholders of the effects of changes to the regulatory rules or requirements, or interpretations thereof, or determinations being made or the exercise of discretion by the relevant competent authorities to risk-weighting or regulatory capital requirements which amongst others may be imposed on investors due to the adoption by their own regulator of regulatory regimes or rules such as, CRD IV, the EU Banking Reforms, the Basel III Reforms or Solvency II (whether or not implemented by them in its current form or otherwise). Neither of the Issuer, the Security Trustee, the Seller nor the Manager makes any representation whatsoever regarding the regulatory (capital) treatment of an investment in the Notes.

29. Risk related to the operation of the Securitisation Repository

On 25 June 2021, ESMA published a press release on the registration of the first two securitisation repositories with ESMA. The registration decisions have taken effect on 30 June 2021. As of that date, the Seller as the entity responsible for fulfilling the information requirements for the purpose article 7(2) of the Securitisation Regulation, must make its reports available through one of the registered securitisation repositories. The Securitisation Repository has been registered by ESMA on 30 June 2021.

The Securitisation Repository is independent from any Transaction Party. No assurance may be given that the Securitisation Repository will remain registered in the public registers of ESMA. Therefore, there is a risk that the Securitisation Repository is no longer sufficiently licensed or otherwise enabled to perform its role as securitisation repository under the Securitisation Regulation and therefore that a replacement securitisation repository must be appointed.

Furthermore, no assurance can be given that the objectives of enhancing the transparency of securitisation markets and thus of the financial system will be achieved by reporting the transaction described in this Prospectus to the Securitisation Repository. No assurance can be given that the Securitisation Repository systems and publicly made available information by the Securitisation Repository may be accessed on the dates and the times as presented by the Securitisation Repository. Therefore, Noteholders and potential investors should be aware that there is a risk that they may not have direct and immediate access to information on the transaction described in this Prospectus at all times.

In addition, Noteholders and potential investors must apply sufficient caution when consulting the information about the transaction described in this Prospectus through the services of the Securitisation Repository as the system of securitisation repositories has been set up only recently, and insufficient experience has been built up as yet as to the accuracy and timeliness of the information made available by the Securitisation Repository to interested parties in the disclosure of such information. There is therefore a risk that the information is not correctly represented or not in line with the most recent information.

30. Investor compliance with due diligence requirements under the Securitisation Regulation

Investors should be aware of the due diligence requirements under article 5 of the Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Among other things, prior to holding a securitisation position, such institutional investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements. Depending on the approach in the relevant EU Member State, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and possibly criminal sanctions. In case of institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., the Notes) acquired by the relevant institutional investor.

The institutional investor due diligence requirements described above apply in respect of the Notes. With respect to the commitment of the Seller to retain a material net economic interest in the securitisation and with respect to the information to be made available by the Issuer, the Seller or another relevant party, please see the statements set out in section 4.4 (*Regulatory and Industry Compliance*) and section 8 (*General*). Relevant institutional investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the Securitisation Regulation and any corresponding national measures which may be relevant to investors.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and are still evolving. Prospective investors should therefore make themselves aware of the requirements applicable to them in their respective jurisdictions and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements under the Securitisation Regulation and any corresponding national measures which may be relevant. Prospective investors who are uncertain as to the requirements that will need to be complied with in order to avoid the consequences of the non-compliance should seek guidance from their regulator.

31. Transaction Parties may be subject to recovery, resolution and intervention frameworks, whereby the application of any measures thereunder could result in losses under the Notes

The BRRD and the SRM Regulation have introduced a harmonised European framework for the recovery and resolution of banks and large investment firms (and certain affiliated entities) which are failing or likely to fail. If such an institution would be deemed to fail or likely to fail and the other resolution conditions would also be met, the resolution authority may decide to place the institution under resolution. It may decide to apply certain resolution tools. These resolution tools include the sale of business tool, the

bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the BRRD and the SRM Regulation provide for the bail-in tool, which may result in the write-down or conversion into shares of capital instrument and eligible liabilities. The resolution authority may decide to terminate or amend any agreement (including a debt instrument, such as the Notes or a derivative transaction) to which the Issuer is a party or replace the Issuer as a party thereto. Furthermore, subject to certain conditions, the resolution authority may suspend the exercise of certain rights of counterparties vis-à-vis the institution under resolution or suspend the performance of payment or delivery obligations of that institution. In addition, pursuant to Dutch law, certain counterparty rights may be excluded.

Certain Transaction Parties may be subject to the BRRD, the SRM Regulation or similar intervention, recovery or resolution frameworks in their local jurisdiction. There is a risk that (the enforceability of) the rights and obligations of the parties to the Transaction Documents, including, without limitation, the Seller, the Servicer, the Cash Advance Facility Provider and the Issuer Account Bank, may be affected on the basis of the application of any intervention, recovery or resolution tools or powers. This may lead to losses under the Notes.

32. The risk that the WHOA when applied to the Issuer could affect the rights of the Security Trustee under the Security and therefore the Noteholders under the Notes

On 1 January 2021, the WHOA entered into force. The WHOA is not applicable to banks and insurers.

Under the WHOA, a proceeding somewhat similar to the chapter 11 proceedings under United States bankruptcy law and the scheme of arrangement under English bankruptcy laws, is available for companies in financial distress, where the debtor stays in possession and can offer a composition plan to its creditors (including secured creditors and shareholders) which is binding on them and changes their rights provided all conditions are met. A judge can, inter alia, refuse to accept a composition plan if an affected creditor who did not vote in favour of such composition plan and who will be worse off than in case of an insolvency so requests. If a proposal has been made or will be made within two (2) months, a judge may during such proceedings grant a stay on enforcement of a maximum of four (4) months, with a possible extension of four (4) months. During such period, inter alia, a pledgee of claims may not collect nor notify the borrowers in case of an undisclosed pledge. The WHOA also allows that group companies providing guarantees for the debtor's obligations are included in the plan, if (i) the relevant group companies are reasonably expected to be unable to pay their debts as they fall due, (ii) they have agreed to the proposed restructuring plan insofar as it concerns their obligations and (iii) the court has jurisdiction over the relevant group companies. A debtor may offer its creditors a composition plan which may also entail changes to the rights of any of its creditors. As a result thereof, it may well be that claims and security rights of creditors against the Issuer can be compromised as a result of a composition if the relevant majority of creditors within a class vote in favour of such a composition. The WHOA can provide for restructurings that stretch beyond Dutch borders. Although the WHOA is not applicable to banks and insurers and seems inappropriate to be applied for the Issuer with a view to the structure of the transaction and the security created under the Security, the WHOA when applied to the Issuer or any of the Transaction Parties may adversely affect the rights of the Security Trustee under the Security and/or the Issuer under the Transaction Documents and the Noteholders under the Notes.

F. TAX RISKS REGARDING THE NOTES

33. Risk related to tax consequences of holding the Notes

Potential investors and sellers of Notes should be aware that they may be required to pay stamp taxes or other documentary taxes or fiscal duties or charges in accordance with the laws and practices of the country where the Notes are transferred to or other jurisdictions. In addition, payments of interest on the Notes, or income derived from the Notes, may become subject to taxation, including withholding taxes, in the jurisdiction of the Issuer, in the jurisdiction of the holder of Notes, or in other jurisdictions in which the holder of Notes is required to pay taxes. Any of such tax consequences may have an impact on the net income received from the Notes.

Prospective investors should carefully consider the tax consequences of investing in the Notes and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

RISK FACTORS REGARDING THE MORTGAGE RECEIVABLES, SET-OFF AND SECURITY RIGHTS

A. RISKS REGARDING THE MORTGAGE RECEIVABLES

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

Payments on the Mortgage Receivables are, inter alia, subject to credit, liquidity and interest rate risks. This may in respect of Mortgage Receivables be due to, among other things, market interest rates, general economic conditions, the financial standing of Borrowers and similar factors. The loan to income ratios are set out in section 6.1 (Stratification Tables). The higher the loan to income ratio, the larger the proportion of the earnings of the Borrower that will be needed to pay interest and principal under the Mortgage Loans, especially when confronted with unexpected costs or expenses, or, in respect of an Interest-Only Mortgage Loan, the repayment of principal. An additional risk with regard to Interest-Only Mortgage Loans is that the Borrower may not be able to repay principal at maturity of the loan if it has not build up sufficient savings for such purpose. If this is the case, the Borrower might have to sell the Mortgaged Asset or refinance to be able to repay principal which may not be possible or difficult at such time. A significant portion of the Mortgage Loans have relatively high loan to income ratios (in view of the current rules for the origination of mortgages in the Netherlands) and 42.8 per cent. of the Mortgage Loans are Interest-Only Mortgage Loans.

Factors in Borrowers' individual, personal or financial circumstances may affect the ability of Borrowers to make the required payments under the Mortgage Receivables. Loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies and bankruptcies of Borrowers or the Borrowers becoming subject to debt rescheduling arrangements (schuldsaneringsregelingen), and could ultimately have an adverse impact on the ability of Borrowers to make the required payments under the Mortgage Receivables. In addition, the ability of a Borrower to sell a Mortgaged Asset at a price sufficient to repay the amounts outstanding under that Mortgage Receivables will depend upon a number of factors, including the availability of buyers for that Mortgaged Asset, the value of that Mortgaged Asset and property values in general at the time.

As a Borrower's ability to meet its obligations under the Mortgage Receivables depends on numerous factors beyond the control of the Issuer, Borrowers may default on such obligations at any point, thereby adversely affecting the Issuer's realisation under affected Mortgage Receivables and, in turn, the Issuer's ability to meet its obligations under the Notes. This may lead to losses under the Notes.

2. Risks of losses associated with declining values of Mortgaged Assets

Values of the Mortgaged Assets may change over time or could be lower than they were on the date of origination of the related Mortgage Loans. Investors should be aware that house prices in the Netherlands have on average declined significantly between 2008 and 2013, substantially increased in the following years) and recently a decline in house prices has been reported, although there are regional differences (see in this respect section 6.4 (Dutch Residential Mortgage Market) and the risk factor 'Risks of weaker economic conditions in certain geographic regions in the Netherlands may ultimately result in losses to the Noteholders'). A decline in value can be caused by many different circumstances, including but not limited to individual circumstance relating to the Borrower (e.g. neglect of the property) or events that affect all Borrowers, such as catastrophic events, or a general or regional decline in value. In addition, the current increasing interest rate environment, high inflation and rising energy prices may, inter alia, reduce the income available for housing costs and may result in a negative effect on house prices and/or demand for mortgage loans. These circumstances could ultimately have an adverse impact on the ability of Borrowers to repay their Mortgage Receivables, this could affect receipts on the Mortgage Loans and may lead to the Issuer having insufficient funds available to it to fulfil its payment obligations under the Notes and as a result, this may lead to losses under the Notes.

Risk that the valuations may not accurately reflect the up-to-date value of Mortgaged Assets In general, valuations represent the analysis and opinion of the person performing the valuation at the time the valuation is prepared and are not guarantees of, and may not be indicative of, present or future

value. There can be no assurance that another person would have arrived at the same valuation, even if such person used the same general approach to and same method of valuing the property.

The valuations obtained in connection with the origination of the Mortgage Loans sought to establish the

amount a typically motivated buyer would pay a typically motivated seller at the time they were prepared. Such amount could be significantly higher than the amount obtained from the sale of a Mortgaged Asset under a distressed or liquidation sale. In addition, in many real estate markets, including in the Netherlands, property values may have declined since the time the valuations were obtained, and therefore the valuations may not be an accurate reflection of the current market value of the Mortgaged Assets. The current market value of the Mortgaged Assets could be lower than the values indicated in the appraisals obtained at the origination of the Mortgage Loans. In addition, differences exist between valuations due to the subjective nature of valuations and appraisals, particularly between different appraisers performing valuations at different points in time. A decline in value of the Mortgaged Assets may result in losses under the Notes if the relevant security rights on the Mortgaged Assets are required to be enforced. This may lead to the Issuer having insufficient funds available to it to fulfil its payment obligations under the Notes and as a result, this may lead to losses under the Notes.

4. Risks of weaker economic conditions in certain geographic regions in the Netherlands may ultimately result in losses to the Noteholders

To the extent that specific geographic regions within the Netherlands have experienced or may in the future experience weaker economic conditions and housing markets than other regions, a concentration of the loans in such a region may be expected to exacerbate all of the risks relating to the Mortgage Loans. The economy of each geographic region within the Netherlands is dependent on different mixtures of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the borrowers in that region or the region that relies most heavily on that industry. This may result in lower repayment rates of such Mortgage Loans and higher defaults and may adversely affect the Issuer's return on its Mortgage Loans (also see the risk factors 'Risks of losses associated with declining values of Mortgaged Assets' and 'Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks'). Any natural disasters in a particular region may reduce the value of affected mortgaged properties. These circumstances could ultimately have an adverse impact on the ability of Borrowers to repay their Mortgage Receivables, potentially affecting receipts on the Mortgage Loans and which in turn may lead to the Issuer having insufficient funds available to fulfil its payment obligations under the Notes, which may ultimately result in losses under the Notes.

5. Risks relating to Beneficiary Rights under the Insurance Policies

The Seller has been appointed as beneficiary under the relevant Insurance Policy, except that in certain cases another beneficiary is appointed with respect to the Beneficiary Rights who will rank ahead of the Seller, provided that, *inter alia*, there is a Borrower Insurance Proceeds Instruction.

The appointment as beneficiary must be accepted to become binding. The Issuer has been advised that it is unlikely that the appointment of the Seller as beneficiary will be regarded as an ancillary right and that it will follow the Mortgage Receivables upon assignment or pledge thereof to the Issuer or the Security Trustee, except that in certain Mortgage Conditions applicable to the Mortgage Loans any successor in title (*rechtsopvolgers onder algemene en bijzondere titel*) is also appointed as beneficiary, which may, subject to the legal requirements for a valid assignment and subject to any requirements stipulated by the Life Insurance Policy, as the case may be, include the Issuer upon the assignment.

The Beneficiary Rights will be assigned by the Seller to the Issuer and will be pledged to the Security Trustee by the Issuer (see section 4.7 (Security)). The assignment and pledge of the Beneficiary Rights will only be completed upon notification to the relevant Insurance Company. Notification is expected to occur only upon the occurrence of an Assignment Notification Event. However, the Issuer has been advised that it is uncertain whether this assignment and pledge will be effective.

The Issuer and the Security Trustee will enter into the Beneficiary Waiver Agreement with the Seller and the Life Insurance Company under which the Seller, without prejudice to the rights of the Issuer as assignee and the rights of the Security Trustee as pledgee and subject to the condition precedent of the occurrence of an Assignment Notification Event, waives its rights as beneficiary under the life insurance policies taken out by a Borrower with the Life Insurance Company and appoints as first beneficiary (i) the Issuer subject to the dissolving condition of a Pledge Notification Event and (ii) the Security Trustee under the condition precedent of the occurrence of a Pledge Notification Event. It is however unlikely that such appointment will be effective. In the event that such appointment is not effective the Seller and the Life Insurance Company, as applicable, will undertake in the Beneficiary Waiver Agreement that they will use

their best efforts upon the occurrence of an Assignment Notification Event to terminate the appointment of the Seller as beneficiary under the Insurance Policies and to appoint the Issuer or the Security Trustee, as the case may be, as first beneficiary under the Insurance Policies.

In the event that a Borrower Insurance Proceeds Instruction has been given, the Seller will in the Beneficiary Waiver Agreement undertake to its their best efforts following an Assignment Notification Event to withdraw the Borrower Insurance Proceeds Instruction in favour of the Seller and to issue such instruction in favour of (i) the Issuer subject to the dissolving condition of a Pledge Notification Event and (ii) the Security Trustee under the condition precedent of the occurrence of a Pledge Notification Event. A similar best efforts obligation applies to the Seller in respect of the Insurance Policies taken out with any Insurance Companies. The termination and appointment of a beneficiary under the Insurance Policies and the withdrawal and the issue of the Borrower Insurance Proceeds Instruction will require the co-operation of all relevant parties involved. It is uncertain whether such co-operation will be forthcoming.

If (i) the Issuer or the Security Trustee, as the case may be, has not become beneficiary of the Insurance Policies or receiver of the final payment on the basis of the Borrower Insurance Proceeds Instruction and (ii) the assignment and pledge of the Beneficiary Rights is not effective and (iii) the waiver of the Beneficiary Rights is not effective, the Seller will be entitled to any proceeds under the Insurance Policies or another beneficiary will be entitled to such proceeds. If the proceeds are paid to the Seller, it will pursuant to the Mortgage Receivables Purchase Agreement be obliged to pay the amount involved to the Issuer or the Security Trustee, as the case may be. If the proceeds are paid to the Seller and the Seller does not pay such amount to the Issuer or the Security Trustee, as the case may be, e.g. in case of bankruptcy applicable to the Seller, or if the proceeds are paid to another beneficiary instead of the Issuer or the Security Trustee, as the case may be, this may result in the amount paid under the Insurance Policies not being applied in reduction of the relevant Mortgage Receivables. This may lead to the Borrower invoking set-off or defences against the Issuer or, as the case may be, the Security Trustee for the amounts so received by the Seller or another beneficiary, as the case may be. As a result thereof, such amounts are not available to fulfil its payment obligations under the Notes, which may result in losses under the Notes.

6. Risk that the Seller, Issuer or Security Trustee may not be able to claim the full loss incurred under a Mortgage Loan that has the benefit of an NHG Guarantee

NHG Mortgage Loans will have the benefit of a NHG Guarantee issued by Stichting WEW. Pursuant to the terms and conditions (*voorwaarden en normen*) applicable to the NHG Guarantee, Stichting WEW has no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the terms and conditions of the NHG Guarantee.

The Seller will in the Mortgage Receivables Purchase Agreement represent and warrant that (i) each NHG Mortgage Loan has the benefit of a NHG Guarantee, (ii) each NHG Guarantee connected to the NHG Mortgage Loan was granted for the full Outstanding Principal Amount of the NHG Mortgage Loan at origination and constitutes legal, valid and binding obligations of Stichting WEW, enforceable in accordance with their terms, (iii) the NHG Guarantee was in compliance with all terms and conditions (voorwaarden en normen) applicable to it at the time of origination of the relevant NHG Mortgage Loans and (iv) the Seller is not aware of any reason why any claim made in accordance with the requirements pertaining thereto under any NHG Guarantee in respect of any NHG Mortgage Loan should not be met in full and in a timely manner. Should any of the NHG Mortgage Loans and the NHG Mortgage Loan Receivables not or no longer comply with this representation at the time at which the Seller has assessed with respect to any of the NHG Mortgage Loan Receivables whether the relevant NHG Mortgage Loan Receivable complies with such representation, the Seller will be required to repurchase the relevant Mortgage Receivables (see section 7.1 (*Purchase, Repurchase and Sale*). Should the Seller fail to take the appropriate action this may have an adverse effect on the ability of the Issuer to make payments under the Notes.

The terms and conditions of the NHG Guarantees stipulate that the NHG Guarantee will terminate upon expiry of a period of thirty (30) years after the issue of the NHG Guarantee. Mortgage Loans may have a maturity date which falls after the expiry date of the relevant NHG Guarantee. This will result in the Issuer not being able to claim for payment with Stichting WEW of a loss incurred after the term of the NHG Guarantee has expired. In respect of NHG mortgage loans offered after 1 January 2014, the amount

the offeror of mortgage loans can recover from Stichting WEW in case of losses under a NHG mortgage loan will be ninety (90) per cent. (instead of one-hundred (100) per cent.) of the total loss under the relevant NHG mortgage loan. Therefore, the Issuer may not be able to claim for payment with Stichting WEW the full loss incurred under such NHG mortgage loan. This may consequently lead to the Issuer having insufficient funds available to it to fulfil its payment obligations under the Notes and as a result, this may lead to losses under the Notes.

Finally, the terms and conditions of the NHG Guarantees stipulate that each NHG Guarantee (irrespective of the type of redemption of the mortgage loan) is reduced on a monthly basis by an amount which is equal to the amount of the monthly repayments plus interest as if the mortgage loan were to be repaid on a thirty (30) year annuity basis. The actual redemption structure of a NHG Mortgage Loan can be different (see section 0 (*Description of Mortgage Loans*)), although it should be noted that as of 1 January 2013 the NHG Conditions stipulate that for new borrowers, the redemption types are limited to Annuity Mortgage Loans and Linear Mortgage Loans with a maximum term of thirty (30) years. This may result in the Issuer not being able to fully recover a loss incurred with Stichting WEW under the NHG Guarantee and may lead to a Realised Loss in respect of such NHG Mortgage Loan and consequently, in the Issuer not being able to fully repay the Notes.

For a description of the NHG Guarantees, see section 6.5 (NHG Guarantee Programme).

7. Risk that the value of investments under Investment-based Mortgage Loans or Life Insurance Policies may not provide the Borrower with sufficient proceeds to fully repay the related Mortgage Loans at its maturity

The value of investments made under the Investment-based Mortgage Loans or by one of the Insurance Companies in connection with the Life Insurance Policies may not provide the Borrower with sufficient proceeds to fully repay the related Mortgage Loans at its maturity, which could lead, depending on the value of the Mortgage Assets and other financial assets of such Borrower, if any, to a loss in respect of such Mortgage Receivables and/or the Issuer having insufficient funds to pay its liabilities in full. This may result in losses under the Notes. Further, if the development of the value of these investments is not in line with the expectations of a Borrower, such Borrower may try to invoke set-off or be entitled to other defences against the Seller or the Issuer, as the case may be, by arguing that he has not been properly informed of the risks involved in the investments, also see the risk factor 'Risks related to offering of Investment-based Mortgage Loans and certain Life Insurance Policies may be dissolved or nullified possibly affecting the Mortgage Loans connected thereto or resulting in Borrowers or policy holder invoking set-off or other defences against the Issuer'.

8. Risk that, in respect of payments received by the Seller prior to notification to the Borrowers of the assignment to the Issuer, the Issuer will not receive the proceeds under the Mortgage Receivables on time and in full or not at all

Under Dutch law, assignment of the legal title of claims, such as the Mortgage Receivables, can be effectuated by means of a notarial deed of assignment or a deed of assignment and registration thereof with the appropriate tax authorities, without notification of the assignment to the debtors being required (stille cessie). The legal title of the Mortgage Receivables will be assigned on the Closing Date and, in respect of the New Mortgage Receivables and the Further Advance Receivables, on each Notes Payment Date up to but excluding the First Optional Redemption Date by the Seller to the Issuer through a deed of assignment and registration thereof with the appropriate tax authorities. The Mortgage Receivables Purchase Agreement will provide that the assignment of the Mortgage Receivables by the Seller to the Issuer will not be notified by the Seller or, as the case may be, the Issuer to the Borrowers, except that notification of the assignment of the Mortgage Receivables may be made upon the occurrence of any of the Assignment Notification Events. For a description of these notification events reference is made to section 7.1 (*Purchase, Repurchase and Sale*).

Until notification of the assignment has been made to the Borrowers, the Borrowers under the Mortgage Receivables can only validly pay to the Seller in order to fully discharge their payment obligations (bevrijdend betalen) in respect thereof. The Seller has undertaken in the Mortgage Receivables Purchase Agreement to transfer or procure transfer by the Servicer and/or the Collection Foundation of all amounts received during the immediately preceding Mortgage Calculation Period in respect of the Mortgage Receivables to the Issuer Collection Account. However, receipt of such amounts by the Issuer is subject to such payments actually being made. If the Seller is declared bankrupt prior to making such payments,

the Issuer has no right of any preference in respect of such amounts.

Payments made by Borrowers to the Seller prior to notification of the assignment of the Mortgage Receivables to the Issuer but after bankruptcy or suspension of payments in respect of the Seller having been declared, will be part of the Seller's bankruptcy estate. In respect of these payments, the Issuer will be a creditor of the estate (*boedelschuldeiser*) and will receive payment prior to (unsecured) creditors with ordinary claims, but after preferred creditors of the estate and after deduction of the general bankruptcy costs (*algemene faillissementskosten*), which may be material. There is therefore a risk that in respect of such payments the Issuer will not receive the proceeds under the Mortgage Receivables on time and in full or it will not receive the proceeds at all. As a result thereof, the Issuer may have insufficient funds available to fulfil its payment obligations under the Notes and this may result in losses under the Notes.

9. Risk that payments are not received by or are received by the Collection Foundation however are not distributed to the Issuer

The risks set out in the risk factor 'Risk that, in respect of payments received by the Seller prior to notification to the Borrowers of the assignment to the Issuer, the Issuer will not receive the proceeds under the Mortgage Receivables on time and in full or not at all' are reduced by the following structural features, which also include certain risks. The Seller has entered into a collection foundation structure including the Receivables Proceeds Distribution Agreement with the Collection Foundation. Furthermore, the Issuer has been informed by the Seller that each Borrower has given a power of attorney to the Seller or any sub-agent of the Seller respectively to collect amounts from its account due under the Mortgage Loan by direct debit. Under the Receivables Proceeds Distribution Agreement, as further described in section 5.1 (Available Funds), the Seller has requested the Collection Foundation to collect by direct debit all amounts of principal and interest to the Collection Foundation Accounts held and maintained by the Collection Foundation. Upon receipt thereof and after the Seller being obliged to pay the proceeds of the Mortgage Receivables to the Issuer, the Collection Foundation will distribute to the Issuer or, after the Enforcement Date, to the Security Trustee any and all amounts relating to the Mortgage Receivables received by it on the Collection Foundation Accounts, in accordance with the relevant provisions of the Receivables Proceeds Distribution Agreement.

As a consequence, the Collection Foundation has a claim against the relevant Foundation Account Provider, in respect of the balances standing to the credit of the Collection Foundation Accounts. The Collection Foundation Accounts are currently held with de Volksbank and Rabobank. At the date of this prospectus, payments by the Borrowers are only made to the Collection Foundation Account held with de Volksbank and not to the Collection Foundation Account held with Rabobank. If and for so long as the Seller is the Foundation Account Provider of the accounts to which payments by the Borrowers are made, the Collection Foundation incurs in a credit risk on the Seller in its capacity of Foundation Account Provider and in the event of a bankruptcy of the Seller, it will have an unsecured claim for any amounts standing to the credit of the relevant Collection Foundation Account relating to the relevant Mortgage Receivables. In view of such risk, the Seller, the Issuer and the Security Trustee will enter into the Commingling Financial Collateral Agreement on or about the Signing Date, see section 5.1 (*Available Funds*). The remaining risk is that if the Posted Commingling Collateral Value or the Commingling Alternative Mitigant Measures, if taken, are insufficient to enable the Issuer to meet its payment obligations, this may lead to losses under the Notes.

There is a risk that the Seller (prior to notification of the assignment) or its bankruptcy trustee (following bankruptcy or suspension of payments but prior to notification) instructs the Borrowers to pay to another bank account. Any such payments by a Borrower would be valid (bevrijdend). This risk is, however, reduced by the following. Firstly, the Seller has under the Receivables Proceeds Distribution Agreement undertaken to the Issuer and the Security Trustee not to instruct the Borrowers to pay any amounts under Mortgage Receivables into an account other than the Collection Foundation Accounts without (i) the prior written approval of each of the Collection Foundation, the Issuer and the Security Trustee and (ii) a Credit Rating Agency Confirmation in respect thereof. In addition, de Volksbank in its capacity as Foundation Administrator has undertaken in the Receivables Proceeds Distribution Agreement to disregard any instructions or orders from the Seller or any third party to cause the transfer of amounts received in respect of the Mortgage Receivables to be made to another account than the relevant Collection Foundation Accounts without prior written approval of the Issuer and the Security Trustee. Regardless of the above, the Seller is obliged to pay to the Issuer any amounts received in respect of the Mortgage

Receivables which were not paid to the Collection Foundation Accounts but to the Seller directly upon receipt thereof and after the Seller being obliged to pay the proceeds of the Mortgage Receivables to the Issuer. If the Seller or the Foundation Administrator do not comply with the relevant provisions of the Receivables Proceeds Distribution Agreement, this may lead to the Issuer having insufficient funds available to meet its obligations under the Notes and this may result in losses under the Notes.

10. Risk that changes to Dutch tax treatment of interest on Mortgage Loans and tax deductibility may have an adverse impact on the ability of Borrowers to pay interest and principal on their Mortgage Loans

The Dutch tax system allows borrowers to deduct, subject to certain limitations, mortgage interest payments for owner-occupied residences from their taxable income. The deduction period allowed is restricted to a term of thirty (30) years. As of 1 January 2013 the maximum tax rate against which mortgage interest may be deducted for Dutch income tax purposes has been reduced gradually. This reduction of the maximum deductibility rate could ultimately have an adverse impact on the ability of Borrowers to pay interest and principal on their Mortgage Loans and may lead to an increase of defaults, or different prepayment and repayment behaviour of the Borrowers of such Mortgage Loans. This may result in defaults on Mortgage Loans and thus may adversely affect the Issuer's return on the Mortgage Loans, which in turn may lead to the Issuer having insufficient funds available to meet its obligations under the Notes and this may result in losses under the Notes.

11. Risk that Mortgage Loans with a variable rate of interest of which the Mortgage Receivables are transferred to the Issuer, could under certain circumstances become subject to a repayment obligation which may lead to the proceeds resulting from such Mortgage Receivables being lower than expected and Borrowers invoking set-off or other defences

Mortgage Receivables transferred to the Issuer may carry a variable rate of interest. Although there are no precise rules which require a variable rate of interest on the Mortgage Loans to be set at a specific level, in a recent case KiFiD ruled, with regard to a mortgage loan (i.e. a loan with a variable rate of interest which is secured by a mortgage right) that on the basis of the information provided and the terms and conditions applicable to the mortgage loan (or consumer loan), the variable rate of interest should have moved with the market interest rate and ordered the relevant offeror, which was not the Seller, to recalculate the interest. If the recalculation shows that the consumer paid more than the relevant offeror was allowed to charge, then the relevant offeror must repay the overpaid interest according to KiFiD. Judgments of civil law courts in relation to variable interest rates on consumer loan agreements vary significantly from the KiFiD judgments in relation to consumer loans and also differ from one another. Civil law court cases on this matter are at the date of this Prospectus limited to consumer loans and do not apply to mortgage loans, other than with respect to specific claims in relation to a margin increase on Euribor based mortgage loans. The focus in the civil law courts is on the question whether the clauses which set out the right of the originator to change the variable interest rates are presumed to be unreasonably onerous and therefore invalid. Whether or not this applies, depends on the actual clause itself and the circumstances at the time of conclusion of the loan agreement. Decisive case law has yet to be developed further both in terms of when a clause is invalid and what the consequences thereof are. If the Seller has offered Mortgage Loans with a variable rate of interest of which the Mortgage Receivables are transferred to the Issuer, and has not complied with the terms and conditions applicable to the Mortgage Loans and has not followed the relevant market interest rate, or if the relevant clause relating to interest is invalid, this could result in a repayment obligation for the Seller and therefore the proceeds resulting from such Mortgage Receivables may be lower than expected and could lead to setoff, which may result in losses under the Notes. On the basis of the Portfolio Conditions, the aggregate Net Outstanding Principal Amount of all Floating Rate Mortgage Receivables should be limited and should not exceed 5 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables. In addition, pursuant to the Mortgage Receivables Purchase Agreement, the Seller is required to repurchase Floating Rate Mortgage Receivables to the extent such percentage would be exceeded and may not sell and assign Further Advance Receivables and/or New Mortgage Receivables to the Issuer if as a result thereof such percentage is exceeded..

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

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

Should any of the Mortgage Loans and the Mortgage Receivables not comply with the representations and warranties made by the Seller on the Closing Date and, in respect the Further Advance Receivables and/or New Mortgage Receivables, on any relevant Notes Payment Date, the Seller will, if the relevant breach cannot be remedied, be required to repurchase the relevant Mortgage Receivables (see section 7.1 (*Purchase, Repurchase and Sale*). Should the Seller fail to take the appropriate action or fail to repurchase the relevant Mortgage Receivables, for instance because it has insufficient funds available as a result of economic circumstances or otherwise, or unable to or perform its ongoing obligations under the transactions described in this Prospectus, this may have an adverse effect on the ability of the Issuer to make payments under the Notes, which could lead to losses under the Notes (also see the risk factor 'Risk that the Seller fails to repurchase the Mortgage Receivables').

13. Risk that the mortgage rights on long leases cease to exist

The Mortgages securing the Mortgage Loans may be vested on a long lease (*erfpacht*), as further described in section 0 (*Description of Mortgage Loans*). A long lease will, *inter alia*, end as a result of expiration of the long lease term (in the case of a lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease if the leaseholder has not paid the remuneration (*canon*) due for a period exceeding two (2) consecutive years or seriously breaches (*in ernstige mate tekortschiet*) other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the Mortgage will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder on the landowner for such compensation. The amount of the compensation will, *inter alia*, be determined by the conditions of the long lease and may be less than the market value of the long lease. In addition, after the expiration of the long lease term, the remuneration (canon) due may be increased unless the remuneration due has been fixed. Such increase may be material and could increase the risk of non-payment by the Borrower.

When underwriting a Mortgage Loan to be secured by a Mortgage on a long lease, the Seller will take into consideration certain conditions, in particular the term of the long lease. Therefore, the Mortgage Conditions used by the Seller provide that the Outstanding Principal Amount of a Mortgage Receivable, including interest, will become immediately due and payable, *inter alia*, if the long lease terminates or if the leaseholder materially breaches the conditions of the long lease. If the long lease terminates, there is a risk that the Borrower does not repay the Mortgage Loan. In such case, the Mortgage may be enforced and there is a risk that the foreclosure value of a property after termination of the long lease or with a higher remuneration (*canon*), may be less than the market value prior to such termination or increase and may affect the realisable value of the Mortgage Receivables. In such event there is a risk that the Issuer will upon enforcement receive less than the market value of the long lease, which could lead to losses under the Notes.

14. Risk that interest rate reset rights will not follow the Mortgage Receivables

The interest rate of each of the Mortgage Loans is to be reset from time to time. The Issuer has been advised that the right to reset the interest rate on the Mortgage Loans should be considered as an ancillary right and follows the Mortgage Receivables upon their assignment to the Issuer and the pledge to the Security Trustee. The view that the right to reset the interest rate on the Mortgage Loans should be considered as an ancillary right, is also supported by a judgement of the Dutch Supreme Court (HR 10 July 2020, ECLI:NL:HR:2020:1276 (*Van Lanschot/Promontoria*)). To the extent the interest rate reset right passes upon the assignment of the Mortgage Receivables to the Issuer or upon the pledge of the Mortgage Receivables to the Security Trustee, such assignee or pledgee will be bound by the contractual provisions relating to the reset of interest rates and any applicable law (including, without limitation, applicable principles of reasonableness and fairness), special duty of care and regulations. If the interest reset right remains with the Seller, the co-operation of the trustee (in bankruptcy) or administrator (in suspension of payments) would be required to reset the interest rates who will be bound by the contractual provisions relating to the reset of interest rates and any applicable law (including, without limitation, applicable principles of reasonableness and fairness), special duty of care and regulations.

Accordingly, the ability of the Issuer to reset the interest on Mortgage Loans (or relevant loan part thereof) may be limited, which might adversely affect the Issuer's ability to influence the interest rates applicable to the Mortgage Loans. If the interest rates are set lower than anticipated or the Issuer or the Security Trustee does not reset the interest accordingly, this could limit the Issuer 's ability to meet fully and/or

timely its obligations under the Notes, which in turn could lead to losses under the Notes.

15. Risk that amounts collected pursuant to the pledge on the Collection Foundation Accounts are not distributed as agreed

The Collection Foundation will grant first ranking rights of pledge on the balances standing to the credit of the Collection Foundation Accounts in favour of the Security Trustee and the Previous Transaction Security Trustees and second ranking rights of pledge to the Issuer and the Previous Transactions SPV's jointly as security for, inter alia, any and all liabilities of the Collection Foundation to, respectively, the Previous Transaction SPVs, the Issuer, the Previous Transaction Security Trustees and the Security Trustee in view of the (remote) bankruptcy risk of the Collection Foundation (see section 4.7 (Security)). Each Previous Transaction Security Trustee and the Security Trustee will have a certain pari passu ranking undivided interest, or "share" (aandeel) in the co-owned pledge, entitling it to part of the foreclosure proceeds of the pledge over the Collection Foundation Accounts. Consequently, the rules applicable to co-ownership (gemeenschap) apply to the joint right of pledge. The share of the Security Trustee will be determined based on the amounts in the Collection Foundation Accounts relating to the Mortgage Receivables owned by the Issuer. Article 3:166 of the DCC provides that co-owners will have equal shares, unless a different arrangement follows from their legal relationship. The co-pledgees have agreed that each pledgee's share within the meaning of article 3:166 of the DCC (aandeel) in respect of the balances of the Collection Foundation Accounts from time to time is equal to their entitlement in respect of the amounts standing to the credit of the Collection Foundation Accounts which relate to the mortgage receivables owned and/or pledged to them, from time to time. In case of foreclosure of the coowned right of pledge on the Collection Foundation Accounts (i.e. if the Collection Foundation defaults in forwarding or transferring the amounts received by it, as agreed), the proceeds will be divided according to each Previous Transaction Security Trustee's and the Security Trustee's share. It is uncertain whether this sharing arrangement constitutes a sharing arrangement within the meaning of article 3:166 of the DCC and thus whether it is enforceable in the event of bankruptcy or suspension of payments of one of the pledgees (which also may include future issuers and security trustees). The same applies to the pledge for the Issuer and the Previous Transaction SPVs. If the amounts collected pursuant to the pledge on the Collection Foundation Accounts are not distributed as agreed, the Security Trustee and the Issuer may have less amounts available for distribution to the Secured Creditors (including the Noteholders), which may result in losses under the Notes.

B. SET-OFF RISKS AND OTHER DEFENCES THAT MAY AFFECT THE MORTGAGE RECEIVABLES

16. Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables

Under Dutch law, a debtor has a right of set-off if it has a claim that is due and payable which corresponds to its debt owed to the same counterparty and it is entitled to pay its debt as well as to enforce payment of its claim. Subject to these requirements being met, each Borrower will be entitled to set off amounts due by the Seller to it (if any) with amounts it owes in respect of the Mortgage Receivable prior to notification of the assignment of the Mortgage Receivable to the Issuer having been made. Such amounts due and payable by the Seller to a Borrower could, *inter alia*, result from current account balances or deposits made with the Seller and, in respect of the Bank Savings Mortgage Loans, the aggregate Bank Savings Deposits (see 'Risk of set-off or defences in case of Bank Savings Mortgage Loans' below). Also, such claims of a Borrower could, *inter alia*, result from services rendered by the Seller to the Borrower, if rendered at all, for which the Seller is responsible or held liable. As a result of the set-off of amounts due and payable by the Seller to the Borrower with amounts the Borrower owes in respect of the Mortgage Receivable, the Mortgage Receivable will, partially or fully, be extinguished (*gaat teniet*). Set-off by Borrowers could thus affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Notes.

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

After assignment of the Mortgage Receivables to the Issuer and notification thereof to a Borrower, such Borrower will also have set-off rights vis-à-vis the Issuer, provided that the legal requirements for set-off are met (see above), and further provided that (i) the counterclaim of the Borrower against the Seller results from the same legal relationship as the relevant Mortgage Receivable or (ii) the counterclaim of

the Borrower has been originated (opgekomen) and has become due and payable (opeisbaar) prior to the assignment of the Mortgage Receivable and notification thereof to the relevant Borrower. The question whether a court will come to the conclusion that the Mortgage Receivable and the claim of the Borrower against the Seller result from the same legal relationship will depend on all relevant facts and circumstances involved. But even if these would be held to be different legal relationships, set-off will be possible if the counterclaim of the Borrower has originated and became due and payable prior to notification of the assignment, provided that all other requirements for set-off have been met (see above). A balance on a current account is due and payable at any time and, therefore, this requirement will be met. In the case of deposits it will depend on the terms of the deposit whether the balance thereof will be due and payable at the moment of notification of the assignment. The Issuer has been informed by the Seller that in most cases a balance on a deposit account can be withdrawn at any time and, consequently, such balance is due and payable at any time. If following receipt of notification of assignment of the Mortgage Receivable, amounts are debited from or credited to the current account or, as the case may be, the deposit account, the Borrower will only be permitted to set-off its claim vis-à-vis the Issuer for the amount of its claim at the moment such notification has been received, after deduction of amounts which have been debited from the current account or the deposit account after receipt of such notification, notwithstanding that amounts may have been credited. The above applies mutatis mutandis to the pledge of the Mortgage Receivables envisaged in the Issuer Mortgage Receivables Pledge Agreement

If notification of the assignment of the Mortgage Receivables is made after the bankruptcy of the Seller having become effective, it is defended in legal literature that the Borrower will, irrespective of the notification of the assignment, continue to have the broader set-off rights afforded to it in the Dutch Bankruptcy Code. Under the Bankruptcy Code a person who was, prior to notification of the assignment, both debtor and creditor of the bankrupt entity can set off its debt with its claims, if each claim (i) came into existence prior to the moment at which the bankruptcy become effective or (ii) resulted from transactions with the bankrupt entity concluded prior to the bankruptcy becoming effective. A similar provision applies in case of suspension of payments. As a result of the set-off of amounts due and payable by the Seller to the Borrower with amounts the Borrower owes in respect of the Mortgage Receivable, the Mortgage Receivable will, partially or fully, be extinguished (*gaat teniet*). Set-off by Borrowers could thus affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Notes.

For specific set-off issues relating to the Life Insurance Policies connected to the Mortgage Loans or Investment-based Mortgage Loans, reference is made to the risk factors 'Risk of set-off and defences by Borrowers in case of insolvency of Insurance Companies' and 'Risks related to offering of Investment-based Mortgage Loans and certain Life Insurance Policies' and 'Risk of set-off or defences in respect of investments under Investment-based Mortgage Loans' below.

17. Risk of set-off and defences by Borrowers in case of insolvency of Insurance Companies

Under certain types of Mortgage Loans the Seller has the benefit of rights under the Insurance Policies with the Insurance Companies. Under the Insurance Policies the Borrowers pay premium consisting of a risk element and an investment element. The intention of the Insurance Policies is that at maturity of the relevant Mortgage Loan, the proceeds of the savings or investments can be used to repay the relevant Mortgage Loan, whether in full or in part. If any of the Insurance Companies is no longer able to meet its obligations under the Insurance Policies, for example as a result of bankruptcy or having become subject to recovery or resolution measures, this could result in the amounts payable under the Insurance Policies either not, or only partly, being available for application in reduction of the relevant Mortgage Receivables. This may lead to the Borrowers trying to invoke set-off rights and defences which may have the result that the Mortgage Receivables will be, fully or partially, extinguished (*teniet gaan*) or cannot be recovered for other reasons, which could lead to losses under the Notes.

With a view to further reducing the risk of set-off by Borrowers, the Mortgage Conditions applicable to some of the Mortgage Loans originated by the Seller provide that all payments by the relevant Borrowers should be made without any deduction or set-off. This provision provides arguments for a defence against Borrowers invoking set-off rights or other defences (see below), but it is unlikely that this provision in the Mortgage Conditions will be effective.

If the provisions described above are not effective and in respect of other Mortgage Loans, the Borrowers will, in order to invoke a right of set-off, need to comply with the applicable legal requirements for set-off.

One of these requirements is that the Borrower should have a claim, which corresponds to his debt to the same counterparty. The Insurance Policies are contracts between the relevant Insurance Company and the Borrowers and the Mortgage Loans are contracts between the Seller and the Borrowers. Therefore, in order to invoke a right of set-off, the Borrowers would have to establish that the Seller and the relevant Insurance Company should be regarded as one legal entity or, possibly, based upon interpretation of case law, that set-off is allowed, even if the Seller and the relevant Insurance Company are not considered as one legal entity, since the Insurance Policies and the Mortgage Loans might be regarded as one inter-related legal relationship. Furthermore, the Borrowers should have a counterclaim that is due and payable. If the relevant Insurance Company is declared bankrupt, the Borrower will have the right unilaterally to terminate the Insurance Policy and to receive a commutation payment (afkoopsom). These rights are subject to the Borrower Insurance Pledge. However, despite this pledge, it could be argued that the Borrower will be entitled to invoke a right of set-off for the commutation payment, subject, however, to what is stated below under 'Risk that Borrower Insurance Pledges will not be effective'. However, apart from the right to terminate the Insurance Policies, the Borrowers are also likely to have the right to dissolve the Insurance Policies and to claim restitution of premiums paid and/or supplementary damages. It is uncertain whether such claim is subject to the Borrower Insurance Pledge. If not, the Borrower Insurance Pledge would not obstruct a right of set-off in respect of such claim by the Borrowers.

Set-off vis-à-vis the Issuer and/or the Security Trustee after notification of the assignment would be subject to the additional requirements for set-off after assignment being met (see 'Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables' above). The Issuer has been advised that it is unlikely that the Mortgage Loans and the Life Insurance Policies should be regarded as one legal relationship.

Even if the Borrowers cannot invoke a right of set-off, they may invoke defences vis-à-vis the Seller, the Issuer and/or the Security Trustee, as the case may be. The Borrowers will have all defences afforded by Dutch law to debtors in general. A specific defence one could think of would be based upon interpretation of the Mortgage Conditions and the promotional materials relating to the Mortgage Loans. Borrowers could argue that the Mortgage Loans and the Insurance Policies are to be regarded as one inter-related legal relationship and could on this basis claim a right of annulment or rescission of the Mortgage Loans or possibly suspension of their obligations thereunder. They could also argue that it was the intention of the Borrower, the Seller and the relevant Insurance Company, at least they could rightfully interpret the Mortgage Conditions and the promotional materials in such a manner, that the Mortgage Receivable would be (fully or partially) repaid by means of the proceeds of the relevant Insurance Policy and that, failing such proceeds being so applied, the Borrower is not obliged to repay the (corresponding) part of the Mortgage Receivable. Also, a defence could be based upon principles of reasonableness and fairness (redelijkheid en billijkheid) in general, i.e. that it is contrary to principles of reasonableness and fairness for the Borrower to be obliged to repay the Mortgage Receivable to the extent that he has failed to receive the proceeds of the Insurance Policy. The Borrowers could also base a defence on "error" (dwaling), i.e. that the Mortgage Loans and the Insurance Policy were entered into as a result of "error". If this defence would be successful, this could lead to annulment of the Mortgage Loan, which would have the result that the Issuer no longer holds the relevant Mortgage Receivable and the Issuer having insufficient funds available to fulfil its obligations, which in turn could lead to losses under the Notes.

Risk of set-off or defences in relation to Mortgage Loans to which a Life Insurance Policy is connected In respect of the risk of such set-off or defences being successful, as described above, if, in case of bankruptcy of any of the Insurance Companies, the Borrowers/insured will not be able to recover their claims under their Life Insurance Policies, the Issuer has been advised that, in view of the preceding paragraphs and the representation of the Seller that with respect to Mortgage Loans whereby it is a condition for the granting of the relevant Mortgage Loan that a Life Insurance Policy is entered into by the Borrower (i) a Borrower Insurance Pledge is granted on the rights under such policy in favour of the Seller, (ii) the Mortgage Loan and the Life Insurance Policy are in the Seller's or the Insurance Company's promotional materials not offered as one combined mortgage and life insurance product or under one name, and (iii) the Borrowers were not obliged to enter into the Life Insurance Policy with an relevant Insurance Company which was a group company of the Seller, it is unlikely that a court would honour set-off or defences of the Borrowers, as described above, if the relevant Insurance Company is, or at the date of origination was, not a group company of the Seller within the meaning of article 2:24b of the DCC. However, if the relevant Insurance Company is, or at the date a Mortgage Loan was granted, a group

company of the Seller, the Issuer has been advised that the possibility cannot be disregarded (*kan niet worden uitgesloten*) that the courts will honour set-off or defences by the Borrowers. This could lead to the Issuer having insufficient funds available to fulfil its obligations, which in turn could lead to losses under the Notes.

18. Risk of set-off or defences in case of Bank Savings Mortgage Loans

Claims which are enforceable (*afdwingbaar*) by a Borrower could, *inter alia*, result from current account balances or deposits made with the Seller and, in respect of Bank Savings Mortgage Loans, the Bank Savings Deposits of a Borrower held with the Bank Savings Participant. Also, such claims of a Borrower could, *inter alia*, result from (x) services rendered by the Seller to the Borrower, if rendered at all, such as investment advice rendered by the Seller in connection with Investment-based Mortgage Loans or for which the Seller is responsible or (y) services for which the Seller is liable.

The Mortgage Receivables Purchase Agreement provides that if a Borrower sets off amounts due to it by the Seller against the Mortgage Receivable and, as a consequence thereof, the Issuer does not receive the amount which it is entitled to receive in respect of such Mortgage Receivables, the Seller will pay to the Issuer an amount equal to the difference between the amount which the Issuer would have received in respect of the Mortgage Receivable if no set-off had taken place and the amount actually received by the Issuer in respect of such Mortgage Receivable. To secure the payment obligations of the Seller in this respect, the Issuer will enter into the Set-Off Financial Collateral Agreement with the Seller and the Security Trustee pursuant to which the Seller shall have an obligation to transfer Eligible Collateral in an amount of and having a value equal to the Set-Off Delivery Amount (see section 5 (*Credit Structure*)). Notwithstanding the above, if the Seller would not meet its obligations under the Mortgage Receivables Purchase Agreement or the Set-Off Financial Collateral Agreement or if the set-off amount would exceed the balance standing to the credit of the Financial Set-Off Cash Collateral Ledger, set-off by Borrowers could lead to losses under the Notes.

In order to mitigate the set-off risk in respect of Bank Savings Mortgage Loans, a Bank Savings Participation Agreement has been entered into by the Issuer with the Bank Savings Participant. Therefore, normally the Issuer will not suffer any damages if the Borrower would invoke set-off, if and to the extent the amount for which the Borrower would invoke set-off does not exceed the amount of the relevant Bank Savings Participation. The amount for which the Borrower can invoke set-off or defences may, depending on the circumstances involved, exceed the amount of the relevant Bank Savings Participation. The remaining risk will be that if and to the extent that the amount for which a Borrower successfully invokes set-off or defences would exceed the relevant Bank Savings Participation, such set-off or defences could lead to losses under the Notes.

19. Risk of set-off or defences in respect of investments under Investment-based Mortgage Loans

The Seller has represented that under the Investment-based Mortgage Loans, the relevant securities are purchased for the account of the Borrowers by a bank or an investment firm (beleggingsonderneming) in the meaning ascribed thereto in the Wft, such as a securities broker or a portfolio manager, or by a bank, each of which is by law obliged to make adequate arrangements to safeguard the clients' rights to such securities. The Issuer has been advised that on the basis of this representation the relevant investments should be effectuated on a bankruptcy remote basis and that, in respect of these investments, the risk of set-off or defences by the Borrowers should not be relevant in this respect. However, if this is not the case and the investments were to be lost, this may lead to the Borrowers trying to invoke set-off rights or defences against the Issuer on similar grounds as discussed under 'Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables' and 'Risk of set-off and defences by Borrowers in case of insolvency of Insurance Companies'. Set-off by Borrowers could affect the proceeds under the Mortgage Receivables and as a result lead to the Issuer having insufficient funds available to fulfil its obligations, which in turn could lead to losses under the Notes.

20. Risks related to offering of Investment-based Mortgage Loans and certain Life Insurance Policies may be dissolved or nullified possibly affecting the Mortgage Loans connected thereto or resulting in Borrowers or policy holder invoking set-off or other defences against the Issuer Apart from the general obligation of contracting parties to provide information, there are several provisions of Dutch law applicable to offerors of financial products, such as Investment-based Mortgage Loans and Mortgage Loans to which certain Life Insurance Policies are connected. In addition, several codes of conduct apply on a voluntary basis. On the basis of these provisions offerors of these products

(and intermediaries) have a duty, *inter alia*, to provide the customers with accurate, complete and non-misleading information about the product, the costs and the risks involved. A breach of these requirements may lead to a claim for damages from the customer on the basis of breach of contract or tort or the relevant contract may be dissolved (*ontbonden*) or nullified (*vernietigd*) or a Borrower may claim set-off or defences against the Seller or the Issuer (or the Security Trustee). The merits of such claims will, to a large extent, depend on the manner in which the product was marketed and the promotional material provided to the Borrower. Depending on the relationship between the offeror and any intermediary involved in the marketing and sale of the product, the offeror may be liable for actions of the intermediaries which have led to a claim. The risk of such claims being made increases, if the value of investments made under Investment-based Mortgage Loans or the relevant Life Insurance Policies not sufficient to redeem the relevant Mortgage Loans.

Since 2006, an issue has arisen in the Netherlands regarding the costs of investment insurance policies (beleggingsverzekeringen), such as the Life Insurance Policies, commonly known as the "usury insurance policy affair" (woekerpolisaffaire). It is generally alleged that the costs of these products are disproportionally high, that in some cases a legal basis for such costs is lacking and that the information provided to the insured regarding these costs has not been transparent. The discussion on the costs of the investment insurance policies is currently still continuing. Rulings of courts, including the Dutch Supreme Court (Hoge Raad der Nederlanden) and KiFID have been published, some of which are still subject to appeal, which were generally favourable for consumers.

If Life Insurance Policies related to the Mortgage Loans would for the reasons described in this paragraph be dissolved or nullified, this will affect the collateral granted to secure these Mortgage Loans (the Borrower Insurance Pledges and the Beneficiary Rights would cease to exist). The Issuer has been advised that, depending on the circumstances involved, in such case the Mortgage Loans connected thereto can possibly also be dissolved or nullified, but that this will depend on the particular circumstances involved. Even if the Mortgage Loan is not affected, the Borrower/policyholder may invoke set-off or other defences against the Issuer. The analysis in that situation is similar to the situation of insolvency of the insurer (see 'Risk of set-off and defences by Borrowers in case of insolvency of Insurance Companies'), except if the Seller is itself liable, whether jointly with the insurer or separately, vis-à-vis the Borrower/policyholder. In this situation, which may depend on the involvement of the Seller in the marketing and sale of the insurance policy, set-off or defences against the Issuer may be invoked, which will probably only become relevant if the insurer and/or the Seller will not indemnify the Borrower. Any such set-off or defences could thus affect the proceeds under the Mortgage Receivables and may lead to losses under the Notes.

In the case of Investment-based Mortgage Loans originated by former BLG Hypotheekbank N.V., investment firms provide for certain services, for example for investment advice or investment management services to the Borrowers. The Borrower may hold an investment firm liable if it does not meet its obligations towards the Borrower as investment adviser or investment manager, for example with respect to any investment advice or investment management services provided by such investment firm. In particular, liability could arise if the sum of the investments is not sufficient to repay the Investment-based Mortgage Loan at maturity. Although the Seller has no contractual obligation to provide investment advice or investment management services to the Borrower, it cannot be excluded that the Borrower may hold the Seller liable for the non-fulfilment of the obligations of the investment firm and invoke set-off or defences similar to those described under 'Risk of set-off and defences by Borrowers in case of insolvency of Insurance Companies'. This could lead to the Issuer having insufficient funds available to fulfil its obligations, which in turn could lead to losses under the Notes.

21. Risk of set-off or defences in case of Employee Mortgage Loans

In respect of Mortgage Loans granted by the Seller to any employees within the group formed by the Seller and its subsidiaries, whereby the Borrower is also an employee of the Seller, such Borrower has set-off rights vis-à-vis the Issuer for claims resulting from its employment relationship, provided that, after notification of the assignment to the Issuer, the conditions for set-off set out above are met. Consequently, counterclaims resulting from the employment relationship which have become due prior to notification, can be set-off against the Mortgage Receivable. For counterclaims which are not due at the time of notification, the question is whether the counterclaim results from the same legal relationship as the Employee Mortgage Loan. The Issuer has been informed by the Seller that the employees within the group formed by the Seller and its subsidiaries either do not have any discount or benefit with respect

to their mortgage loans or, only with respect to older mortgage loans, have a right to an additional benefit in relation to the interest payable on a mortgage loan taken out with the Seller as part of their employment conditions and, in each case, may receive a discount on the fees charged with respect to the mortgage advice. It is uncertain whether such employment benefit results from the same legal relationship and therefore whether after notification set-off is possible (if the claim was not due prior to notification). Therefore, if an Employee Mortgage Loan is granted by the Seller to a Borrower, which is also an employee within the group formed by the Seller and its subsidiaries, such Borrower may set-off of amounts due under the Employee Mortgage Loan with salary payments and, after notification of the assignment to the Issuer, such set-off against the Mortgage Receivable will depend on the circumstances of the situation.

22. Risk related to Construction Deposits

Pursuant to the Mortgage Conditions, part of the Mortgage Loan may be applied towards construction of or improvements to the Mortgaged Asset. In that case part of the Mortgage Loan is placed on blocked account of the Borrower with the Seller. The Seller has undertaken to pay out deposits in connection with a Construction Deposit to the Borrower to pay for such construction or improvement if certain conditions are met. If the Seller is unable to pay the relevant Construction Deposit to the Borrower, such Borrower may invoke defences or set-off such amount with its payment obligation under the Mortgage Loan. This risk is mitigated as follows. The Issuer and the Seller will agree in the Mortgage Receivables Purchase Agreement that the Issuer will be entitled to withhold from the relevant Initial Purchase Price for such Mortgage Receivables an amount equal to the Aggregate Construction Deposit Amount. Such amount will be deposited by the Issuer in the Construction Deposit Account. On each Mortgage Collection Payment Date, if applicable the Issuer will release from the Construction Deposit Account such part of the relevant Initial Purchase Price for the Mortgage Receivables which equals the difference between the Aggregate Construction Deposit Amount and the balance standing to the credit of the Construction Deposit Account and pay such amount to the Seller, except if and to the extent the Borrower has invoked set-off or defences.

Construction Deposits have to be paid out after the construction activities or renovation activities have been finalised. Upon the expiry of such period, the remaining Construction Deposit will be set off against the relevant Mortgage Receivable up to the amount of the Construction Deposit, in which case the Issuer shall have no further obligation towards the Seller to pay the remaining part of the relevant Initial Purchase Price, and consequently any remaining part of the amounts of the relevant Construction Deposit Account will form part of the Available Principal Funds. If an Assignment Notification Event set out under (e) (see section 7.1 (*Purchase, Repurchase and Sale*) has occurred, the Issuer will no longer be under the obligation to pay such remaining part of the relevant Initial Purchase Price.

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

C. RISK FACTORS REGARDING SECURITY RIGHTS

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

The mortgage deeds relating to the Mortgage Receivables to be sold to the Issuer provide for All Moneys Mortgages, meaning that the mortgage rights created pursuant to such mortgage deeds, not only secure the loan granted to the Borrower for the purpose of acquiring the relevant Mortgaged Asset, but also other liabilities and moneys that the Borrower, now or in the future, may owe to the Seller. The Mortgage Loans also provide for All Moneys Pledges granted in favour of the Seller.

Under Dutch law a mortgage right is an accessory right (*afhankelijk recht*) which follows by operation of law the receivable with which it is connected. Furthermore, a mortgage right is an ancillary right (*nevenrecht*) and the assignee of a receivable secured by an ancillary right will have the benefit of such right, unless the ancillary right by its nature is, or has been construed as, a purely personal right of the assignor or such transfer is prohibited by law.

Although the prevailing view in the past that an All Moneys Security Right will as a general rule not follow as an accessory right upon assignment of a receivable which it secures, is still defended, the Issuer has been advised that the better view is that as a general rule an All Moneys Security Right in view of its nature follows the receivable as an accessory right upon its assignment. Whether in the particular circumstances involved the All Moneys Security Right will remain with the original holder of the security right, will be a matter of interpretation of the relevant deed creating the security right.

The Mortgage Conditions applicable to some of the Mortgage Loans stipulate that in case of assignment of the Mortgage Receivable, the All Moneys Security Right or the All Money Mortgage, as applicable, will follow the Mortgage Receivable upon its assignment or, in respect of part of the Mortgage Conditions, pledge. These stipulations are a clear indication of the intentions of the parties in this respect. The Issuer has been advised that, in the absence of circumstances giving an indication to the contrary, the inclusion of these provisions in some of the Mortgage Loans makes clear that the All Moneys Security Right or the All Moneys Mortgage, as applicable, (partially) follows the Mortgage Receivable result from such Mortgage Loan as accessory and ancillary right upon its assignment, but that there is no case law explicitly supporting this advice.

The Mortgage Conditions applicable to the other Mortgage Loans do not contain any explicit provision on the issue whether the All Moneys Security Right or the All Moneys Pledge, as applicable, follow the Mortgage Receivable upon its assignment or pledge thereof. Consequently, in respect of such Mortgage Loan there is no clear indication of the intention of the parties. The Issuer has been advised that also in such case the All Moneys Pledge or All Moneys Security Right, as the case may be, should (partially) follow the receivable as accessory and ancillary right upon its assignment, but that there is no case law explicitly supporting this advice and that, consequently, it is not certain what the Dutch courts would decide if this matter were to be submitted to them.

The above applies *mutatis mutandis* in the case of the pledge of the Mortgage Receivables by the Issuer to the Security Trustee under the Issuer Mortgage Receivables Pledge Agreement.

Furthermore, with respect to the NHG Mortgage Loan Receivables it is noted that if the Issuer or the Security Trustee, as the case may be, does not have the benefit of the All Moneys Mortgage, it also will not be entitled to claim under any NHG Guarantee. The above factors could lead to lower proceeds received by the Issuer under the Mortgage Receivables and ultimately to losses under the Notes.

24. Risk that the rights of pledge to the Security Trustee in case of insolvency of the Issuer are not effective in all respects

Under or pursuant to the Pledge Agreements, various rights of pledge will be granted by the Issuer to the Security Trustee. On the basis of these pledges the Security Trustee can exercise the rights afforded by Dutch law to pledgees notwithstanding bankruptcy or suspension of payments of the Issuer. The Issuer is a special purpose vehicle, most creditors (including the parties to the Transaction Documents) of which have agreed to limited recourse and non-petition provision, and is therefore unlikely to become insolvent. However, any bankruptcy or suspension of payments involving the Issuer would affect the position of the Security Trustee as pledgee and, subsequently, the Noteholders in some respects, the most important of which are: (i) payments made by the Borrowers to the Issuer after notification of the assignment to the Issuer, but prior to notification of the pledge to the Security Trustee and after bankruptcy or suspension of payments granted in respect of the Issuer, amounts so paid will be part of the bankruptcy estate of the Issuer, although the Security Trustee has the right to receive such amounts by preference after deduction of certain costs, (ii) a mandatory 'cool-off' period of up to four (4) months may be proclaimed by the judge-commissioner (rechter-commissaris) in case of bankruptcy and in case of suspension of payments involving the Issuer, which, if applicable, would delay the exercise (uitwinnen) of the right of pledge on the Mortgage Receivables and (iii) the Security Trustee may be obliged to enforce its right of pledge within a reasonable period following bankruptcy, if so requested by the liquidator as determined by the judge-commissioner (rechter-commissaris) appointed by the court in case of bankruptcy of the Issuer (also see the risk factor 'The risk that the WHOA when applied to the Issuer could affect the rights of the Security Trustee under the Security and therefore the Noteholders under the Notes'). Similar or different restrictions may apply in case of insolvency proceedings other than Dutch insolvency proceedings. Therefore, the Security Trustee may have insufficient funds available to fulfil the Issuer's obligations. This may lead to insufficient funds being available to cover amounts due under the Notes and therefore to losses under the Notes.

To the extent the receivables pledged by the Issuer to the Security Trustee are future receivables, the right of pledge on such future receivables cannot be invoked against the estate of the Issuer, if such future receivable comes into existence after 00:00 hours on the date on which the Issuer has been declared bankrupt or has been granted a suspension of payments. The Issuer has been advised that the assets pledged to the Security Trustee under the Issuer Rights Pledge Agreement and the NHG Advance Rights should probably be regarded as future receivables and therefore would not be secured. This would for example apply to amounts paid to the Issuer Accounts following the Issuer's bankruptcy or suspension of payments. Such amounts will not be available for distribution by the Security Trustee to the Secured Creditors (including the Noteholders), which may result in losses under the Notes.

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

25. Risk related to jointly-held All Moneys Security Rights by the Seller, the Issuer and the Security Trustee

If the All Moneys Security Rights have (partially) followed the Mortgage Receivables upon their assignment by the Seller to the Issuer, the All Moneys Security Rights will be jointly-held by the Issuer (or the Security Trustee, as pledgee) and the Seller and will secure both the Mortgage Receivables held by the Issuer (or the Security Trustee, as pledgee) and any Other Claims, except for certain All Moneys Mortgages in respect of which the Mortgage Conditions provide that following assignment or pledge of the Mortgage Receivable the All Moneys Mortgage no longer secures such Other Claims.

Where the All Moneys Security Rights are jointly-held by both the Issuer or the Security Trustee and the Seller, the rules applicable to a joint estate (*gemeenschap*) apply. The DCC provides for various mandatory rules applying to such jointly-held rights. In the Mortgage Receivables Purchase Agreement, the Seller, the Issuer and/or the Security Trustee (as applicable) will agree that the Issuer and/or the Security Trustee (as applicable) will manage and administer any jointly-held Security Interests. Certain acts, including acts concerning the day-to-day management (*beheer*) of the jointly-held rights, may under Dutch law be transacted by each of the participants (*deelgenoten*) in the jointly-held rights. All other acts must be transacted by all of the participants acting together in order to bind the jointly-held rights. It is uncertain whether the foreclosure of the All Moneys Security Rights will be considered as day-to-day management, and, consequently it is uncertain whether the consent of the Seller, the Seller's bankruptcy trustee (*curator*) (in case of bankruptcy) may be required for such foreclosure.

The Seller, the Issuer and the Security Trustee will agree that in case of foreclosure the share (aandeel) in each jointly-held All Moneys Security Right of the Issuer and/or the Security Trustee will be equal to the Outstanding Principal Amount of the Mortgage Receivable, increased with interest and costs, if any, and the share of the Seller will be equal to the Net Foreclosure Proceeds less the Outstanding Principal Amount, increased with interest and costs, if any. The Issuer has been advised that although a good argument can be made that this arrangement will be enforceable against the Seller or, in case of its bankruptcy, its bankruptcy trustee this is not certain. Furthermore, it is noted that this Joint Security Right Arrangement may not be effective against the Borrower.

If the Seller, or its bankruptcy trustee or administrator, would, notwithstanding the Joint Security Right Arrangement set out above, enforce the jointly-held All Moneys Security Rights, the Issuer and/or the Security Trustee would have a claim against the Seller (or, as the case may be, its bankruptcy estate) for any damages as a result of a breach of the contractual arrangements, but such claim would be unsecured and non-preferred and may not be fully recovered, this could lead to the Issuer having insufficient funds available to fulfil its obligations, which in turn could lead to losses under the Notes.

To further secure the obligations of the Seller under the Joint Security Right Arrangements, the Seller shall have an obligation to pledge, upon the occurrence of an Assignment Notification Event, the Other Claims in favour of the Security Trustee and the Issuer respectively. Such pledge (if vested) will secure the claim of the Issuer and/or the Security Trustee on the Seller created for this purpose equal to the share of the Seller in the Net Foreclosure Proceeds in relation to a defaulted Borrower which claim becomes due and payable upon a default of the relevant Borrower.

26. Risk that Borrower Insurance Pledges and Borrower Investment Pledges will not be effective

All rights of a Borrower under the Insurance Policies have been pledged to the Seller under a Borrower Insurance Pledge. The Issuer has been advised that it is probable that the right to receive payment, including the commutation payment (*afkoopsom*), under the Insurance Policies will be regarded by a Dutch court as a future right. The pledge of a future right is, under Dutch law, not effective if the pledgor is declared bankrupt, granted a suspension of payments or is granted a statutory debt adjustment (*schuldsanering*), prior to the moment such right comes into existence. This means that it is uncertain whether such pledge will be effective. If such right of pledge will be ineffective in relation to a payment under an Insurance Policy, the Issuer will not be entitled to receive such payments. As a result thereof, this could lead to the Issuer having insufficient funds available to fulfil its obligations, which in turn could lead to losses under the Notes.

The same applies to Borrower Investment Pledge to the extent the rights of the Borrower qualify as future claims, such as options (*opties*).

27. Risk that the Parallel Debt does not constitute a valid basis for the creation of pledges and that payments under the Parallel Debt form part of the Security Trustee's estate in the case of its insolvency

Under Dutch law it is uncertain whether a security right can be validly created in favour of a party which is not the creditor of the claim which the security right purports to secure. Consequently, in order to secure the valid creation of the pledges under the Pledge Agreements in favour of the Security Trustee, the Issuer has in the Parallel Debt Agreement, as a separate and independent obligation, by way of parallel debt, undertaken to pay to the Security Trustee amounts equal to the amounts due by it to the Secured Creditors. There is no statutory law or case law available on the concept of parallel debts such as the Parallel Debt and the question whether a parallel debt constitutes a valid basis for the creation of security rights, such as rights of pledge. However, the Issuer has been advised that a parallel debt, such as the Parallel Debt, creates a claim of the Security Trustee thereunder which can be validly secured by a right of pledge such as the rights of pledge created by the Pledge Agreements and the Deed of Assignment and Pledge. Should the Parallel Debt not constitute a valid basis for the creation of security rights, the Pledged Assets may secure only some or even none of the liabilities of the Issuer to the Secured Creditors (including the Noteholders) and therefore the Security Trustee may have insufficient funds available to fulfil the Issuer's payment obligations. This may lead to insufficient funds being available to cover amounts due under the Notes and therefore to losses under the Notes.

The Security Trustee is a special purpose vehicle and is therefore unlikely to become insolvent, *inter alia*, as a result of non-petition and limited recourse covenants and obligations. However, any payments in respect of the Parallel Debt and any proceeds received by the Security Trustee are, in the case of an insolvency of the Security Trustee, not separated from the Security Trustee's other assets. Should the Security Trustee become insolvent, the Secured Creditors will have an unsecured claim on the bankruptcy estate of the Security Trustee and will therefore have a credit risk on the Security Trustee, which could lead to losses under the Notes.

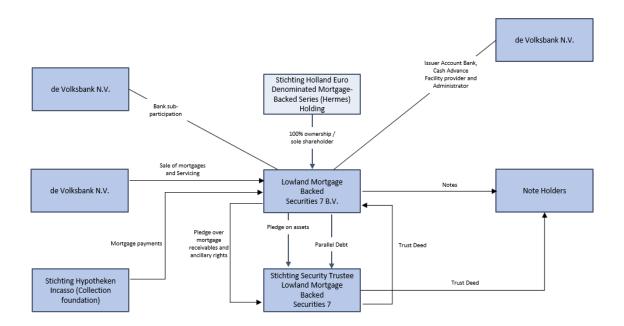
2. TRANSACTION OVERVIEW

This overview must be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including any amendment and/or any supplement thereto and any documents incorporated by reference therein.

Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Relevant Member State, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches to the Issuer, being the entity that has prepared the information in this section, but only if such information is misleading, inaccurate or inconsistent when read with other parts of this Prospectus.

2.1 STRUCTURE DIAGRAM

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.



2.2 PRINCIPAL PARTIES

Certain parties set out below may be replaced, as the case may be, in accordance with the terms of the Transaction Documents.

Issuer: Lowland Mortgage Backed Securities 7 B.V., incorporated under Dutch law as a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 89407326. The Legal Entity Identifier of the Issuer is 72450065LXDMY5SJJW05. The entire issued share capital of the Issuer is held by the Shareholder. Shareholder: Stichting Holland Euro-Denominated Mortgage Backed Series (Hermes) Holding, organised under Dutch law as a foundation (stichting), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 34157955. **Security Trustee:** Stichting Security Trustee Lowland Mortgage Backed Securities 7, organised under Dutch law as a foundation (stichting), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 89836146. Seller: de Volksbank N.V., incorporated under Dutch law as a public company (naamloze vennootschap), having its corporate seat in Utrecht, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 16062338. The Legal Entity Identifier of the Seller is 724500A1FNICHSDF2I11. Servicer: de Volksbank. **Issuer Administrator:** de Volksbank. Cash Advance Facility Provider: de Volksbank. **Issuer Account Bank:** de Volksbank. **Collection Foundation:** Stichting Hypotheken Incasso, organised under Dutch law as a foundation (stichting) and having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 52181553. Directors: Intertrust Management B.V., being the sole managing director of the Issuer, IQ EQ Structured Finance B.V., being the sole managing director of the Security Trustee and Intertrust (Netherlands) B.V., being the sole managing director of the Shareholder, each incorporated under Dutch law as a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 33226415, number 33075510 and number 34157955, respectively. ABN AMRO Bank N.V., incorporated under Dutch law as a public Paying Agent:

ABN AMRO Bank.

company (*naamloze vennootschap*), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 34334259.

Listing Agent:

Arranger: de Volksbank.

Manager: de Volksbank.

Life Insurance Company: SRLEV N.V., incorporated under Dutch law as a public company

(naamloze vennootschap), having its corporate seat in Alkmaar, the Netherlands and registered with the Commercial Register of the

Chamber of Commerce under number 34297413.

Bank Savings Participant: de Volksbank.

Common Safekeeper: Euroclear in respect of the Class A Notes.

A common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg in respect of the Class B Notes, the Class C Notes, the

Class D Notes and the Class E Notes.

2.3 NOTES

Certain features of the Notes are summarised below (see for a further description section 4 (Notes)).

| | 00 0.0 00 | | | | |
|---|--|--|--|---|---|
| Principal Amount | Class A EUR 7,560,000,000 | Class B EUR 156,000,000 | Class C EUR 120,000,000 | Class D EUR 104,000,000 | Class E EUR 60,000,000 |
| Issue Price | 100 per cent. | 100 per cent. | 100 per cent. | 100 per cent. | 100 per cent. |
| Interest rate | 1.00 per cent. per annum | 0.00 per cent. per annum | 0.00 per cent. per annum | 0.00 per cent. per annum | 0.00 per cent. per annum |
| Interest accrual | 30/360 | N/A | N/A | N/A | N/A |
| Expected credit ratings (Fitch / Moody's) | AAAsf / Aaa(sf) | AA+sf / Aa3(sf) | AA-sf / A1(sf) | A-sf / Baa1(sf) | B-sf / B2(sf) |
| Notes Payment Dates | 18th day of each calendar month, subject to adjustment for non- business days, modified following | 18th day of each calendar month, subject to adjustment for non-business days, modified following | 18th day of each calendar month, subject to adjustment for non-business days, modified following | 18th day of each calendar month, subject to adjustment for non- business days, modified following | 18th day of each calendar month, subject to adjustment for non- business days, modified following |
| Redemption | Mandatory redemption on each Notes Payment Date by application of the Available Principal Funds | Mandatory redemption on each Notes Payment Date by application of the Available Principal Funds after the Class A Notes have been fully redeemed | Mandatory redemption on each Notes Payment Date by application of the Available Principal Funds after the Class A Notes and the Class B Notes have been fully redeemed | Mandatory redemption on each Notes Payment Date by application of the Available Principal Funds after the Class A Notes, the Class B Notes and the Class C Notes have been fully redeemed | Mandatory redemption on each Notes Payment Date by application of the Available Principal Funds after the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes have been fully |
| First Optional Redemption Date | Notes Payment Date falling in April 2028 | Notes Payment Date falling in April 2028 | Notes Payment Date falling in April 2028 | Notes Payment Date falling in April 2028 | redeemed Notes Payment Date falling in April 2028 |
| Final Maturity Date | Notes Payment Date falling in April 2060 | Notes Payment Date falling in April 2060 | Notes Payment Date falling in April 2060 | Notes Payment Date falling in April 2060 | Notes Payment Date falling in April 2060 |
| Subordination | Class B Notes, Class C Notes, Class D Notes | Class C Notes, Class D Notes and Class E Notes | Class D Notes and Class E Notes | Class E Notes | Not applicable |

and Class E Notes

Notes:

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

- (i) the Class A Notes;
- (ii) the Class B Notes:
- (iii) the Class C Notes;
- (iv) the Class D Notes; and
- (v) the Class E Notes.

Issue Price:

The issue prices of each Class of Notes will be as follows:

- (i) the Class A Notes, 100 per cent.;
- (ii) the Class B Notes, 100 per cent.;
- (iii) the Class C Notes, 100 per cent.;
- (iv) the Class D Notes, 100 per cent.; and
- (v) the Class E Notes, 100 per cent.

Form:

The Notes will be represented by Global Notes in bearer form and in the case of Notes in definitive form, serially numbered with coupons attached.

Denomination:

The Notes will be issued in denominations of EUR 100,000.

Status and Ranking:

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

In accordance with and subject to the provisions of Condition 4 (Interest), Condition 6 (Redemption) and Condition 9 (Subordination and Limited Recourse) and the Trust Deed (i) payments of principal on the Class B Notes are subordinated to, inter alia, payments of principal and, in certain circumstances, interest on the Class A Notes. (ii) payments of principal on the Class C Notes are subordinated to, inter alia, payments of principal, and, in certain circumstances, interest on the Class A Notes and payments of principal on the Class B Notes, (iii) payments of principal on the Class D Notes are subordinated to, inter alia, payments of principal and, in certain circumstances, interest on the Class A Notes, and payments of principal on the Class B Notes and the Class C Notes and (iv) payments of principal on the Class E Notes are subordinated to, inter alia, payments of principal and, in certain circumstances, interest on the Class A Notes and payments of principal on the Class B Notes, the Class C Notes and the Class D Notes.

See further section 4.1 (Terms and Conditions).

The obligations of the Issuer in respect of the Notes will be subordinated to the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments. See further section 5.2 (*Priorities of Payments*).

Interest:

The Class A Notes will carry a fixed rate of interest, payable in arrear on each Notes Payment Date. The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will not carry any interest. See further section 4.1 (*Terms and Conditions*) under Condition 4 (*Interest*).

Interest on the Class A Notes is payable by reference to successive Notes Calculation Periods.

Interest on the Class A Notes will be payable in arrear in euros in respect of the Principal Amount Outstanding of each of such Notes, on each Notes Payment Date.

The interest on the Class A Notes will be calculated on the basis of the number of days (to be calculated on the basis of a year of 360 days with twelve (12) thirty (30)-day months) in each applicable Notes Calculation Period divided by 360 days, provided that the number of days in each Notes Calculation Period shall be calculated as if the relevant Notes Payment Dates were not subject to adjustment.

The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will not bear any interest.

Fixed rate of interest on Class A Notes:

Interest on the Class A Notes will accrue at a fixed rate of 1.00 per cent. per annum.

Mandatory Redemption of the Notes:

The Issuer will be obliged to apply an amount equal to the Available Principal Funds (excluding all amounts applied towards the purchase of New Mortgage Receivables and/or Further Advance Receivables or reserved for such purpose), to redeem, whether in full or in part, at their respective Principal Amount Outstanding, the Notes on each Notes Payment Date on a *pro rata* basis within a Class. The Notes will be redeemed in the following order:

- first, an amount equal to the Available Principal Funds will be applied in or towards satisfaction of amounts due under the Class A Notes until fully redeemed;
- (ii) second, the Class B Notes until fully redeemed;
- (iii) third, the Class C Notes until fully redeemed;
- (iv) fourth, the Class D Notes until fully redeemed; and
- (v) fifth, the Class E Notes until fully redeemed.

Optional Redemption of the Notes:

Unless previously redeemed in full, the Issuer will have the option to redeem all of the Notes, but not some only, on each Optional Redemption Date at their Principal Amount Outstanding less (i) in the case of the Class B Notes, a Class B Principal Shortfall (if any), (ii) in the case of the Class C Notes, a Class C Principal Shortfall (if any), (iii) in the case of the Class D Notes, a Class D Principal Shortfall (if any) and (iv) in the case of the Class E Notes, a Class E Principal Shortfall (if any), all subject to and in accordance with the Conditions, in particular Condition 6(d) (*Optional Redemption*) and Condition 9(a) (*Principal*).

Redemption of the Notes on the Final Maturity Date:

Unless previously redeemed, the Issuer will, subject to and in accordance with Condition 9(a) (*Principal*), redeem all of the Notes at their respective Principal Amount Outstanding, less (i) in the case of the Class B Notes, a Class B Principal Shortfall (if any), (ii) in the case of the Class C Notes, a Class C Principal Shortfall (if any), (iii) in the case of the Class D Notes, a Class D Principal Shortfall (if any) and (iv) in the case of the Class E Notes, a Class E Principal Shortfall (if

any), all subject to and in accordance with the Conditions, on the Final Maturity Date. The Class A Notes may not be redeemed with a principal shortfall.

Tax Call Option:

Pursuant to Condition 6(e) (Redemption for tax reasons), if the Issuer (i) is or will be obliged to make any withholding or deduction for, or on account of, any taxes, duties, assessments or charges of whatsoever nature from payments in respect of any Class of Notes as a result of a Tax Change and (ii) will have sufficient funds available on the Notes Calculation Date immediately preceding such Notes Payment Date to discharge all amounts of principal and, to the extent applicable, interest, due in respect of the Notes and any amounts required to be paid in priority or pari passu with each Class of Notes in accordance with the Trust Deed, then the Issuer has the option to redeem all (but not some only) of the Notes, in whole but not in part, on any Notes Payment Date at their Principal Amount Outstanding, subject to and in accordance with Condition 9(a) (Principal), together with interest accrued up to and including the date of redemption. No Class of Notes may be redeemed under such circumstances unless all Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

Retention and disclosure requirements under the Securitisation Regulation:

The Seller, as originator within the meaning of article 6 of the Securitisation Regulation, has undertaken in the Notes Purchase Agreement to retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the securitisation transaction described in this Prospectus in accordance with article 6 of the Securitisation Regulation. As at the Closing Date, such material net economic interest is retained in accordance with article 6(3)(a) of the Securitisation Regulation by the retention of not less than five (5) per cent. of the nominal value of each of the tranches sold or transferred to investors.

In addition to the information set out herein and forming part of this Prospectus, the Seller has undertaken to make available materially relevant information to investors in accordance with and as required pursuant to article 7 of the Securitisation Regulation so that investors are able to verify compliance with article 6 of the Securitisation Regulation. Each prospective Noteholder should ensure that it complies with the Securitisation Regulation to the extent applicable to it. The Issuer, or the Issuer Administrator on its behalf, will also on behalf of the Seller, prepare Notes and Cash Reports on a monthly basis wherein relevant information with regard to the Mortgage Loans and Mortgage Receivables will be disclosed publicly together with information on the retention of the five (5) per cent. material net economic interest in the securitisation transaction by the Seller.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the Securitisation Regulation (see section 8 (General) for more details). See further section 1 (Risk Factors) 'Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes' and section 4.4 (Regulatory and Industry Compliance) for more details.

No STS designation:

The securitisation transaction described in this Prospectus is not intended to qualify as an STS securitisation within the meaning of article 18 of the Securitisation Regulation. Consequently, neither the Issuer, the Seller, the Arranger nor the Manager has any intention to

notify ESMA or otherwise seek designation of the securitisation in connection with which the Notes are issued, as 'STS' or 'simple, transparent and standardised' as set out in chapter 4 of the Securitisation Regulation, or to seek compliance with all criteria and requirements for such designation set out therein. However, the Seller and the Issuer will, on a voluntary basis, comply with some of the substantive STS requirements, as further set in section 4.4 (Regulatory and Industry Compliance).

Eurosystem eligibility and loan-byloan information: The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. The Class A Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper. This does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction at the Eurosystem's discretion of the Eurosystem eligibility criteria as amended from time to time, which criteria include the requirement that loan-by-loan information shall be made available to investors by means of the Securitisation Repository designated pursuant to article 10 of the Securitisation Regulation in accordance with the final disclosure templates as adopted in the final regulatory technical standards and final implementing technical standards pursuant to article 7(4) of the Securitisation Regulation.

It has been agreed in the Administration Agreement that the Issuer Administrator shall use its best efforts to make such loan-by-loan information available on a monthly basis within one month after each Notes Payment Date, for as long as such requirement is effective and to the extent it has such information available.

The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are not intended to be held in a manner which will allow their Eurosystem eligibility.

Use of proceeds:

The Issuer will use the net proceeds from the issue of the Notes to pay to the Seller (part of) the Initial Purchase Price for the Mortgage Receivables pursuant to the provisions of the Mortgage Receivables Purchase Agreement and made between each of the Seller, the Issuer and the Security Trustee.

Withholding Tax:

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

FATCA Withholding:

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

Method of Payment:

For so long as the Notes are represented by a Global Note, payments of principal and, to the extent applicable, interest, on the Notes will be made in euros to the Common Safekeeper for Euroclear and/or Clearstream, Luxembourg for the credit of the respective accounts of the Noteholders.

Security for the Notes:

The Notes will have the benefit of:

- (vi) a first ranking undisclosed right of pledge by the Issuer in favour of the Security Trustee over (a) the Mortgage Receivables, including all rights ancillary thereto and (b) upon written notification thereof to the relevant Insurance Companies, the Beneficiary Rights (to the extent legally possible); and
- (vii) a first ranking disclosed right of pledge by the Issuer in favour of the Security Trustee over the Issuer Rights.

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

Security over Collection Foundation Accounts balances:

The Collection Foundation will grant:

- a first ranking right of pledge on the balances standing to the credit of the Collection Foundation Accounts in favour of the Security Trustee and the Previous Transaction Security Trustees; and
- (ii) a second ranking right of pledge in favour of the Issuer and the Previous Transaction SPVs jointly,

in each case under the condition that future issuers (and any future security trustees relating thereto) in subsequent securitisation transactions or covered bond transactions and future vehicles in conduit transactions or similar transactions initiated by the Seller will after accession also have the benefit of such first ranking right of pledge, or second ranking right of pledge, respectively. Such rights of pledge have been notified to the Foundation Account Providers.

Parallel Debt Agreement:

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

Paying Agency Agreement:

On the Signing Date the Issuer and the Security Trustee will enter into the Paying Agency Agreement with the Paying Agent pursuant to which the Paying Agent undertakes, *inter alia*, to perform certain payment services on behalf of the Issuer towards the Noteholders.

Listing and admission to trading:

Application has been made to Euronext Amsterdam for the Class A Notes to be admitted to the official list and trading on its regulated market. It is anticipated that listing will take place on or about the Closing Date. There can be no assurance that any such listing will be maintained.

The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will not be listed.

Credit Ratings:

It is a condition precedent to the issuance of the Notes that the Class A Notes, on issue, be assigned an 'AAAsf' credit rating by Fitch and an 'Aaa(sf)' credit rating by Moody's. It is expected that the Class B Notes, on issue, be assigned an 'AA+sf' credit rating by Fitch and an 'Aa3(sf)' credit rating by Moody's, the Class C Notes, on issue, be assigned an 'AA-sf' credit rating by Fitch and an 'A1(sf)' credit rating by Moody's, the Class D Notes, on issue, be assigned and 'A-sf' credit rating by Fitch and a 'Baa1(sf)' credit rating by Moody's and the Class E Notes, on issue, be assigned a 'B-sf' credit rating by Fitch and a 'B2(sf)' credit rating by Moody's.

Credit ratings included or referred to in this Prospectus have been issued by Fitch and Moody's, each of which is established in the European Union and is registered under the CRA Regulation.

Settlement: Euroclear and/or Clearstream, Luxembourg.

Governing Law: The Notes will be governed by and construed in accordance with Dutch law.

The Transaction Documents will governed by and construed in accordance with Dutch law.

trictions:

There are selling restrictions in relation to the European Economic Area (including the Netherlands, Italy and France), the United Kingdom, Japan and the United States and such other restrictions as may be required in connection with the offering and sale of the Notes. See section 4.3 (Subscription and Sale).

Selling Restrictions:

2.4 CREDIT STRUCTURE

Available Funds:

The Issuer will use receipts of principal and interest in respect of the Mortgage Receivables together with amounts it receives under the Cash Advance Facility Agreement, the Bank Savings Participation Agreement and the Issuer Collection Account, to make payments of, *inter alia*, principal and, to the extent applicable, interest due in respect of the Notes.

Priority of Payments:

The obligations of the Issuer in respect of the Notes will rank subordinated to the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments (see section 5 (*Credit Structure*)) and the right to payment of principal on the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be subordinated to payments of interest and principal on the Class A Notes as more fully described herein under section 5 (*Credit Structure*) and section 4.1 (*Terms and Conditions*).

Cash Advance Facility Agreement:

On the Signing Date, the Issuer will enter into the Cash Advance Facility Agreement with a maximum term of 364 days with the Cash Advance Facility Provider pursuant to which the Issuer will be entitled to make drawings in order to meet certain shortfalls in its available revenue receipts. See further section 5 (*Credit Structure*).

Issuer Accounts:

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

- the Issuer Collection Account, to which all amounts of interest, Prepayment Penalties and principal received under the Mortgage Receivables will be transferred; and
- (ii) the Construction Deposit Account, to which the amounts equal to the aggregate Construction Deposits which are withheld by the Issuer from the relevant Initial Purchase Price, if any, shall be deposited.

Issuer Account Agreement:

On the Signing, the Issuer, the Security Trustee and the Issuer Account Bank will enter into the Issuer Account Agreement, pursuant to which the Issuer Account Bank will agree to pay a rate of interest of zero (0) per cent. on the balance standing to the credit of the Issuer Accounts from time to time or as otherwise reasonable determined by the Issuer Account Bank, as further set out in the Issuer Account Agreement.

In the event that the interest rate accruing on the balances standing to the credit of any of the Issuer Accounts is less than zero, such amount will be payable by the Issuer to the Issuer Account Bank. See section 5.6 (*Issuer Accounts*).

Administration Agreement:

On the Signing Date, the Issuer will enter into the Administration Agreement with the Issuer Administrator and the Security Trustee, pursuant to which the Issuer Administrator will agree to provide certain services, including (a) administration, calculation and cash management services to the Issuer, including all calculations to be made in respect of the Notes and the Transaction Documents, (b) operation of the Issuer Accounts and ensuring that payments are made into and from such accounts in accordance with the Administration Agreement and the Trust Deed and the production of monthly reports in relation thereto, (c) arranging for all payments to be

made by the Issuer under the Notes in accordance with the Paying Agency Agreement and the Conditions of the Notes, (d) the maintaining of all required ledgers in accordance with the Trust Deed, (e) all calculations to be made in connection with the Financial Collateral Agreements and (f) submitting certain statistical information regarding the Issuer to certain governmental authorities, if and when requested. See section 5.7 (Administration Agreement).

Set-off Financial Collateral Agreement:

On the Signing Date, the Issuer will enter into the Set-Off Financial Collateral Agreement with the Seller and the Security Trustee pursuant to which the Seller undertakes, subject to certain rating triggers, to transfer collateral to the Issuer in order to mitigate the risk of set-off by Borrowers with amounts standing to the credit of current accounts or deposits held with the Seller. See section 5.1 (*Available Funds*).

Commingling Financial Collateral Agreement:

On the Signing Date, the Issuer will enter into the Commingling Financial Collateral Agreement with the Seller and the Security Trustee pursuant to which the Seller undertakes, subject to certain rating triggers, to transfer collateral to the Issuer in order to mitigate the potential commingling risk that any amounts received by the Collection Foundation in respect of the Mortgage Receivables are not received by the Issuer. See section 5.1 (Available Funds).

Financial Cash Collateral Ledger:

Any Eligible Collateral transferred by the Seller to the Issuer under the relevant Financial Collateral Agreement shall be deposited in the Issuer Collection Account with a corresponding credit to the relevant Financial Cash Collateral Ledger. The Issuer shall on each Notes Payment Date debit from the Issuer Collection Account with a corresponding debit to the relevant Financial Cash Collateral Ledger an amount equal to the Set-Off Amount and the Commingling Amount, as applicable, which the Seller is due to pay to the Issuer on the basis of the Mortgage Receivables Purchase Agreement and which is unpaid on such Notes Payment Date subject to and in accordance with the Trust Deed, which amount shall form part of the Available Revenue Funds on such date.

2.5 PORTFOLIO INFORMATION

Mortgage Loans:

Under the Mortgage Receivables Purchase Agreement, the Issuer will purchase from the Seller the Mortgage Receivables, which include a certain amount of NHG Mortgage Loan Receivables. The Mortgage Receivables will result from Mortgage Loans secured by first-ranking mortgage rights over the Mortgaged Assets, situated in the Netherlands and entered into by the Seller and the relevant Borrowers which meet criteria set forth in the Mortgage Receivables Purchase Agreement and which will be selected prior to or on the Closing Date or, in respect of New Mortgage Receivables and Further Advance Receivables, prior to or on the relevant Notes Payment Date.

The Mortgage Loans may consist of (i) Interest-Only Mortgage Loans (aflossingsvrije hypotheken), (ii) Bank Savings Mortgage Loans (bankspaarhypotheken), (iii) Linear Mortgage Loans (lineaire hypotheken), (iv) Annuity Mortgage Loans (annuiteitenhypotheken), (v) Investment-based Mortgage Loans (beleggingshypotheken), (vi) Life Mortgage Loans (levenhypotheken) or combinations of any of these types of mortgage loans (combinatiehypotheken). See further section 0 (Description of Mortgage Loans).

All Mortgage Loans are secured by a first ranking Mortgage which was vested for a principal sum which is at least equal to the principal sum of the Mortgage Loan when originated, increased with interest, penalties, costs and any insurance premium. Mortgage Loans may consist of one or more Loan Parts, each of which normally constitutes a different mortgage type agreed with the relevant Borrower. The Seller shall sell and assign and the Issuer shall purchase and accept the assignment of all, but not some, Loan Parts of such Mortgage Loan. See section 0 (Description of Mortgage Loans).

The Mortgage Loans have characteristics that demonstrate the capacity to produce funds to service any payments due and payable under the Notes.

Certain Mortgage Loans or certain Loan Parts are NHG Mortgage Loans. See further section 6.1 (*Stratification Tables*), section 0 (*Description of Mortgage Loans*) and section 6.5 (*NHG Guarantee Programme*).

A portion of the Mortgage Loans (or Loan Parts thereof) will be in the form of Annuity Mortgage Loans. An Annuity Mortgage Loan is a mortgage loan or part thereof in respect of which the Borrower pays a fixed monthly instalment, made up of an initially high and thereafter decreasing interest portion and an initially low and thereafter increasing principal portion, and calculated in such manner that such Mortgage Loan will be fully redeemed at its maturity.

A portion of the Mortgage Loans (or Loan Parts thereof) will be in the form of Linear Mortgage Loans. A Linear Mortgage Loan is a mortgage loan or part thereof in respect of which the Borrower each month pays a fixed amount of principal towards redemption of such mortgage loan (or relevant part thereof) until maturity, such that at maturity the entire mortgage loan will be redeemed. The Borrower's payment obligation decreases with each payment as interest owed under such Linear Mortgage Loan declines over time.

NHG Guarantee:

Annuity Mortgage Loans:

Linear Mortgage Loans:

Interest-Only Mortgage Loans:

A portion of the Mortgage Loans (or Loan Parts thereof) will be in the form of Interest-Only Mortgage Loans. An Interest-Only Mortgage Loan is a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity. Interest is payable monthly and is calculated on the outstanding balance of the Mortgage Loan (or relevant part thereof).

Investment-based Mortgage Loans:

A portion of the Mortgage Loans (or Loan Parts thereof) will be in the form of Investment-based Mortgage Loans. An Investment-based Mortgage Loan is a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity, but undertakes to invest defined amounts through a Borrower Investment Account. It is the intention that the Investment-based Mortgage Loans will be fully or partially repaid by means of the proceeds and principal of these investments. The rights under these investments are subject to a right of pledge of the Seller as security for repayment of the relevant Investment-based Mortgage Loan.

Bank Savings Mortgage Loans:

A portion of the Mortgage Loans (or Loan Parts thereof) will be in the form of Bank Savings Mortgage Loans. A Bank Savings Mortgage Loan is a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity but instead makes a deposit into the relevant Bank Savings Account on a monthly basis. The Bank Savings Deposit is calculated in such a manner that, on an annuity basis, the balance standing to the credit of the Bank Savings Account is equal to the relevant part of the amount due by the Borrower to the Seller at maturity of the Bank Savings Mortgage Loan. The Bank Savings Deposit are subject to a right of pledge of the Seller as security for repayment of the relevant Bank Savings Mortgage Loan.

Life Mortgage Loans:

A portion of the Mortgage Loans (or Loan Parts thereof) will be in the form of Life Mortgage Loans. A Life Mortgage Loan is a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity, but instead pays on a monthly basis a premium to the relevant Insurance Company under a Life Insurance Policy. The premium consists, apart from a cost element, of a risk element and a capital element. It is the intention that the Life Mortgage Loans will be fully or partially repaid by means of the proceeds of the investments under the Life Insurance Policy. The rights under the Life Insurance Policy are subject to a right of pledge of the Seller as security for repayment of the relevant Life Mortgage Loan.

2.6 PORTFOLIO DOCUMENTATION

Purchase of Mortgage Receivables:

Under the Mortgage Receivables Purchase Agreement, the Issuer will on the Signing Date purchase and on the Closing Date accept the assignment of the Mortgage Receivables. The Seller has the benefit of Beneficiary Rights which entitle the Seller to receive the final payment under the relevant Insurance Policies, which payment is to be applied towards redemption of the Mortgage Receivables. Under the Mortgage Receivables Purchase Agreement, to the extent legally possible, the Seller will assign such Beneficiary Rights to the Issuer and the Issuer will accept such assignment.

Part of the Mortgage Receivables are Floating Rate Mortgage Receivables, which result from a Mortgage Loan or Loan Part bearing a floating rate of interest and part of the Mortgage Receivables are Fixed Rate Mortgage Receivables, which result from a Mortgage Loan or Loan Part bearing a fixed rate of interest. The Mortgage Receivables in connection with a Mortgage Loan may consist of both a Floating Rate Mortgage Receivable and a Fixed Rate Mortgage Receivable.

See further section 7.1 (Purchase, Repurchase and Sale).

Substitution and purchase of New Mortgage Receivables and Further Advance Receivables:

The Mortgage Receivables Purchase Agreement provides that on each Notes Payment Date until the First Optional Redemption Date, (a) the Seller may offer for sale and assignment any Further Advance Receivables resulting from Further Advances granted by the Seller in the preceding Mortgage Calculation Period and the Issuer shall apply the Further Advance Purchase Available Amount towards the purchase of any such Further Advance Receivables and (b) the Seller may offer for sale and assignment any New Mortgage Receivables and the Issuer shall apply the New Mortgage Receivables Purchase Available Amount towards the purchase of any such New Mortgage Receivables, if and to the extent offered by the Seller, subject to certain conditions being met.

Repurchase of Mortgage Receivables:

In the Mortgage Receivables Purchase Agreement, the Seller has undertaken to repurchase a Mortgage Receivable and accept reassignment of such Mortgage Receivable and the Beneficiary Rights on the immediately succeeding Mortgage Collection Payment Date if:

- (i) at any time any of the representations and warranties given by the Seller in respect of the Mortgage Loans and the Mortgage Receivables proves to have been untrue or incorrect in any material respect and the Seller has not within fourteen (14) days of receipt of written notice thereof from the Issuer or the Security Trustee remedied the matter or if such matter is not capable of being remedied within the said period of fourteen (14) days;
- (ii) in a Mortgage Calculation Period the Seller agrees with a Borrower to grant a Further Advance and the relevant Further Advance Receivable is not purchased by the Issuer on the Notes Payment Date immediately succeeding such Mortgage Calculation Period;
- (iii) the Mortgage Interest Rate in respect of a Fixed Rate Mortgage Receivable is reset and as a result thereof the weighted average interest rate would fall or falls below 1.0 per

cent.;

- (iv) the aggregate Net Outstanding Principal Amount of all Floating Rate Mortgage Receivables exceeds five (5) per cent. of the aggregate Net Outstanding Principal amount of all Mortgage Receivables, provided that it will only repurchase such Mortgage Receivables to the extent necessary to decrease the aggregate Net Outstanding Principal Amount of all Floating Rate Mortgage Receivables to less than five (5) per cent. of the aggregate Net Outstanding Principal amount of all Mortgage Receivables);
- (v) the Seller agrees with a Borrower to a Non-Permitted Mortgage Loan Amendment; or
- (vi) (a) prior to foreclosure of a NHG Mortgage Loan, such NHG Mortgage Loan no longer has the benefit of a NHG Guarantee, or (b) following foreclosure of a NHG Mortgage Loan, the amount actually reimbursed under the NHG Guarantee is lower than the amount claimable had the terms of the NHG Guarantee been met, each time as a result of an action taken or omitted to be taken by the Seller or the Servicer.

The purchase price for the Mortgage Receivable in such events will be equal to the Outstanding Principal Amount of the Mortgage Receivable, together with due and overdue interest and reasonable costs, if any (including any costs incurred by the Issuer in effecting and completing such repurchase and re-assignment), accrued up to but excluding the date of repurchase and re-assignment of the Mortgage Receivable, save that in the event of a repurchase set forth in item (vi) sub (b) above, the purchase price shall be equal to the amount that was not reimbursed under the relevant NHG Guarantee as a result of an action taken or omitted to be taken by the Seller or the Servicer.

Other than in the events set out above, the Seller will not be obliged to repurchase any Mortgage Receivables from the Issuer. In addition, the Seller has no right to repurchase and accept re-assignment of any Mortgage Receivables which are in arrears, other than in respect of Mortgage Receivables the Seller is obliged to repurchase in case an event as set out in item (i) above occurs.

Sale of Mortgage Receivables:

The Issuer will have the right to sell and assign all, but not some, of the Mortgage Receivables (i) on each Optional Redemption Date and (ii) if it exercises the Tax Call Option, each provided that the Issuer shall apply the proceeds of such sale, to the extent relating to principal, to redeem the Notes at their respective Principal Amount Outstanding, subject to and in accordance with Condition 9(a) (*Principal*).

Right of first refusal by the Seller

If the Issuer decides to offer for sale the Mortgage Receivables, it will first offer the Mortgage Receivables to the Seller.

Purchase Price

The purchase price of each Mortgage Receivable in the event of such sale shall be at least equal to the Outstanding Principal Amount, together with accrued interest due but unpaid and reasonable costs, if any of the Mortgage Receivable.

Clean-Up Call Option:

If on any Notes Payment Date, the aggregate Outstanding Principal Amount of the Mortgage Receivables is not more than ten (10) per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables on the Closing Date, the Seller has the right to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables.

The Issuer has undertaken in the Mortgage Receivables Purchase Agreement to sell and assign the Mortgage Receivables to the Seller, or any third party appointed by the Seller at its sole discretion, in case the Seller exercises the Clean-Up Call Option. The proceeds of such sale shall be applied by the Issuer towards redemption of the Notes subject to and in accordance with Condition 6(b) (*Mandatory Redemption*) and Condition 9(a) (*Principal*). The purchase price will be as described in section 7.1 (*Purchase, Repurchase and Sale*).

Bank Savings Participation Agreement:

Under the terms of the Bank Savings Participation Agreement with the Bank Savings Participant, the Bank Savings Participant will acquire participations in the Bank Savings Mortgage Receivables in consideration for the undertaking of the Bank Savings Participant to pay to the Issuer all amounts received as Bank Savings Deposits. As a result, the Bank Savings Participant is entitled to receive the Bank Savings Participation Redemption Available Amount from the Issuer.

The amount of the Bank Savings Participation with respect to a Bank Savings Mortgage Receivable consists of (a) the Initial Bank Savings Participation increased on a monthly basis with (b) the sum of (i) the increase of the Bank Savings Deposit received by the Bank Savings Participant in relation to the Bank Savings Mortgage Receivables and paid to the Issuer and (ii) a *pro rata* part, corresponding to the Bank Savings Participation in the Bank Savings Mortgage Receivable, of the interest received by the Issuer in respect of such Bank Savings Mortgage Receivable. See section 7.6 (*Sub-Participation*).

Servicing Agreement:

Under the terms of the Servicing Agreement, the Servicer will agree (i) to provide administration and cash management services to the Issuer on a day-to-day basis in relation to the Mortgage Loans and the Mortgage Receivables, including, without limitation, the collection and recording of payments of principal, interest and other amounts in respect of the Mortgage Receivables and the implementation of arrears procedures including the enforcement of mortgage rights, (ii) to communicate with the relevant Borrowers, (iii) to investigate and pursue payment delinquencies and (iv) to prepare and provide the Issuer Administrator with certain statistical information regarding the Issuer as required by law, for submission to the relevant regulatory authorities. See section 7.5 (Servicing Agreement).

2.7 GENERAL

Management Agreements:

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

2.8 RESPONSIBILITY STATEMENTS AND IMPORTANT INFORMATION

Responsibility statement

The Issuer is responsible for the information contained in this Prospectus. To the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import. Any information from third parties contained and specified as such in this Prospectus has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

In addition to the Issuer, the Seller is also responsible for the information contained in the following sections of this Prospectus: 3.4 (*Seller*), 6 (*Portfolio Information*), 7.5 (*Servicing Agreement*) and 8 (*General*). The Seller is also responsible for the information contained in the following sections of this Prospectus: all paragraphs dealing with articles 5, 6 and 7 of the Securitisation Regulation and all paragraphs in section 4.4 (*Regulatory and Industry Compliance*) and all other paragraphs to the extent relating to the Seller. To the best of the Seller's knowledge, the information contained in these sections is in accordance with the facts and does not omit anything likely to affect the import of such information. The Seller accepts responsibility accordingly.

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

Notice

This Prospectus has been approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus nor as an endorsement of the quality of any Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

No person has been authorised by the Issuer or the Seller to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Seller and the Manager.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Manager as to the accuracy or completeness of any information contained in this Prospectus.

None of the Issuer, the Arranger, the Manager, the Seller, the Security Trustee or any other person makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations and prospective investors or purchasers should consult their legal advisers to determine whether and to what extent the investment in the Notes constitute a legal investment for them. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes and the merits of investing in the Notes;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of his

- particular financial situation, an investment in the Notes and the impact the Notes will have on his overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices in the financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks (including, without limitation, those described in section 1 (*Risk Factors*)).

The Notes are complex financial products. Investors in the Notes must be able to make an informed assessment of the Notes, based upon full knowledge and understanding of the facts and risks. Investors must determine the suitability of that investment in light of its own circumstances. Potential investors should consider the tax consequences of investing in the Notes and consult their tax advisor about their own tax situation.

This Prospectus is to be read in conjunction with the articles of association of the Issuer (which, for the avoidance of doubt, do not form part of the Prospectus), which can be obtained at the office of the Issuer (see section 8 (*General*)). Neither this Prospectus nor any part thereof constitutes an offer or an invitation to sell or a solicitation of an offer to buy Notes, including in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law.

Forecasts and estimates in this Prospectus are forward looking statements. Such projections are speculative in nature and it can be expected that some or all of the assumptions underlying the projections will not prove to be correct or will vary from actual results. Consequently, the actual result might differ from the projections and such differences might be significant.

Persons into whose possession this Prospectus (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. A further description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in section 4.3 (Subscription and Sale).

Neither the delivery of this Prospectus at any time nor any sale made in connection with the offering of the Notes shall imply that the information contained herein is correct at any time subsequent to the date of this Prospectus. Neither the Issuer nor the Seller has an obligation to update this Prospectus after the date on which the Notes are issued or admitted to trading.

The Manager expressly does not undertake to review the financial conditions or affairs of the Issuer during the life of the Notes. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase, hold or sell any Notes during the life of the Notes.

Important Information

The Notes have not been and will not be registered under the Securities Act, the securities laws of any state of the United States or any other relevant jurisdiction. The Notes are in bearer form that are subject to United States tax law requirements. The Notes may not be offered, sold or delivered within the United States or to U.S. persons as defined in Regulation S under the Securities Act, except in certain transactions permitted by or exempted from the Securities Act and, where applicable, permitted by or exempted from U.S. tax regulations and Regulation S under the Securities Act (see section 4.3 (Subscription and Sale)). The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering on accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended,

"Insurance Distribution Directive") where in both instances (i) and this (ii) that client or customer, as applicable, would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

EU MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET: Solely for the product approval process of the Arranger, the Manager and the Seller (each a "**Manufacturer**"), the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the Manufacturer's target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the Manufacturer's target market assessment) and determining appropriate distribution channels.

3. PRINCIPAL PARTIES

3.1 ISSUER

Lowland Mortgage Backed Securities 7 B.V. is a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under Dutch law on 28 February 2023. The Issuer operates under Dutch law. The corporate seat (statutaire zetel) of the Issuer is in Amsterdam, the Netherlands. The registered office of the Issuer is at Basisweg 10, 1043 AP Amsterdam, the Netherlands and its telephone number is +31 20 5214777. The Issuer is registered with the Commercial Register of the Chamber of Commerce under number 89407326. The Legal Entity Identifier (LEI) of the Issuer is 72450065LXDMY5SJJW05.

The Issuer is a special purpose vehicle, whose objectives are (a) to acquire, purchase, conduct the management of, dispose of and to encumber assets including receivables under or in connection with loans granted by a third party or by third parties and to exercise any rights connected to such receivables, (b) to acquire moneys to finance the acquisition of the assets including the receivables, mentioned under (a), by way of issuing notes or other securities or by way of entering into loan agreements, (c) to on-lend and invest any funds held by the Issuer, (d) to hedge interest rate and other financial risks, amongst others by entering into derivatives agreements, such as swaps, (e) in connection with the foregoing: (i) to borrow funds, amongst others to repay the obligations under the securities mentioned under (b), and (ii) to grant security rights or to release security rights to third parties; and (f) to do anything which, in the widest sense of the words, is connected with or may be conducive to the attainment of these objects the above solely in the context of a securitisation transaction that falls within the scope of article 2(1) of the Securitisation Regulation or similar transaction

The Issuer has an authorised share capital of EUR 1.00, of which EUR 1.00 has been issued and is fully paid. All shares of the Issuer are held by the Shareholder.

Statement by Issuer Director

Since its incorporation there has been no material adverse change in the financial position or prospects of the Issuer and (i) the Issuer has not commenced operations, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions, save for the activities related to its establishment and the securitisation transaction described in this Prospectus, (ii) there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware) which may have, or have had during the twelve (12) months prior to the date of this Prospectus, a significant effect on the Issuer's financial position or profitability and (iii) the Issuer has not prepared any financial statements.

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

The Issuer Director

The sole managing director of the Issuer is Intertrust Management B.V. The managing directors of Intertrust Management B.V. are E.M. van Ankeren, M.A. Delfos and M.M. Vermeulen-Atikian. The managing directors of Intertrust Management B.V. have chosen domicile at the office address of Intertrust Management B.V., being Basisweg 10, 1043 AP Amsterdam, the Netherlands.

The sole shareholder of Intertrust Management B.V. is Intertrust (Netherlands) B.V., which is also the sole managing director of the Shareholder.

The objectives of Intertrust Management B.V. are (a) to represent financial, economic and administrative interests domestically and abroad, (b) to act as trust office, (c) to participate in, to finance, to collaborate with, to conduct the management of companies and other enterprises, (d) to provide advice and other services; (e) to acquire, use and/or assign industrial and intellectual property rights, as well as real property, (f) to provide security for the debts of legal entities or of other companies with which the company is affiliated, or for the debts of third parties, (g) to invest funds and (h) to undertake all actions that are deemed to be necessary to the foregoing, or in furtherance thereof, all in the widest sense of the words.

The Issuer Director has entered into the Issuer Management Agreement with the Issuer and the Security Trustee pursuant to which the Issuer Director agrees and undertakes, *inter alia*, that it shall (i) manage the

affairs of the Issuer in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and Dutch accounting practice with the same care that it exercises or would exercise in connection with the administration of similar matters, whether held for its own account or for the account of third parties and (ii) refrain from taking any action detrimental to the Issuer's ability to meet its obligations under any of the Transaction Documents. In addition, the Issuer Director agrees in the Issuer Management Agreement that it shall not as director of the Issuer agree to any modification of any agreement including, but not limited to, the Transaction Documents, or enter into any other agreement, other than in accordance with the Trust Deed and the other Transaction Documents.

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

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

The auditor of the Issuer is Ernst & Young Accountants LLP, appointed as the Issuer's independent auditor upon the Issuer Director having informed the AFM on such appointment. Ernst & Young Accountants LLP's principal place of business is at Boompjes 258, 3011 XZ Rotterdam, the Netherlands. Ernst & Young Accountants LLP is registered at the Chamber of Commerce under number 24432944. The registeraccountants (*registeraccountants*) of Ernst & Young Accountants LLP are members of the NBA (*Koninklijke Nederlandse Beroepsorganisatie van Accountants* - the Royal Netherlands Institute of Chartered Accountants). The NBA is the professional body for accountants in the Netherlands.

The financial year of the Issuer coincides with the calendar year, except for the first financial year, which ends on 31 December 2024.

Capitalisation

The following table shows the capitalisation of the Issuer as of the date of this Prospectus as adjusted to give effect to the issue of the Notes:

Share Capital

Authorised Share Capital EUR 1.00 Issued Share Capital EUR 1.00

Assets

Mortgage Receivables EUR 8,062,231,065.69

Balance on accounts EUR 0.50

Borrowings

 Class A Notes
 EUR 7,560,000,000

 Class B Notes
 EUR 156,000,000

 Class C Notes
 EUR 120,000,000

 Class D Notes
 EUR 104,000,000

 Class E Notes
 EUR 60,000,000

3.2 SHAREHOLDER

Stichting Holland Euro-Denominated Mortgage Backed Series (Hermes) Holding is a foundation (*stichting*) incorporated under Dutch law on 19 June 2001. The statutory seat (*statutaire zetel*) of the Shareholder is in Amsterdam, the Netherlands. The registered office of the Shareholder is at Basisweg 10, 1043 AP Amsterdam, the Netherlands and its telephone number is +31 20 5214 777. The Shareholder is registered with the Commercial Register of the Chamber of Commerce under number 34157955.

The objects of the Shareholder are, *inter alia*, to incorporate, acquire and to hold shares in the share capital of the Issuer, to conduct the management of and to administrate shares in the Issuer, to exercise any rights connected to the shares in the Issuer, to grant loans to the Issuer and to alienate and to encumber shares in the Issuer.

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

The sole managing director of the Shareholder is Intertrust (Netherlands) B.V., which is the sole shareholder of Intertrust Management B.V., being the Issuer Director. The sole shareholder of Intertrust (Netherlands) B.V. is Intertrust Group B.V.

3.3 SECURITY TRUSTEE

Stichting Security Trustee Lowland Mortgage Backed Securities 7 is a foundation (*stichting*) incorporated under Dutch law on 5 April 2023. The statutory seat (*statutaire zetel*) of the Security Trustee is in Amsterdam, the Netherlands and its registered office is at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands and its telephone number is +31 20 522 25 55. The Security Trustee is registered with the Commercial Register of the Chamber of Commerce under number 89836146.

The objects of the Security Trustee are (a) to act as security trustee for the benefit of the creditors of the Issuer, including the holders of notes to be issued by the Issuer; (b) to acquire, hold and administer security rights in its own name, and if necessary to enforce such security rights, for the benefit of the creditors of the Issuer, including the holders of the notes to be issued by the Issuer, and to perform acts and legal acts, including the acceptance of a parallel debt obligation from the Issuer, which are conducive to the acquiring and holding of the abovementioned security rights; (c) to borrow money; and (d) to do anything which, in the widest sense of the words, is connected with and/or may be conducive to the attainment of the above.

The sole managing director of the Security Trustee is IQ EQ Structured Finance B.V., having its registered office at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands. The managing directors of IQ EQ Structured Finance B.V. are H. Plas and I.J. F. Hollman.

The Security Trustee has agreed to act as security trustee for the holders of the Notes and to pay any amounts received from the Issuer or amounts collected by the Security Trustee under the Pledge Agreements to the Noteholders subject to and pursuant to the Trust Deed and subject to and in accordance with the Post-Enforcement Priority of Payments.

In addition, the Security Trustee has agreed to act as security trustee vis-à-vis the other Secured Creditors and to pay to such Secured Creditors any amounts received from the Issuer or amounts collected by the Security Trustee under the Pledge Agreements to which the relevant Secured Creditor is a party subject and pursuant to the Trust Deed and subject to and in accordance with the Post-Enforcement Priority of Payments.

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

The Security Trustee Director has entered into the Security Trustee Management Agreement with the Security Trustee and the Issuer pursuant to which the Security Trustee Director agrees and undertakes, *inter alia*, that it shall (i) manage the affairs of the Security Trustee in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and Dutch accounting practice with the same care that it exercises or would exercise in connection with the administration of similar matters whether held for its own account or for the account of third parties and (ii) refrain from taking any action detrimental to the Security Trustee's ability to meets its obligations under any of the Transaction Documents. In addition, the Security Trustee Director agrees in the Security Trustee Management Agreement that it will not agree to any modification of any agreement including, but not limited to, the Transaction Documents, or enter into any agreement, other than in accordance with the Trust Deed and the other Transaction Documents.

As set out in the Trust Deed, the Security Trustee shall not retire or be removed from its duties under the Trust Deed until all amounts payable by the Issuer to the Secured Creditors have been paid in full. However, the Noteholders of the Most Senior Class of Notes can resolve to dismiss the Security Trustee Director as the director of the Security Trustee by an Extraordinary Resolution, on the basis of the Trust Deed and the articles of association of the Security Trustee. The Security Trustee Management Agreement may be terminated by the Security Trustee or the Issuer on behalf of the Security Trustee upon the occurrence of certain termination events, including, but not limited to, a default by the Security Trustee Director (unless remedied within the applicable grace period), dissolution and liquidation of the Security Trustee Director or the Security Trustee Director being declared bankrupt or granted a suspension of payments, provided that the Credit Rating Agencies are notified of such default and after consultation with the Secured Creditors, other than the Noteholders.

Furthermore, the Security Trustee Management Agreement can be terminated by the Security Trustee Director or the Security Trustee or the Issuer on behalf of the Security Trustee per the end of each calendar year upon ninety (90) days prior written notice. The Security Trustee Director shall only resign from its position as director of the Security Trustee as soon as a suitable person, trust or administration office, reasonably acceptable to the Issuer, after having consulted the Secured Creditors, other than the Noteholders, has been appointed to act as director of the Security Trustee and provided that the Security Trustee has notified the Credit Rating Agencies and that the Security Trustee, in its reasonable opinion, does not expect that the then current credit ratings assigned to the Class A Notes will be adversely affected as a consequence thereof.

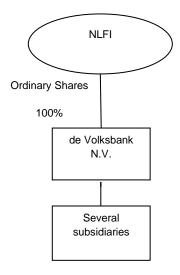
3.4 SELLER

Incorporation and ownership

de Volksbank N.V. was incorporated on 18 December 1990 as a 'naamloze vennootschap', a public limited liability company under Dutch law, as a result of the merger of several regional savings banks. Its legal name is de Volksbank N.V. and its corporate seat is in Utrecht, the Netherlands. The registered office of the Seller is Croeselaan 1, 3521 BJ, Utrecht, the Netherlands and the Seller is registered in the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*), under number 16062338. The Legal Entity Identifier (LEI) of the Seller is 724500A1FNICHSDF2I11. The telephone number of the Seller is +31(0)30 291 5200. The website of the Seller is https://www.devolksbank.nl. Any information contained in or accessible through any website, including www.devolksbank.nl, does not form a part of the Prospectus, unless specifically stated in the Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Prospectus that all or any portion of such information is incorporated by reference in the Prospectus.

The articles of association of the Seller were most recently amended by notarial deed on 30 March 2019 before Mr. W.H. Bossenbroek, civil law notary practicing in Amsterdam, the Netherlands.

As per the date of this Prospectus, NLFI is, on behalf of the Dutch State, the sole shareholder of the Seller (see chart below). NLFI as the sole shareholder may exercise control over the Seller. With a view of the objectives and governance of the NLFI, such control will likely be exercised in a prudent manner. NLFI has expressed, amongst other things, that in exercising the rights attached to the shares it will be guided primarily by the financial and economic interests of the holder of the depositary receipts for shares issued by NLFI (i.e. the Dutch State), taking into account the interests of the Seller and all the employees concerned. This entails, *inter alia*, that NLFI will monitor that the Seller pursues a responsible corporate strategy that is in line with sound commercial business operations and the applicable rules of good corporate governance. NLFI has expressed that it will exercise the rights attached to the shares in such a way that the Seller decides its own commercial strategy independently and exercises the day-to-day running of its company so that there is no question of coordinating the commercial policy of the Seller.



Rating Agencies

de Volksbank has been rated by independent rating agencies Moody's, S&P and Fitch. The most recently published reports by these rating agencies, expressing opinions on any of the ratings assigned to de Volksbank, are made available on https://www.devolksbank.nl/investor-relations/credit-ratings. Please see below an overview of the ratings assigned to de Volksbank.

Ratings of de Volksbank per date of this Prospectus

| Long-term credit ratings | S&P | Moody's | Fitch |
|--------------------------|------------|----------------------------------|-------------|
| de Volksbank | A (stable) | Senior unsecured: A2 (stable) | A- (stable) |

| Short-term credit ratings | S&P | Moody's | Fitch |
|---------------------------|-----|---------|-------|
| de Volksbank | A-1 | P-1 | F1 |

Company profile

de Volksbank has a focus on the Dutch market, offering understandable and transparent mortgage, savings and payment products to private individuals and smaller companies. de Volksbank also offers insurance and investment services and aims to maintain its strong liquidity profile and capital structure.

de Volksbank is pursuing a multi-brand strategy with ASN Bank, BLG Wonen, RegioBank and SNS. Each of these brands has its own distinctive profile that meets the needs of its customer group. A single back office, a powerful IT organisation and a central staff organisation allow de Volksbank to operate effectively and efficiently.

The mission of de Volksbank – *banking with a human touch* – is described in its manifesto. To live up to this mission, de Volksbank has the ambition to optimise shared value. This means that de Volksbank serves the joint interests of customers, society, employees and shareholder(s).

de Volksbank has the following four bank brands each displaying its own identity and image. ASN Bank, BLG Wonen, RegioBank and SNS.

Four Bank brands:

- ASN Bank seeks to make sustainability accessible to all Dutch people, enabling them to use their money to do the right thing for people, animals and nature all over the country;
- BLG Wonen enables a society in which people can give contentedly in a manner that suits their wishes and financial situation. Now and in the future;
- RegioBank is committed to maintain the quality of life in Dutch communities by taking on the role of community builder and contributing to social and economic vitality; and
- SNS helps people achieve their goals and dreams by focussing on the growth of each individual. SNS believes that if everyone is allowed to grow in their own way, it will make the Netherlands stronger.

Conflict of interest

de Volksbank acts in different capacitates in relation to the Transaction Documents. In its capacity as Seller, Servicer, Issuer Administrator, Cash Advance Facility Provider, Issuer Account Bank, Bank Savings Participant, Arranger and Manager, de Volksbank is not obliged to take into consideration the interests of the Noteholders.

3.5 SERVICER

The Issuer has appointed de Volksbank to act as its Servicer in accordance with the terms of the Servicing Agreement, to provide certain of the Mortgage Loan Services in respect of the Mortgage Receivables.

For further information regarding de Volksbank see section 3.4 (Seller).

3.6 ISSUER ADMINISTRATOR

The Issuer has appointed de Volksbank to act as its Issuer Administrator in accordance with the terms of the Administration Agreement.

For further information regarding de Volksbank see section 3.4 (Seller).

3.7 OTHER PARTIES

Certain parties set out below may be replaced, as the case may be, in accordance with the terms of the Transaction Documents

Cash Advance Facility Provider: de Volksbank.

Issuer Account Bank: de Volksbank.

Collection Foundation: Stichting Hypotheken Incasso, incorporated under Dutch law as a

foundation (stichting) and established in Amsterdam, the Netherlands.

Foundation Account Providers: de Volksbank and Rabobank.

Foundation Administrator: de Volksbank.

Previous Transaction SPVs: PEARL Mortgage Backed Securities 1 B.V., Lowland Mortgage Backed

Securities 5 B.V., Lowland Mortgage Backed Securities 6 B.V. and

Volks Covered Bond Company B.V.

Previous Transaction Security

Trustees:

Stichting Security Trustee PEARL Mortgage Backed Securities 1, Stichting Security Trustee Lowland Mortgage Backed Securities 5, Stichting Security Trustee Lowland Mortgage Backed Securities 6 and

Stichting Security Trustee Volks Covered Bond Company.

Directors: Intertrust Management B.V., being the sole managing director of the

Issuer, IQ EQ Structured Finance B.V., being the sole managing director of the Security Trustee and Intertrust (Netherlands) B.V., being

the sole managing director of the Shareholder.

Paying Agent: ABN AMRO Bank.

Listing Agent: ABN AMRO Bank.

Common Safekeeper: Euroclear in respect of the Class A Notes.

A common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg in respect of the Class B Notes, the Class C Notes, the

Class D Notes and the Class E Notes.

Life Insurance Company: SRLEV N.V.

Bank Savings Participant: de Volksbank.

Arranger: de Volksbank.

Manager: de Volksbank.

4. NOTES

4.1 TERMS AND CONDITIONS

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

The issue of the EUR 7,560,000,000 class A mortgage-backed fixed rate notes 2023 due 2060 (the "Class A Notes"), the EUR 156,000,000 class B mortgage-backed notes 2023 due 2060 (the "Class B Notes"), the EUR 120,000,000 class C mortgage-backed notes 2023 due 2060 (the "Class C Notes"), the EUR 104,000,000 class D mortgage-backed notes 2023 due 2060 (the "Class D Notes") and the EUR 60,000,000 class E mortgage-backed notes 2023 due 2060 (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 "Notes") was authorised by a resolution of the managing director of the Issuer passed on 5 April 2023. The Notes are or will be issued under a trust deed dated on or about 12 April 2023, as amended from time to time (the "Trust Deed") between the Issuer, the Shareholder and the Security Trustee.

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

Unless otherwise defined herein, words and expressions used below are defined in a master definitions agreement dated the Signing Date and entered into between the Issuer, the Security Trustee, the Seller and certain other parties as amended from time to time (the "Master Definitions Agreement"). Such words and expressions shall, except where the context requires otherwise, have the same meanings in these Conditions. If the terms or definitions in the Master Definitions Agreement conflict with the terms and/or definitions used herein, the terms and definitions of these Conditions shall prevail. As used herein, Class means the Class A Notes or the Class B Notes or the Class C Notes or the Class D Notes or the Class E Notes, as the case may be.

Copies of the Trust Deed, the Paying Agency Agreement, the Parallel Debt Agreement, the Pledge Agreements and the Master Definitions Agreement and certain other Transaction Documents (see section 8 (General)) are available for inspection, free of charge, by Noteholders and prospective noteholders during normal business hours at the specified office of the Security Trustee and the Paying Agent, being at the date hereof, with respect to the Security Trustee: Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands, and with respect to the Paying Agent: Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands and in electronic form upon e-mail request at NLSupervisory@iqeq.com@iqeq.com corporate.broking@nl.abnamro.com. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Paying Agency Agreement, the Parallel Debt Agreement, the Pledge Agreements and the Master Definitions Agreement and reference to anv document is considered to be a reference to such document as amended, supplemented, restated, novated or otherwise modified from time to time.

1. Form, Denomination and Title

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

2. Status and Relationship between the Classes of Notes and Security

(a) The Notes of each Class are direct and unconditional obligations of the Issuer and rank *pro rata* and *pari passu* without any preference or priority among Notes of the same Class.

- (b) In accordance with the provisions of Condition 4 (*Interest*), Condition 6 (*Redemption*) and Condition 9 (*Subordination and Limited Recourse*) and the Trust Deed (i) payments of principal on the Class B Notes are subordinated to, *inter alia*, payments of principal and, in certain circumstances, interest on the Class A Notes (ii) payments of principal on the Class C Notes are subordinated to, *inter alia*, payments of principal and, in certain circumstances, interest on the Class A Notes and principal on the Class B Notes and (iii) payments of principal on the Class D Notes are subordinated to, *inter alia*, payments of principal and, in certain circumstances, interest on the Class A Notes, and principal on the Class B Notes and the Class C Notes and (iv) payments of principal on the Class E Notes are subordinated to, *inter alia*, payments of principal and, in certain circumstances, interest on the Class A Notes and payments of principal on the Class B Notes, the Class C Notes and the Class D Notes.
- (c) The Security for the obligations of the Issuer towards, *inter alia*, the Noteholders will be created pursuant to, and on the terms set out in, the Trust Deed, the Parallel Debt Agreement and the Pledge Agreements, which will create the following security rights:
 - (i) a first ranking pledge by the Issuer in favour of the Security Trustee over the Mortgage Receivables and the Beneficiary Rights; and
 - (ii) a first ranking pledge by the Issuer in favour of the Security Trustee over the Issuer Rights.
- (d) The obligations under the Notes will be secured (indirectly) by the Security. The obligations under the Class A Notes will rank in priority to the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the obligations under the Class B Notes will rank in priority to the Class C Notes, the Class D Notes and the Class E Notes, the obligations under the Class C Notes will rank in priority to the Class D Notes and the Class E Notes and the obligations under the Class D Notes will rank in priority to the Class E Notes, each in the event of the Security being enforced. The "Most Senior Class of Notes" means the Class A Notes, or if there are no Class A Notes outstanding, the Class B Notes, or if there are no Class B Notes outstanding, the Class C Notes or if there are no Class C Notes outstanding, the Class D Notes, or if there are no Class D Notes outstanding, the Class E Notes. The Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of the Noteholders each as a Class and not to the consequences of such exercise upon individual Noteholders. If, in the sole opinion of the Security Trustee, there is a conflict between the interests of the holders of different Classes of Notes, the Security Trustee shall have regard only to the interests of the holders of the Most Senior Class of Notes. In addition, the Security Trustee shall have regard to the interests of the other Secured Creditors, provided that in case of a conflict of interest between the Secured Creditors, the Post-Enforcement Priority of Payments set forth in the Trust Deed, determines which interest of which Secured Creditor prevails.

3. Covenants of the Issuer

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

- (a) carry out any business other than as described in the Prospectus relating to the issue of the Notes and as contemplated by the Transaction Documents;
- (b) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness;
- (c) create or promise to create any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or use, invest, sell, transfer or otherwise dispose of or grant any options or rights on any part of its assets;
- (d) consolidate or merge with any other person or convey or transfer its assets substantially or as an entirety to one or more persons;

- (e) permit the validity or effectiveness of the Transaction Documents, or the priority of the security created thereby or pursuant thereto to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of such security rights to be released from such obligations or consent to any waiver;
- (f) have any employees or premises or have any subsidiary or subsidiary undertaking;
- (g) have an interest in any bank account other than the Issuer Accounts, unless all rights in relation to such account have been pledged to the Security Trustee as provided in Condition 2(c)(ii); or
- (h) take any action which will cause its "centre of main interests" within the meaning of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) to be located outside of the Netherlands.

4. Interest

(a) Period of Accrual

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

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

Whenever it is necessary to compute an amount of interest in respect of any Note for any period, such interest shall be calculated with respect to the Class A Notes on the basis of the number of days (to be calculated on the basis of a year of 360 days with 12 30 day months) in the Notes Calculation Period divided by a 360 day year, provided that the number of days in each Notes Calculation Period shall be calculated as if the Notes Payment Dates were not subject to adjustment.

No interest will be payable in respect of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

(b) Notes Calculation Periods and Notes Payment Dates

Interest on the Class A Notes is payable by reference to successive Notes Calculation Periods. Each successive Notes Calculation Period will commence on (and include) a Notes Payment Date and end on (but exclude) the next succeeding Notes Payment Date, except for the first Notes Calculation Period, which will commence on (and include) the Closing Date and end on (but exclude) the Notes Payment Date falling in May 2023. Interest on the Class A Notes shall be payable monthly in arrear in euros, in each case in respect of the Principal Amount Outstanding of each of such Notes at opening of business on each Notes Payment Date.

(c) Interest on the Class A Notes

The rate of interest applicable to the Class A Notes in respect of each Notes Calculation Period shall be 1 per cent. per annum.

(d) Calculation of Fixed Rate Interest Amounts

The Paying Agent will, as soon as practicable after 11.00 am (Amsterdam time) on each Interest Determination Date, calculate the Fixed Rate Interest Amount by applying, as provided in Condition 4(a) (*Period of Accrual*), a Fixed Interest Rate to the Principal Amount Outstanding of the Class A Notes. The determination of the Fixed Interest Amount by the Paying Agent shall (in the absence of manifest error) be final and binding on all parties.

(e) Notification of Fixed Rate Interest Amounts

The Paying Agent will cause the Fixed Rate Interest Amount and the Notes Payment Date applicable to the Class A Notes to be notified to the Issuer, the Security Trustee, the Issuer Administrator, Euronext Amsterdam and notice thereof to be published in accordance with Condition 13 (*Notices*), as soon as possible after the determination. The Fixed Rate Interest Amount and Notes Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Notes Calculation Period.

(f) Calculation by Security Trustee

If the Paying Agent fails to calculate the Fixed Rate Interest Amount in accordance with Condition 4(d) (*Calculation of Fixed Rate Interest Amounts*) above, the Security Trustee shall calculate the Fixed Rate Interest Amount in accordance with Condition 4(d) above, and each such calculation shall (in the absence of manifest error) be final and binding on all parties.

(g) No Interest on Class B Notes, Class C Notes, Class D Notes and Class E Notes The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will not bear any interest.

5. Payment

- (a) Payment of principal and, to the extent applicable, interest, in respect of the Notes will be made upon presentation of the Note and against surrender of the relevant Coupon appertaining thereto at any specified office of the Paying Agent by transfer to a EUR account. All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment and any FATCA Withholding.
- (b) At the Final Maturity Date, or such earlier date on which the Notes become due and payable, the Notes should be presented for payment together with all unmatured Coupons appertaining thereto, failing which the full amount of any such missing unmatured Coupons (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupons which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of five years following the due date for payment of such principal (whether or not such Coupons would have become void pursuant to Condition 8 (*Prescription*)).
- (c) If the relevant Notes Payment Date is not a day on which banks are open for business in the place of presentation of the relevant Note or Coupon, the holder thereof shall not be entitled to payment until the next following day on which banks are open for business in the place of presentation, or to any interest or other payment in respect of such delay, provided that in the case of payment by transfer to an EUR account as referred to above, the Paying Agent shall not be obliged to credit such account until the day on which banks in the place of such account are open for business immediately following the day on which banks are open for business in the Netherlands.
- (d) The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint additional or other paying agents provided that no paying agent located in the United States of America will be appointed. Notice of any termination or appointment of a Paying Agent and of any changes in the specified offices of the Paying Agent will be given to the Noteholders in accordance with Condition 13 (*Notices*).

6. Redemption

(a) Final redemption

If and to the extent not otherwise redeemed, the Issuer will redeem the Notes at their respective Principal Amount Outstanding less the relevant Principal Shortfall, subject to and in accordance with Condition 9(a) (*Principal*), on the Final Maturity Date, being the Notes Payment Date falling in April 2060.

(b) Mandatory redemption

Provided that no Enforcement Notice has been served in accordance with Condition 10 (*Events of Default*), the Issuer shall be obliged to apply the Available Principal Funds to redeem, whether in full or in part, at their respective Principal Amount Outstanding, the Notes on each Notes Payment Date on a *pro rata* basis within each Class as follows (i) an amount equal to the Available Principal Funds will be applied in or towards satisfaction of principal amounts due under the Class A Notes until fully redeemed and, thereafter, (ii) the Class B Notes until fully redeemed and, thereafter, (iii) the Class C Notes until fully redeemed and, thereafter, (v) the Class E Notes until fully redeemed.

The Redemption Amount in respect of each Class A Note, Class B Note, Class C Note, Class D Note or Class E Note on the relevant Notes Payment Date shall be the Available Principal Funds (as available for the redemption of such Class of Notes) on the Notes Calculation Date relating to that Notes Payment Date divided by the number of Notes of the relevant Class subject to such redemption (rounded down to the nearest euro), provided always that the Redemption Amount may never exceed the Principal Amount Outstanding of such Note. Following application of the Redemption Amount to redeem a Note, the Principal Amount Outstanding of such Note shall be reduced accordingly.

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

(d) Optional Redemption

Unless previously redeemed in full, the Issuer may, at its option, on the First Optional Redemption Date, being the Notes Payment Date falling in April 2028, and on any Optional Redemption Date thereafter redeem all (but not some only) Notes at their Principal Amount Outstanding less the relevant Principal Shortfall, subject to and in accordance with Condition 9(a) (*Principal*), on such date if the Issuer has sufficient funds available to it for this purpose. No Class of Notes may be redeemed under such circumstances unless the other Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

The Issuer shall notify the exercise of such option by giving not more than sixty (60) nor less than thirty (30) days notice to the Noteholders and the Security Trustee prior to the relevant Notes Payment Date.

(e) Redemption for tax reasons

All Notes (but not some only) may be redeemed at the option of the Issuer, on any Notes Payment Date at their Principal Amount Outstanding, subject to and in accordance with Condition 9(a) (*Principal*), together with interest accrued up to and including the date of redemption, if, immediately prior to giving such notice, the Issuer has satisfied the Security Trustee that:

- (a) the Issuer is or will be obliged to make any withholding or deduction for, or on account of, any taxes, duties, or charges of whatsoever nature from payments in respect of any Class of Notes as a result of any change in, or amendment to, the application of Dutch laws or regulations (including any guidelines issued by the tax authorities) or any other jurisdiction or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which becomes effective on or after the Closing Date and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; and
- (b) the Issuer will have sufficient funds available on the Notes Calculation Date immediately preceding such Notes Payment Date to discharge all amounts of principal and, to the extent applicable, interest, due in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with each Class of Notes in accordance with the Trust Deed.

The Issuer shall notify the exercise of such option by giving not more than sixty (60) nor less than thirty (30) days notice to the Noteholders and the Security Trustee prior to the relevant Notes Payment Date.

No Class of Notes may be redeemed under such circumstances unless all Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

7. Taxation

(a) General

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

(b) FATCA Withholding

Payments in respect of the Notes might be subject to any FATCA Withholding. Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid by the Issuer or the Paying Agent on the Notes with respect to any such FATCA Withholding.

8. Prescription

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

9. Subordination and limited recourse

(a) Principal

Until the date on which the Principal Amount Outstanding of all Class A Notes is reduced to zero, the Class B Noteholders will not be entitled to any repayment of principal in respect of the Class B Notes. If, on any Notes Payment Date, there is a balance on the Class B Principal Deficiency Ledger,

then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class B Note on such Notes Payment Date shall not exceed its Principal Amount Outstanding less the Class B Principal Shortfall on such Notes Payment Date. The "Class B Principal Shortfall" shall mean an amount equal to the quotient of the balance on the Class B Principal Deficiency Ledger and the number of Class B Notes outstanding on such Notes Payment Date. The Class B Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class B Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Collection Account and the Issuer has no further rights under or in connection with any of the Transaction Documents.

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

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

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

(b) Limited recourse

In the event that the Security has been fully enforced and the proceeds of such enforcement and any other amounts received by the Security Trustee, after payment of all other claims ranking under the Trust Deed in priority to a Class of Notes are insufficient to pay in full all principal and, to the extent applicable, interest, and other amounts whatsoever due in respect of such Class of Notes, as applicable, the Noteholders of the relevant Class of Notes shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts.

10. Events of Default

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

- (a) default is made for a period of seven (7) days in the payment of principal on, or default is made for a period of fourteen (14) days in the payment of interest (if any) on, the Notes of the Relevant Class when and as the same ought to be paid in accordance with these Conditions; or
- (b) the Issuer fails to perform any of its other obligations binding on it under the Notes of the Relevant Class, the Trust Deed, the Paying Agency Agreement or the Pledge Agreements and such default continues for a period of twenty-one (21) days after written notice by the Security Trustee to the Issuer requiring the same to be remedied, except where such failure, in the reasonable opinion of the Security Trustee, is incapable of remedy, in which case no remedy period shall apply; or
- (c) if a conservatory attachment (conservatoir beslag) or an executory attachment (executoriaal beslag) on any major part of the Issuer's assets is made and not discharged or released within a period of twenty-one (21) days; or
- (d) if any order shall be made by any competent court or other authority or a resolution is passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its assets; or
- (e) the Issuer makes an assignment for the benefit of, or enters into any general assignment (*akkoord*) with, its creditors; or
- (f) the Issuer files a petition for a suspension of payments (*surseance van betaling*) or for bankruptcy (*faillissement*) or is declared bankrupt,

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

11. Enforcement

- (a) At any time after an Enforcement Notice has been given and the Notes of any Class become due and payable, the Security Trustee may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the terms of the Parallel Debt Agreement, including the making of a demand for payment thereunder, the Trust Deed, the Pledge Agreements and the Notes and Coupons and any of the other Transaction Documents, but it need not take any such proceedings unless (i) it shall have been directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and (ii) it shall have been indemnified to its satisfaction.
- (b) No Noteholder may proceed directly against the Issuer unless the Security Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.
- (c) The Noteholders and the Security Trustee may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the latest maturing

Note is paid in full. The Noteholders accept and agree that the only remedy of the Security Trustee against the Issuer after any of the Notes have become due and payable pursuant to Condition 10 (*Events of Default*) above is to enforce the Security.

12. Indemnification of the Security Trustee

The Trust Deed contains provisions for the indemnification of the Security Trustee in the circumstances set out therein and for its relief from responsibility.

13. Notices

All notices to the Noteholders will only be valid if published on cm.intertrustgroup.com or www.devolksbank.nl or, if such websites shall cease to exist or timely publication thereon shall not be practicable, in such manner as the Security Trustee shall approve. In case of publication on one of the websites mentioned above, such notice shall deemed to have been given to the Noteholders on the first date of such publication. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of Euronext Amsterdam. Any such notice shall be deemed to have been given on the first date of such publication. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given at such date, as the Security Trustee shall approve.

14. Meetings of Noteholders; Modification; Consents; Waiver

The Trust Deed contains provisions for convening meetings of the Noteholders of any Class to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution of a change of any of these Conditions or any provisions of the Transaction Documents. Instead of at a meeting, a resolution of the Noteholders of the relevant Class may be passed in writing - including by e-mail or in the form of a message transmitted by any accepted means of communication and received or capable of being produced in writing - provided that all Noteholders with the right to vote have voted in favour of the proposal.

(a) <u>Convening Meetings of Noteholders</u>

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

(b) Quorum

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

If at a meeting a quorum is not present, a second meeting will be held not less than seven (7) nor more than thirty (30) calendar days after the first meeting. At such second meeting an Extraordinary Resolution, including an Extraordinary Resolution approving a Basic Terms Change, can be adopted regardless of the quorum represented at such meeting.

(c) Extraordinary Resolutions

Notwithstanding item (e) below, a meeting of Noteholders of a Class shall have power, exercisable only by Extraordinary Resolution, without prejudice to any other powers conferred on it or any other person:

- (a) to approve any proposal for a Basic Terms Change and any other modification of any provisions of the Trust Deed, the Conditions, the Notes or any other Transaction Document or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- (b) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Trust Deed or the Notes or any act or omission which might otherwise constitute an Event of Default under the Notes;
- to authorise the Security Trustee (subject to it being indemnified and/or secured to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

- (d) to discharge or exonerate the Security Trustee from any liability in respect of any act or omission for which it may become responsible under the Trust Deed or the Notes;
- (e) to give any other authorisation or approval which under the Trust Deed or the Notes is required to be given by Extraordinary Resolution; and
- (f) to appoint any persons as a committee to represent the interests of Noteholders and to confer upon such committee any powers which Noteholders could themselves exercise by Extraordinary Resolution.

(d) Conflicts between Classes

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

An Extraordinary Resolution shall not be effective for any purpose unless either: (i) the Security Trustee is of the opinion that it would not be materially prejudicial to the interests of Noteholders of any Higher Ranking Class or (ii) when it is approved by Extraordinary Resolutions of Noteholders of each such Higher Ranking Class.

(e) <u>Modifications agreed with the Security Trustee</u>

The Security Trustee may agree with the other parties to any Transaction Document, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Notes and the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error, or (ii) any modification of any of the provisions of the Notes and the Transaction Documents which is required under Securitisation Regulation, the Benchmarks Regulation or which is a result of the determination of a substitute, alternative or successor rate in accordance with the Transaction Documents and (iii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions the Notes and the Transaction Documents which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders, provided that in case of (ii) and (iii) the Security Trustee (a) has notified the Credit Rating Agencies and (b) in its reasonable opinion, does not expect that the then current credit ratings assigned to the Class A Notes will be adversely affected as a consequence of any such modification, authorisation, waiver or consent. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Security Trustee so requires, such modification shall be notified to the Noteholders in accordance with Condition 13 (*Notices*) as soon as practicable thereafter.

In addition, the Security Trustee may agree, without the consent of the Noteholders, to (a) the entering into a new Transaction Document by the Issuer with a successor of the relevant counterparty or (b) the transfer of the rights and obligations under a Transaction Document by the relevant counterparty to a successor, provided that (i) the Security Trustee has notified the Credit Rating Agencies and (ii) a Credit Rating Agency Confirmation is available in connection with such transfer or contracting and (iii) if the relevant counterparty will be a Secured Creditor, the relevant successor will accede to the Parallel Debt Agreement.

15. Replacement of Notes and Coupons

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

16. Governing Law and Jurisdiction

The Notes and Coupons are governed by, and will be construed in accordance with, Dutch law. Any disputes arising out of or in connection with the Notes and Coupons, including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Notes, shall be submitted to the exclusive jurisdiction of the competent court in Amsterdam, the Netherlands.

4.2 FORM OF THE NOTES

Each Class of Notes shall be initially represented by a Temporary Global Note in bearer form, without Coupons, (i) in the case of the Class A Notes in the principal amount of EUR 7,560,000,000, (ii) in the case of the Class B Notes in the principal amount of EUR 156,000,000, (iii) in the case of the Class C Notes in the principal amount of EUR 120,000,000, (iv) in the case of the Class D Notes in the principal amount of EUR 104,000,000 and (v) in the case of the Class E Notes in the principal amount of EUR 60,000,000. Each Temporary Global Note will be deposited with the Common Safekeeper for Euroclear and/or Clearstream, Luxembourg (in respect of the Class A Notes) and a common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg (in respect of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes) on or about the Closing Date. Upon deposit of each such Temporary Global Note, Euroclear and/or Clearstream, Luxembourg, or a common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg, as the case may be, will credit each purchaser of Notes represented by such Temporary Global Note with the principal amount of the relevant Class of Notes equal to the principal amount thereof for which it has purchased and paid. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) not earlier than the Exchange Date for interests in a Permanent Global Note, in bearer form, without coupons, in the principal amount of the Notes of the relevant Class. On the exchange of a Temporary Global Note for a Permanent Global Note of the relevant Class of Notes, the Permanent Global Note will remain deposited with the Common Safekeeper.

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. The Class A Notes are intended upon issue to be deposited upon issue with the Common Safekeeper, which is a recognised International Central Securities Depository, but this does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will, inter alia, depend upon satisfaction of the Eurosystem eligibility criteria as amended from time to time, which criteria include the requirement that loan-by-loan information shall be made available to investors by means of the Securitisation Repository designated pursuant to article 10 of the Securitisation Regulation in accordance with the final disclosure templates as adopted in the final regulatory technical standards and final implementing technical standards pursuant to article 7(4) of the Securitisation Regulation. The loan-level data reporting requirements of the Eurosystem collateral framework will follow the disclosure requirements and registration process for securitisation repositories specified in the Securitisation Regulation. The disclosure requirements of the Securitisation Regulation will be reflected in the eligibility requirements for the acceptance of asset-backed securities as collateral in the Eurosystem's liquidity-providing operations. Should such loan-by-loan information not comply with the ECB's requirements or not be available at such time, the Class A Notes may not be recognised as Eurosystem Eligible Collateral. The Notes, other than the Class A Notes, are not intended to be held in a manner which allows Eurosystem eligibility.

The Notes are held in book-entry form.

The Global Notes will be transferable by delivery (*levering*). Each Permanent Global Note will be exchangeable for Definitive Notes only in the circumstances described below. Such Notes in definitive form shall be issued in denominations of EUR 100,000 or, as the case may be, in the Principal Amount Outstanding of the Notes on such exchange date. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of Euroclear or, as the case may be, Clearstream, Luxembourg. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes, which must be made by the holder of a Global Note, for so long as such Global Note is outstanding. Each person must give a certificate as to non-U.S. beneficial ownership as of the date on which the Issuer is obliged to exchange a Temporary Global Note for a Permanent Global Note, which date shall be no earlier than the Exchange Date, in order to obtain any payment due on the Notes.

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

For so long as all of the Notes are represented by the Global Notes and such Global Notes are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication to the relevant accountholders rather than by publication as required by Condition 13 (*Notices*) (provided that, in the case

any publication required by a stock exchange, that stock exchange agrees or, as the case may be, any other publication requirement of such stock exchange will be met). Any such notice delivered on or prior to 4.00 p.m. (local time) on a Business Day in the city in which it was delivered shall be deemed to have been given to the holder of the Global Notes on such Business Day. A notice delivered after 4.00 p.m. (local time) on a Business Day in the city in which it was delivered will be deemed to have been given to the holders of the Global Notes on the next following Business Day in such city.

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

If after the Exchange Date (i) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of fourteen (14) calendar days (other than by reason of holiday, statutory or otherwise) or announces an intention to permanently cease business and no alternative clearance system satisfactory to the Security Trustee is available, or (ii) as a result of any amendment to, or change in the Dutch laws or regulations or of any authority therein or thereof having power to tax, or in the interpretation or administration of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, the Issuer or Paying Agent is or will be required to make any deduction or withholding on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will, at its sole cost and expense, issue Definitive Notes in exchange for the whole (or the remaining part(s) outstanding) of the relevant Permanent Global Notes which represent such Notes, within thirty (30) days of the occurrence of the relevant event, subject in each case to certification as to non-U.S. beneficial ownership.

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

Application Dutch Savings Certificates Act in respect of Class B Notes, Class C Notes, Class D Notes and Class E notes

Unless between individuals not acting in the conduct of a business or profession, each transaction regarding the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes which involves the physical delivery thereof within, from or into the Netherlands, must be effected (as required by the Dutch Savings Certificates Act (*Wet Inzake Spaarbewijzen*) of 21st May, 1985) through the mediation of the Issuer or an admitted institution of Euronext Amsterdam and must be recorded in a transaction note which includes the name and address of each party to the transaction, the nature of the transaction and the details and serial number of the relevant Note.

4.3 SUBSCRIPTION AND SALE

Pursuant to the Notes Purchase Agreement, the Manager shall, subject to certain conditions precedent being satisfied, to purchase the Notes at their respective issue prices. The Issuer has agreed to indemnify and reimburse the Manager against certain liabilities and expenses in connection with the issue of the Notes.

Prohibition of sales to EEA Retail Investors

The Manager has represented and agreed, and each further manager appointed will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where in both instances (i) and this (ii) that client or customer, as applicable, would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II: or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"); and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Prohibition of sales to UK Retail Investors

The Manager has represented and agreed, and each further manager appointed will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of article 2 of Regulation (EU) No 2017/565 as it forms part of the laws of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of the laws of the United Kingdom by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129 as it forms part of the laws of the United Kingdom by virtue of the EUWA; and
- (b) the expression an offer includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Other UK selling restrictions

The Manager has represented and agreed and each further manager appointed will be required to represent and agree that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, or in case of the Issuer, would not, if it was not an authorised person, apply to the Issuer; and (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

France

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

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

Italy

No application has been or will be made by any person to obtain an authorization from Commissione Nazionale per le Società e la Borsa ("CONSOB") for the public offering (offerta al pubblico) of the Notes in the Republic of Italy. Accordingly, no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy except in circumstances falling within article 1(4) of the Prospectus Regulation.

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

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

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them by Regulation S.

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

The Manager has agreed that it will not offer, sell or deliver the Notes (i) as part of their distribution at any time or (ii) otherwise until forty (40) calendar days after the later of the commencement of the offering or the

Closing Date within the United States or to, or for the account or benefit of, U.S. persons and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Notes during the distribution compliance period (as defined in Regulation S) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

In addition, until forty (40) calendar days after the commencement of the offering, 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.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (as amended, Act No. 25 of 1948; the "FIEA") and the Manager has represented and agreed, and each further manager appointed will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan as defined under Item 5, Paragraph 1, article 6 of the Foreign Exchange and Foreign Trade Act (as amended, Act No. 228 of 1949)) 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 FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

The Netherlands

The Manager has represented and agreed that the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, being notes to bearer that constitute a claim for a fixed sum against the Issuer and on which no interest is due, in definitive form of the Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member firm of Euronext Amsterdam in full compliance with the Dutch Savings Certificates Act (Wet inzake spaarbewijzen) of 21 May 1985 (as amended) and its implementing regulations, provided that no such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in global form or (b) in respect of the initial issue of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and in definitive form between individuals not acting in the conduct of a business or profession or (d) in respect of the transfer and acceptance of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes within, from or into the Netherlands if all the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (either in definitive form or as rights representing an interest in the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in global form) are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter.

General

The distribution of this Prospectus and the offering and sale of the Notes in certain jurisdictions may be restricted by law; persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restrictions. This Prospectus or any part thereof does not constitute an offer, or an invitation to sell or a solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

The Manager has undertaken not to offer or sell directly or indirectly any Notes, or to distribute or publish this Prospectus or any other material relating to the Notes in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

4.4 REGULATORY AND INDUSTRY COMPLIANCE

Retention and disclosure requirements under the Securitisation Regulation

Risk Retention and Related Disclosure Requirements

The Seller, as originator within the meaning of article 6 of the Securitisation Regulation and as designated entity under article 7(2) of the Securitisation Regulation, has undertaken in the Notes Purchase Agreement to retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the securitisation transaction described in this Prospectus in accordance with article 6(1) of the Securitisation Regulation.

As at the Closing Date, such material net economic interest is retained in accordance with article 6(3)(a) of the Securitisation Regulation by the retention of not less than five (5) per cent. of the nominal value of each of the transhers sold or transferred to investors. In addition to the information set out herein and forming part of this Prospectus, the Seller, as designated entity under article 7(2) of the Securitisation Regulation, has undertaken to make available materially relevant information to investors in accordance with and as required pursuant to article 7 of the Securitisation Regulation so that investors are able to verify compliance with article 6 of the Securitisation Regulation. Each prospective Noteholder should ensure that it complies with the Securitisation Regulation to the extent applicable to it.

The Seller has also represented and agreed, *inter alia*, that (a) it is and, for so long as it is required to hold a material net economic interest in the securitisation transaction, it, shall continue to be an "originator" within the meaning of article 2(3)(a) of the Securitisation Regulation and will continue to retain a material net economic interest in the securitisation transaction in such capacity, (b) it will not transfer its material net economic interest in the securitisation transaction except to the extent permitted or required under the Securitisation Regulation and (c) that the material net economic interest in the securitisation transaction will not be subjected to any credit risk mitigation, short positions, other hedge or sale whereby the Seller is hedged against the credit risk of the randomly selected exposures except, in each case, to the extent permitted or required under the Securitisation Regulation.

Disclosure Requirements

In the Mortgage Receivables Purchase Agreement, the Issuer and the Seller have amongst themselves designated the Seller as the entity responsible for fulfilling the information requirements for the purpose article 7(2) of the Securitisation Regulation and the Seller, as originator within the meaning of article 6 of the Securitisation Regulation, shall be responsible for compliance with article 7 of the Securitisation Regulation. The Issuer, or the Seller or any other party on its behalf, will make available to Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and to potential investors through the Securitisation Repository:

- (i)
- a. in accordance with article 7(1)(a) of the Securitisation Regulation, on a quarterly basis certain loan-by-loan information in relation to the Mortgage Receivables in respect of each Notes Calculation Period in the form of the standardised template set out in Annex II of Delegated Regulation (EU) 2020/1224);
- in accordance with article 7(1)(e) of the Securitisation Regulation, a quarterly investor report in respect of each Notes Calculation Period in the form of the standardised template set out in Annex II and Annex XII of Delegated Regulation (EU) 2020/1224; and
- c. in accordance with article 7(1)(f) and/or (g) of the Securitisation Regulation, on a quarterly basis, a report in relation to any inside information and/or any significant event in respect of each Notes Calculation Period in the form of the standardised template set out in Annex XIV of Delegated Regulation (EU) 2020/1224;
- (ii) without delay, in accordance with article 7(1)(f) of the Securitisation Regulation, any inside information relating to the transaction described in this Prospectus; and
- (iii) without delay, in accordance with article 7(1)(g) of the Securitisation Regulation, if applicable, any significant event such as (a) a material breach of the obligations laid down in the Transaction

Documents, including any remedy, waiver or consent subsequently provided in relation to such breach, (b) a change in the structural features that can materially impact the performance of the securitisation, (c) a change in the risk characteristics of the transaction described in this Prospectus or of the Mortgage Receivables that can materially impact the performance of the transaction described in this Prospectus and (d) any material amendment to any of the Transaction Documents, in the form of the standardised template set out in Annex XIV of Delegated Regulation (EU) 2020/1224.

In addition, the Seller, or the Issuer or any other party on its behalf, has made available and will make available, as applicable, to the abovementioned parties before pricing of the Notes at least in draft or initial form and, at the latest fifteen (15) calendar days after the Closing Date, in final form, all underlying documents that are essential for the understanding of the transaction described in this Prospectus, which are listed in section 8 (*General*) under item (11), as required by article 7(1)(b) of the Securitisation Regulation, through the Securitisation Repository.

The information described in article 7(1) points (a) and (e) of the Securitisation Regulation shall be made available simultaneously, at least on a quarterly basis.

The Seller will procure that the information referred to above is provided in a manner consistent with the requirements of article 7 of the Securitisation Regulation and has undertaken to provide information to and to comply with written confirmation requests of the Securitisation Repository, as required under the Securitisation Repository Operational Standards.

Without prejudice to the information to be made available by the Issuer in accordance with article 7 of the Securitisation Regulation, the Issuer shall, also on behalf of the Seller, include on a monthly basis in the Portfolio and Performance Report or, as the case may be, on a monthly basis in the Notes and Cash Report, information on the Mortgage Receivables (as required by article 7(1)(a) of the Securitisation Regulation) and all materially relevant data on the credit quality and performance of the Mortgage Loans and the Mortgage Receivables, information about events which trigger changes in the Priorities of Payments or the replacement of counterparties of the Issuer, data on the cash flows generated by the Mortgage Receivables and by the liabilities of the Issuer under the Transaction Documents and information about the risk retained, including information on which of the modalities provided for in article 6(3) of the Securitisation Regulation has been applied, in accordance with article 6 of the Securitisation Regulation (each as required by article 7(1)(e) of the Securitisation Regulation). Such investor reports are based on the templates adopted pursuant to article 7 of the Securitisation Regulation. The Issuer, or the Issuer Administrator on its behalf, shall, also on behalf of the Seller, upon having received such information of the Seller make available prior to the Closing Date, loan-by-loan information, which information will be updated within one month after each Notes Payment Date.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the Securitisation Regulation and none of the Issuer, the Security Trustee, the Seller, the Arranger and/or the Manager makes any representation that the information described above is sufficient in all circumstances for such purposes.

Seller's Policies and Procedures Regarding Credit Risk Mitigation

The Seller has internal policies and procedures in relation to the purchase of the Mortgage Loans, the administration of credit-risk bearing portfolios and risk mitigation. The policies and procedures of the Seller in this regard broadly include the following:

- (a) an assessment of the origination procedures employed in relation to the Mortgage Loans, including the criteria for granting of credit and the process for approving, amending, renewing and re-financing credits, as to which reference is made to the information set out in section 6.3 (*Origination and Servicing*) of this Prospectus;
- (b) systems to administer and monitor the various credit-risk bearing portfolios and exposures, pursuant to which the Mortgage Loans will be serviced in line with the servicing procedures of the Seller and reference is made to the information set out in section 3.5 (Servicer), section 6.3 (Origination and Servicing) and section 7.5 (Servicing Agreement) of this Prospectus;
- (c) adequate diversification within the credit portfolio given the Seller's target market and overall credit

strategy, as to which, in relation to the Mortgage Loans, reference is made to section 0 (*Description of Mortgage Loans*) of this Prospectus; and

(d) policies and procedures in relation to risk mitigation techniques, as to which reference is made to the information set out in section 3.5 (*Servicer*), section 6.3 (*Origination and Servicing*) and section 7.5 (*Servicing Agreement*) of this Prospectus.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with each of the Securitisation Regulation and neither the Seller, the Arranger nor the Manager makes any representation that the information described above is sufficient in all circumstances for such purposes. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the Securitisation Regulation in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

For further information please refer to the risk factor entitled 'Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes' in section 1 (Risk Factors).

Voluntary compliance with certain STS criteria

Pursuant to article 18 of the Securitisation Regulation a number of requirements should be met if an issuer or seller wishes to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them. The securitisation transaction described in this Prospectus is not intended to qualify as an STS securitisation within the meaning of article 18 of the Securitisation Regulation. Consequently, because no such designation is sought, the Seller has not submitted an STS notification to ESMA in accordance with article 27 of the Securitisation Regulation and currently does not have the intention that the securitisation transaction described in this Prospectus is to be included in the list administered by ESMA within the meaning of article 27 of the Securitisation Regulation in the future.

Without prejudice to the above, even though no STS notification will be submitted to ESMA in accordance with article 27 of the Securitisation Regulation, the Seller and the Issuer have reviewed the criteria set forth in article 18 up to and including 22 of the Securitisation Regulation and will, on a voluntarily basis, comply with a number of these requirements as further set out below. Due to the voluntary nature of such compliance, the Seller and the Issuer may choose to deviate from these requirements in the future and take no responsibility for non-compliance or incorrect compliance with any such STS criteria. In addition, any confirmations are made on the basis of the information available with respect to the Securitisation Regulation and related regulations and interpretations (including, without limitation, the EBA STS Guidelines Non-ABCP Securitisations) and regulations and interpretations partly in draft form at the time of this Prospectus and are subject to any changes made therein after the date of this Prospectus:

- a) for confirming compliance with article 20(1) of the Securitisation Regulation, pursuant to the Mortgage Receivables Purchase Agreement the Issuer will purchase on the Signing Date and will under the Deed of Assignment and Pledge and registration thereof with the Dutch tax authorities on the Closing Date accept assignment of the Mortgage Receivables from the Seller as a result of which legal title to the Mortgage Receivables is transferred to the Issuer and such purchase and assignment will be enforceable against the Seller and/or any third party of the Seller, and as a result thereof article 20(5) of the Securitisation Regulation is not applicable;
- b) for confirming compliance with article 20(2) of the Securitisation Regulation, the Dutch Bankruptcy Act (*Faillissementswet*) does not contain severe clawback provisions as referred to in article 20(2) of the Securitisation Regulation or re-characterisation provisions and, in addition, the Seller will represent on the Closing Date and, as applicable, the relevant Notes Payment Date to the Issuer in the Mortgage Receivables Purchase Agreement that it has its center of main interest as referred to in the Insolvency Regulation in the Netherlands and it is not subject to any one or more of the insolvency and winding-up proceedings listed in Annex A to the Insolvency Regulation in any Member State and has not been dissolved (*ontbonden*), nor declared bankrupt (*failliet verklaard*) (see also section 3.4 (*Seller*));
- c) the Seller will represent on the relevant purchase date in the Mortgage Receivables Purchase Agreement that each Mortgage Loan was originated by the Seller or a predecessor of the Seller, as applicable, and as a result thereof, the requirement stemming from article 20(4) of the Securitisation

Regulation is not applicable;

- d) for confirming compliance with the relevant requirements, among other provisions, set forth in articles 20(6), 20(7), 20(8), 20(9) and 20(12) of the Securitisation Regulation, only Mortgage Receivables resulting from Mortgage Loans which satisfy the Mortgage Loan Criteria and, if applicable, the Portfolio Conditions and the representations and warranties made by the Seller in the Mortgage Receivables Purchase Agreement and as set out in section 7.2 (*Representations and Warranties*) will be purchased by the Issuer (see also section 7.1 (*Purchase, Repurchase and Sale*), in section 7.2 (*Representations and Warranties*), section 7.3 (*Mortgage Loan Criteria*) and section 7.4 (*Portfolio Conditions*));
- e) the representations and warranties, the Mortgage Loan Criteria, the Portfolio Conditions and the Transaction Documents do not allow for active portfolio management of the Mortgage Receivables on a discretionary basis within the meaning of article 20(7) of the Securitisation Regulation (see also section 7.1 (*Purchase, Repurchase and Sale*)) and the New Mortgage Receivables and Further Advance Receivables transferred to the Issuer after the Closing Date shall meet the representations and warranties, including the Mortgage Loan Criteria and the Portfolio Conditions;
- the Mortgage Receivables are homogeneous in terms of asset type, taking into account the cash flows and the contractual, credit risk and prepayment characteristics of the Mortgage Receivables and have defined periodic payment streams within the meaning of article 20(8) of the Securitisation Regulation and the regulatory technical standards as contained in article 1(a), (b), (c) and (d) of the RTS Homogeneity (see also the paragraph below and the section 6.1 (Stratification Tables)). The Mortgage Loans from which the Mortgage Receivables result (i) have been underwritten according to similar underwriting standards which apply similar approaches to the assessment of credit risk associated with the Mortgage Loans and without prejudice to article 9(1) of the Securitisation Regulation, (ii) are serviced according to similar servicing procedures with respect to monitoring, collection and administration of Mortgage Receivables from the Mortgage Loans, (iii) fall within the same asset category of residential loans secured with one or several mortgages on residential immovable property and (iv), in accordance with the homogeneity factors set forth in article 20(8) of the Securitisation Regulation and article 2(1)(a), (b) and (c) of the RTS Homogeneity, (a) are secured by a first ranking Mortgage or, in the case of Mortgage Loans (including, as the case may be, any Further Advance) secured on the same Mortgaged Asset, first and sequentially ranking Mortgage over (i) real estate (onroerende zaak), (ii) an apartment right (appartementsrecht) or (iii) a long lease (erfpacht), or (iv) a right of superficies (opstalrecht), in each case situated in the Netherlands and (b) each of the Mortgaged Assets is not the subject of residential letting and is occupied by the Borrower at the moment of (or shortly after) origination and such residential letting is not permitted under the relevant Mortgage Conditions. The criteria set out in (i) up to and including (iv) are derived from article 20(8) Securitisation Regulation and the RTS Homogeneity;
- g) the Mortgage Loans are serviced according to similar servicing procedures with respect to monitoring, collection and administration as other mortgage receivables of the Seller not transferred to the Issuer (see also section 6.3 (*Origination and Servicing*));
- the Mortgage Receivables have been selected by the Seller from a larger pool by applying the Mortgage Loan Criteria and selecting all eligible loans;
- for confirming compliance with article 20(13) of the Securitisation Regulation and the EBA STS Guidelines Non-ABCP Securitisations, the repayments to be made to the Noteholders have not been structured to depend predominantly on the sale of the Mortgaged Assets securing the Mortgage Loans (see also section 0 (*Description of Mortgage Loans*));
- j) for confirming compliance with article 21(2) of the Securitisation Regulation, the interest rate risks are appropriately mitigated. No currency risk applies to the transaction. No derivative contracts are entered into by the Issuer and no derivative contracts are included in the pool of underlying exposures;
- k) for confirming compliance with article 21(3) of the Securitisation Regulation and the EBA STS Guidelines Non-ABCP Securitisations, (i) the Fixed Rate Mortgage Receivables result from Fixed Rate Mortgage Loans having a fixed rate of interest and (ii) the Floating Rate Mortgage Receivables result from Floating Rate Mortgage Loans having a floating rate of interest, and such referenced interest payments under the Mortgage Loans are based on generally used market interest rates, or generally used sectoral rates

- reflective of the cost of funds, and do not reference complex formulae or derivatives (see also section 6.3 (*Origination and Servicing*));
- for confirming compliance with article 21(4) of the Securitisation Regulation, after the Enforcement Date, no amount of cash is trapped in the Issuer in accordance with the Transaction Documents and the Notes will amortise sequentially (see also section 5 (*Credit Structure*)), in particular section 5.2 (*Priorities of Payments*) and no automatic liquidation for market value of the Mortgage Receivables is required under the Transaction Documents (see also Condition 10 (*Events of Default*) and Condition 11 (*Enforcement*) and section 7.1 (*Purchase, Repurchase and Sale*));
- m) for the purpose of compliance with the requirements stemming from article 21(6) of the Securitisation Regulation, the Issuer shall not purchase any New Mortgage Receivables or any Further Advance Receivables after the First Optional Redemption Date (see also section 7.1 (*Purchase, Repurchase and Sale*));
- n) for confirming compliance with article 21(7) of the Securitisation Regulation, the contractual obligations, duties and responsibilities of the Servicer are set forth in the Servicing Agreement (including the processes and responsibilities to ensure that a substitute servicer shall be appointed upon the occurrence of a termination event under the Servicing Agreement), a summary of which is included in section 7.5 (Servicing Agreement), the contractual obligations, duties and responsibilities of the Issuer Administrator are set forth in the Administration Agreement, a summary of which is included in section 5.7 (Administration Agreement), the contractual obligations, duties and responsibilities of the Security Trustee are set forth in the Trust Deed, a summary of which is included in section 3.3 (Security Trustee) and section 4.1 (Terms and Conditions), the provisions that ensure the replacement of the Issuer Account Bank upon the occurrence of certain events are set forth in the Issuer Account Agreement (see also section 5.6 (Issuer Accounts)) and the relevant rating triggers for potential replacements are set forth in the definition of Requisite Credit Rating and the provisions that ensure the replacement of the Cash Advance Facility Provider upon the occurrence of certain events are set forth in the Cash Advance Facility Agreement (see also section 5.5 (Liquidity Support)) and the relevant rating triggers for potential replacements are set forth in the definition of Requisite Credit Rating;
- o) for confirming compliance with article 21(8) of the Securitisation Regulation, the Seller is of the opinion that it has the required expertise in servicing mortgage loans which are of a similar nature as the Mortgage Loans within the meaning of article 21(8) of the Securitisation Regulation, as it has a license in accordance with the Wft and a minimum of five (5) years' experience in servicing mortgage loans and well documented and adequate policies, procedures and risk management controls relating to the servicing of mortgage receivables (see also section 3.5 (Servicer) and section 6.3 (Origination and Servicing));
- p) for confirming compliance with article 21(10) of the Securitisation Regulation, the Trust Deed contains clear provisions for convening meetings of Noteholders that facilitate the timely resolution of conflicts between Noteholders of different Classes of Notes, clearly defined voting rights of the Noteholders and clearly identified responsibilities of the Security Trustee in this respect (see also Condition 14 (Meetings of Noteholders; Modification; Consents; Waiver));
- q) the portfolio of Mortgage Receivables which the Seller will offer for sale to the Issuer on the Signing Date, as selected as of the close of business on 31 January 2023, has been subject to an agreed upon procedures review on a sample of Mortgage Receivables selected from a representative portfolio conducted by an appropriate and independent party and completed 4 April 2023 with respect to such portfolio in existence as of 31 January 2023. The agreed-upon procedure reviews included the review of certain of the mortgage loan criteria and the review of a sample of randomly selected loans from the portfolio to check loan characteristics which included but are not limited to the current loan amount, origination date, maturity date, original loan amount, amortisation type, payment frequency, interest rate type, interest reset date, interest rate/margin, borrower income, property value and valuation date. For the review of the Mortgage Loans a confidence level of at least 99 per cent. was applied. In the review, there have been no significant adverse findings. This independent third party has also performed agreed upon procedures in order to verify that the data included in the stratification tables disclosed in respect of the Mortgage Receivables is accurate, in accordance with article 22(2) of the Securitisation Regulation. The New Mortgage Receivables and the Further Advance Receivables sold by the Seller to

the Issuer after the Closing Date will not be subject to an agreed-upon procedures review;]

- r) for confirming compliance with article 22(4) of the Securitisation Regulation, the Seller confirms that it shall publish on a quarterly basis information on the environmental performance of the Mortgage Receivables in accordance with the requirements stemming from article 22(4) of the Securitisation Regulation in compliance with article 7 of the Securitisation Regulation; and
- s) for confirming compliance with article 7(1) of the Securitisation Regulation, the Seller confirms that it, or the Issuer or another party on its behalf, has made available and/or will make available, as applicable, the information as set out and in the manner described in the paragraphs under the header 'Disclosure Requirements' of this section 4.4 (Regulatory and Industry Compliance) (see also section 8 (General)).

For the avoidance of doubt, the confirmations set out above relate to the majority, but not all, of the requirements that should be met if an issuer or seller wishes to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them pursuant to article 18 of the Securitisation Regulation. The securitisation transaction described in this Prospectus is not intended to qualify as an STS securitisation within the meaning of article 18 of the Securitisation Regulation.

Dutch Securitisation Standard

This Prospectus follows the template table of contents and the template glossary of defined terms (save as otherwise indicated in this Prospectus) and the Investor Reports to be published by the Issuer will follow the applicable template Investor Report (save as otherwise indicated in the relevant Investor Report), each as published by the Dutch Securitisation Association on its website www.dutchsecuritisation.nl. As a result, the Notes comply with the standard created for residential mortgage-backed securities by the Dutch Securitisation Association (the RMBS Standard).

4.5 USE OF PROCEEDS

The aggregate net proceeds of the Notes, to be issued on the Closing Date, amount to EUR 8,000,000,000.

The proceeds of the issuance of the Notes will be applied by the Issuer on the Closing Date together with the Initial Bank Savings Participation to pay the Initial Purchase Price for the Mortgage Receivables purchased on the Signing Date under the Mortgage Receivables Purchase Agreement and the remaining amount will be deposited on the Issuer Collection Account.

An amount of EUR 62,231,066.19 will be received by the Issuer on the Closing Date as consideration for the Initial Bank Savings Participation granted to the Bank Savings Participant in the Bank Savings Mortgage Receivables. The Issuer will apply this amount towards payment (whether by set-off or otherwise) of the remaining part of the Initial Purchase Price for the Mortgage Receivables purchased on the Signing Date.

4.6 TAXATION IN THE NETHERLANDS

TAX WARNING

Potential investors and sellers of Notes should be aware that they may be required to pay documentation taxes (commonly referred to as stamp duties) or fiscal duties or charges in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In addition, payments of interest on the Notes, or income derived from the Notes, may become subject to taxation, including withholding taxes, in the jurisdiction of the Issuer, in the jurisdiction of the Noteholder, or in other jurisdictions in which the Noteholder is required to pay taxes. Any such tax consequences may have an impact on the net income received from the Notes.

Prospective investors should carefully consider the tax consequences of investing in the Notes and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

MATERIAL DUTCH TAX CONSIDERATIONS

General

The following summary describes certain material Dutch tax consequences of the acquisition, holding, redemption and disposal of the Notes. This summary does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant to a Noteholder or prospective Noteholder and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, this general summary should be treated with corresponding caution.

This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date of this Prospectus, and all of which are subject to change, possibly with retroactive effect. Where the summary refers to "the Netherlands" or "Dutch" it refers only to the part of the Kingdom of the Netherlands located in Europe.

This summary is for general information purposes only and is not Dutch tax advice or a complete description of all Dutch tax consequences relating to the acquisition, holding, redemption and disposal of Notes. Each Noteholder or prospective holder of Notes should consult its own tax advisers regarding the tax consequences relating to the acquisition, holding, redemption and disposal of the Notes in light of such holder's particular circumstances.

Withholding Tax

All payments made by or on behalf of the Issuer under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, except that Dutch withholding tax at a rate of 25.8 per cent. (rate for 2023) may apply with respect to payments of interest made or deemed to be made by or on behalf of the Issuer, if the interest payments are made or deemed to be made to an entity related to the Issuer (within the meaning of the Dutch Withholding Tax Act 2021; *Wet bronbelasting 2021*) (see below), if such related entity:

- (i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*) (a "**Listed Jurisdiction**"); or
- (ii) has a permanent establishment located in a Listed Jurisdiction to which the interest payment is attributable; or
- (iii) is entitled to the interest payment with the main purpose or one of the main purposes of avoiding taxation for another person or entity and there is an artificial arrangement or transaction or a series of artificial arrangements or transactions; or

- (iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another entity as the recipient of the interest (a hybrid mismatch); or
- (v) is not resident in any jurisdiction (also a hybrid mismatch); or
- (vi) is a reverse hybrid (within the meaning of article 2(12) of the Dutch Corporate Income Tax Act; Wet op de vennootschapsbelasting 1969), if and to the extent (x) there is a participant in the reverse hybrid holding a Qualifying Interest in the reverse hybrid, (y) the jurisdiction of residence of the participant holding the Qualifying Interest in the reverse hybrid treats the reverse hybrid as transparent for tax purposes and (z) such participant would have been subject to Dutch withholding tax in respect of the payments of interest without the interposition of the reverse hybrid,

all within the meaning of the Dutch Withholding Tax Act 2021.

Related entity

For purposes of the Dutch Withholding Tax Act 2021, an entity is considered an entity related to the Issuer if:

- (i) such entity has a Qualifying Interest (as defined below) in the Issuer;
- (ii) the Issuer has a Qualifying Interest in such entity; or
- (iii) a third party has a Qualifying Interest in both the Issuer and such entity.

The term "Qualifying Interest" means a direct or indirectly held interest – either by an entity individually or jointly if an entity is part of a collaborating group (samenwerkende groep) – that enables such entity or such collaborating group to exercise a definite influence over another entity's decisions and allows it to determine the other entity's activities (within the meaning of case law of the European Court of Justice on the right of freedom of establishment (vrijheid van vestiging)).

Taxes on income and capital gains

Please note that the summary in this section does not describe the Dutch tax consequences for:

- (i) a Noteholder if such holder has a substantial interest (aanmerkelijk belang) or deemed substantial interest (fictief aanmerkelijk belang) in the Issuer under the Dutch Income Tax Act 2001 (Wet inkomstenbelasting 2001). Generally, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of an individual, together with such holder's partner (for Dutch income tax purposes), or any relatives by blood or marriage in the direct line (including foster children), directly or indirectly, holds (i) an interest of five (5) per cent. or more of the total issued and outstanding capital of that company or of five (5) per cent. or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to five (5) per cent. or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), tax exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (each as defined in the Dutch Corporate Income Tax Act 1969) and other entities that are, in whole or in part, not subject to or exempt from Dutch corporate income tax; and
- (iii) Noteholders who are individuals for whom the Notes or any benefit derived from the Notes are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Dutch Income Tax Act 2001).

Dutch Resident Entities

Generally speaking, if the Noteholder is an entity that is a resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes (a "**Dutch Resident Entity**"), any income derived or deemed to be derived from the Notes or any capital gains realised on the disposal or deemed disposal of the Notes is

subject to Dutch corporate income tax at a rate of nineteen (19) per cent. for 2023 with respect to taxable profits up to EUR 200,000 for 2023 and 25.8 per cent. for 2023 with respect to taxable profits in excess of that amount.

Dutch Resident Individuals

If a Noteholder is an individual, resident or deemed to be resident of the Netherlands for Dutch income tax purposes (a "Dutch Resident Individual"), any income derived or deemed to be derived from the Notes or any capital gains realised on the disposal or deemed disposal of the Notes is subject to Dutch personal income tax at progressive rates (with a maximum of 49.5 per cent. in 2023), if:

- (a) the Notes are attributable to an enterprise from which the Noteholder derives a share of the profit, whether as an entrepreneur (ondernemer) or as a person who has a co-entitlement to the net worth (medegerechtigd tot het vermogen) of such enterprise without being a shareholder (as defined in the Dutch Income Tax Act 2001); or
- (b) the Noteholder is considered to perform activities with respect to the Notes that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or otherwise derives benefits from the Notes that are taxable as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*).

Income from savings and investments.

If the above-mentioned conditions (a) and (b) do not apply to the Dutch Resident Individual, the Notes will be subject to an annual Dutch income tax under the regime for savings and investments (*inkomen uit sparen en beleggen*). Taxation only occurs insofar the Dutch Resident Individual's net investment assets for the year exceed a statutory threshold (*heffingvrij vermogen*). The net investment assets for the year are the fair market value of the investment assets less the fair market value of the liabilities on January 1 of the relevant calendar year (reference date; *peildatum*). The Notes are included as investment assets. The taxable benefit for the year (*voordeel uit sparen en beleggen*) is taxed at a flat rate of 32 per cent. (rate for 2023). Actual income or capital gains realised in respect of the Notes are as such not subject to Dutch income tax.

The taxable benefit for the year 2023 is calculated as follows:

- (i) The Dutch Resident Individual's assets and liabilities taxed under this regime, including the Notes, are allocated over the following three categories: (a) bank savings, (b) other investments, including the Notes, and (c) liabilities.
- (ii) The return (*rendement*) in respect of these assets and liabilities is calculated as follows (the return is at a minimum nihil):
 - a) a deemed return on the fair market value of the actual amount of bank savings and cash on
 1 January of the relevant calendar year; plus
 - b) a deemed return on the fair market value of the actual amount of other investments, including the Notes, on 1 January of the relevant calendar year; minus
 - c) a deemed return on the sum of the fair market value of the actual amount of liabilities on 1 January of the relevant calendar year less the statutory threshold for liabilities (*drempel*).
- (iii) The return percentage (%) (rendementspercentage) is calculated as follows:
 - a) by dividing the return calculated under (ii) above by the net investment assets for the year of the Dutch Resident Individual; *multiplied by*
 - b) 100.
- (iv) The taxable base (grondslag sparen en beleggen) is calculated as follows:
 - a) the net investment assets for the year of the Dutch Resident Individual; minus
 - b) the applicable statutory threshold.
- (v) The taxable benefit for the year is equal to the taxable base calculated under (iv) above *multiplied* by the return percentage calculated under (iii) above.

At the date hereof, the deemed returns for the different investment categories mentioned under (ii) above

have been temporarily set at: a) 0.36 per cent., b) 6.17 per cent. and c) 2.57 per cent. The definitive percentages for the year 2023 will be published in the first months of 2024 and will have retroactive effect to 1 January 2023. Transactions in the three-month period before and after 1 January of the relevant calendar year implemented to arbitrate between the deemed return percentages applicable to bank savings, other investments and liabilities will for this purpose be ignored if the holder of Notes cannot sufficiently demonstrate that such transactions are implemented for other than tax reasons.

Non-residents of the Netherlands

A Noteholder that is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch (corporate) income tax in respect of any income derived from or deemed to be derived from the Notes or in respect of gain or loss realised on the disposal or deemed disposal of the Notes, provided that:

- (a) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Dutch Income Tax Act 2001 and the Dutch Corporate Income Tax Act 1969, as applicable) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and
- (b) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary asset management and does not otherwise derive benefits from the Notes that are taxable as benefits from miscellaneous activities in the Netherlands.

Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of such Notes who is resident or deemed resident of the Netherlands at the time of the gift or such holder's death.

Non-residents of the Netherlands

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

- (a) in the case of a gift of a Note 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 calendar days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (b) in the case of a gift of a Note is made under a condition precedent, the holder of the Notes is resident or is deemed to be resident of the Netherlands at the time the condition is fulfilled; or
- (c) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Dutch gift and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten (10) years preceding the date of the gift or such person's death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve (12) months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value added tax (VAT)

No Dutch VAT will be payable by a holder of Notes on (i) any payment in consideration for the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

Other taxes and duties

No Dutch documentation taxes (commonly referred to as stamp duties) will be payable by a holder of Notes in respect of (i) the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

4.7 SECURITY

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

To the extent the Security Trustee irrevocably (onherroepelijk) and unconditionally (onvoorwaardelijk) receives any amount in payment of the Parallel Debt of the Issuer, the Security Trustee shall distribute such amount, save for amounts due to the Bank Savings Participant in connection with the Bank Savings Participation, among the Secured Creditors in accordance with the Post-Enforcement Priority of Payments. The amounts due to the Secured Creditors, other than the Bank Savings Participant, will, broadly, be equal to amounts recovered (verhaald) by the Security Trustee (i) on the Mortgage Receivables (other than the Bank Savings Mortgage Receivables) and the other Pledged Assets and (ii) of the Bank Savings Mortgage Receivables to the extent the amount recovered exceeds the Bank Savings Participation.

The amounts due to the Bank Savings Participant will be equal to the Bank Savings Participation or, if the amount recovered is less than the Bank Savings Participation, the amount equal to the amount actually recovered. In addition, the Security Trustee shall apply the proceeds of the exercise of the right of pledge on the Issuer Accounts in respect of the amounts standing to the credit of the Set-Off Financial Cash Collateral Ledger and the Commingling Financial Cash Collateral Ledger to the extent the Issuer has a claim in respect of those amounts under the respective Transaction Documents in accordance with the Trust Deed and the Security Trustee will pay the remaining amount of the enforcement proceeds to the Seller outside the Post-Enforcement Priority of Payments as repayment under the Financial Collateral Agreements.

The Issuer will vest a right of pledge pursuant to the Issuer Mortgage Receivables Pledge Agreement and the Deed of Assignment and Pledge in favour of the Security Trustee on the Mortgage Receivables and, to the extent legally possible, the Beneficiary Rights on the Closing Date and in respect of any New Mortgage Receivables and Further Advance Receivables undertakes to grant a first ranking right of pledge on the relevant New Mortgage Receivables and the Further Advance and, to the extent legally possible, the Beneficiary Rights on the Notes Payment Date on which they are acquired by the Issuer. The pledge over the Mortgage Receivables and the Beneficiary Rights will not be notified to the Borrowers and the Insurance Companies, respectively, except that notification of the pledge may be made upon the occurrence of any of the Pledge Notification Events. Prior to notification of the pledge to the Borrowers and the Insurance Companies respectively, the pledge on the Mortgage Receivables and, upon written notification thereof to the relevant Insurance Companies, the Beneficiary Rights respectively will be a "silent" right of pledge (stil pandrecht) within the meaning of section 3:239 of the DCC.

It is not certain whether the pledge of the Beneficiary Rights by the Issuer to the Security Trustee will be effective, in this respect reference is made to section 1 (*Risk Factors*), more specifically the risk factor '*Risks relating to Beneficiary Rights under the Insurance Policies*'.

In addition, the Issuer will vest a right of pledge pursuant to the Issuer Rights Pledge Agreement in favour of the Security Trustee on the Signing Date over the Issuer Rights. The right of pledge over the Issuer Rights will be notified to the relevant obligors and will therefore be a disclosed right of pledge (*openbaar pandrecht*).

The rights of pledge created in the Pledge Agreements secure the Security Trustee Secured Liabilities, being any liabilities of the Issuer to the Security Trustee resulting from or in connection with the Parallel Debt Agreement and any other Transaction Documents.

The security rights described above shall serve as security for the benefit of the Secured Creditors, including each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the Class E Noteholders, but, *inter alia*, amounts owing to the Class B Noteholders will rank in priority of payment after amounts owing to the Class A Noteholders and amounts owing to the Class B Noteholders and amounts owing to the Class B Noteholders and amounts owing to the Class B Noteholders will rank in priority of payment after amounts owing to the Class B Noteholders, the Class B Noteholders and the Class C Noteholders and amounts owing to the Class E

Noteholders will rank in priority of payment after amounts owing to the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders (see section 5 (*Credit Structure*)).

Collection Foundation Accounts Pledge Agreement

The Collection Foundation will in a Collection Foundation Accounts Pledge Agreement grant a first ranking right of pledge over the balances standing to the credit of the Collection Foundation Accounts in favour of, *inter alia*, the Security Trustee and the Previous Transaction Security Trustees jointly as security for any and all liabilities of the Collection Foundation to the Security Trustee and the Previous Transaction Security Trustees, and a second ranking right of pledge in favour of, *inter alia*, the Issuer and the Previous Transaction SPVs jointly as security for any and all liabilities of the Collection Foundation to the Issuer and the Previous Transaction SPVs, both under the condition that future issuers (and any future security trustees relating thereto) in subsequent securitisation transactions or covered bond transactions and future vehicles in conduit transactions or similar transactions initiated by the Seller will after accession also have the benefit of such first ranking right of pledge, or second ranking right of pledge, respectively. Such rights of pledge have been notified to the Foundation Account Providers.

Since the Previous Transaction Security Trustees and/or the Previous Transaction SPVs, as the case may be, and the Security Trustee and/or the Issuer, as the case may be, have a first and a second ranking right of pledge, respectively, on the amounts standing to the credit of the Collection Foundation Accounts, the rules applicable to co-ownership (*gemeenschap*) apply. The DCC provides for various mandatory rules applying to such co-owned rights. In principle, co-owners are required to co-operate with regard to their co-owned goods, but according to section 3:168 of the DCC it is possible for co-owners to make an arrangement for the management (*beheer*) of the co-owned goods by one or more of the co-owning parties.

Furthermore, the Previous Transaction SPVs, the Issuer, the Security Trustee and the Previous Transaction Security Trustees have in the Collection Foundation Accounts Pledge Agreement agreed that the Issuer, the Previous Transaction SPVs, the Security Trustee and the Previous Transaction Security Trustees will manage (beheren) such co-held rights jointly. The Issuer has been advised that it is uncertain whether the foreclosure of these rights of pledge will constitute management for the purpose of section 3:168 of the DCC and as a consequence the cooperation of the Previous Transaction SPVs, the Issuer, the Previous Transaction Security Trustees and the Security Trustee may be required for such foreclosure to take place.

Furthermore, the Previous Transaction SPVs, the Issuer, the Previous Transaction Security Trustees and the Security Trustee have agreed in the Collection Foundation Accounts Pledge Agreement that (i) the share (aandeel) in each co-held right of pledge is equal to the entitlement of such party to the amounts collected by the Collection Foundation from the respective mortgage receivables assigned to the relevant Previous Transaction SPV and the amounts collected from, in the case of the Issuer, the Mortgage Receivables, respectively, and (ii) in case of foreclosure of the right of pledge over the Collection Foundation Accounts, the proceeds will be divided according to each share. It is uncertain whether this sharing arrangement is enforceable in the event that any of the Issuer, the Security Trustee, the Previous Transaction SPVs or any of the Previous Transaction Security Trustees should become insolvent. In this respect it has been agreed that in case of a breach by a party of its obligations under the abovementioned agreements or if such agreement is dissolved, void, nullified or ineffective for any reason in respect of such party, such party shall compensate the other parties forthwith for any and all loss, costs, claim, damage and expense whatsoever which such party incurs as a result hereof.

4.8 CREDIT RATINGS

Fitch Credit Rating Definitions

The following text is an extract from Fitch Rating, Rating Definitions as published by Fitch on 21 March 2022.

Description Fitch Credit Rating

Ratings of structured finance obligations on the long-term scale consider the obligations' relative vulnerability to default. These ratings are typically assigned to an individual security or tranche in a transaction and not to an issuer.

AAA: Highest Credit Quality

'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA: Very High Credit Quality

'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A: High Credit Quality

'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

BBB: Good Credit Quality

'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

BB: Speculative

'BB' ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.

B: Highly Speculative

'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

CCC: Substantial Credit Risk

Very low margin for safety. Default is a real possibility.

CC: Very High Levels of Credit Risk

Default of some kind appears probable.

C: Exceptionally High Levels of Credit Risk

Default appears imminent or inevitable.

D: Default

Indicates a default. Default generally is defined as one of the following:

- failure to make payment of principal and/or interest under the contractual terms of the rated obligation;
- bankruptcy filings, administration, receivership, liquidation or other winding-up or cessation of the business of an issuer/obligor; or
- distressed exchange of an obligation, where creditors were offered securities with diminished structural or economic terms compared with the existing obligation to avoid a probable payment default.

Structured Finance Defaults

Imminent default, categorized under 'C', typically refers to the occasion where a payment default has been intimated by the issuer and is all but inevitable. This may, for example, be where an issuer has missed a scheduled payment but (as is typical) has a grace period during which it may cure the payment default. Another alternative would be where an issuer has formally announced a distressed debt exchange, but the date of the exchange still lies several days or weeks in the immediate future.

Additionally, in structured finance transactions, where analysis indicates that an instrument is irrevocably impaired such that it is not expected to pay interest and/or principal in full in accordance with the terms of the obligation's documentation during the life of the transaction, but where no payment default in accordance with the terms of the documentation is imminent, the obligation will typically be rated in the 'C' category.

Structured Finance Write-downs

Where an instrument has experienced an involuntary and, in the agency's opinion, irreversible write-down of principal (i.e. other than through amortization, and resulting in a loss to the investor), a credit rating of 'D' will be assigned to the instrument. Where the agency believes the write-down may prove to be temporary (and the loss may be written up again in future if and when performance improves), then a credit rating of 'C' will typically be assigned. Should the write-down then later be reversed, the credit rating will be raised to an appropriate level for that instrument. Should the write-down later be deemed as irreversible, the credit rating will be lowered to 'D'.

Notes:

In the case of structured finance, while the ratings do not address the loss severity given default of the rated liability, loss severity assumptions on the underlying assets are nonetheless typically included as part of the analysis. Loss severity assumptions are used to derive pool cash flows available to service the rated liability.

The suffix 'sf' denotes an issue that is a structured finance transaction.

Moody's Credit Rating Definitions

The following text is an extract from the Moody's report 'Rating Symbols and Definitions' as published by Moody's on 20 December 2022.

Moody's Global Rating Scales

Ratings assigned on Moody's global long-term and short-term rating scales are forward-looking opinions of the relative credit risks of financial obligations issued by non-financial corporates, financial institutions, structured finance vehicles, project finance vehicles, and public sector entities. Moody's defines credit risk as the risk that an entity may not meet its contractual financial obligations as they come due and any estimated financial loss in the event of default or impairment. The contractual financial obligations addressed by Moody's ratings are those that call for, without regard to enforceability, the payment of an ascertainable amount, which may vary based upon standard sources of variation (e.g., floating interest rates), by an ascertainable date. Moody's rating addresses the issuer's ability to obtain cash sufficient to service the obligation, and its willingness to pay. Moody's ratings do not address non-standard sources of variation in the amount of the principal obligation (e.g., equity indexed), absent an express statement to the contrary in a press release accompanying an initial rating. Long-term ratings are assigned to issuers or obligations with an original maturity of eleven months or more and reflect both on the likelihood of a default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment. Short-term ratings are assigned to obligations with an original maturity of thirteen months or less and reflect both on the likelihood of a default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment. Moody's issues ratings at the issuer level and instrument level on both the long-term scale and the short-term scale. Typically, ratings are made publicly available although private and unpublished ratings may also be assigned.

Moody's differentiates structured finance ratings from fundamental ratings (i.e., ratings on nonfinancial corporate, financial institution, and public sector entities) on the global long-term scale by adding (sf) to all structured finance ratings. The addition of (sf) to structured finance ratings should eliminate any presumption that such ratings and fundamental ratings at the same letter grade level will behave the same. The (sf) indicator for structured finance security ratings indicates that otherwise similarly rated structured finance and fundamental securities may have different risk characteristics. Through its current methodologies, however, Moody's aspires to achieve broad expected equivalence in structured finance and fundamental rating performance when measured over a long period of time.

Long-Term Rating Scale

Aaa

Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.

Аa

Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

Α

Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.

Baa

Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Ba

Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.

В

Obligations rated B are considered speculative and are subject to high credit risk.

Caa

Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.

Ca

Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

C

Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firm.*

Note: For more information on long-term ratings assigned to obligations in default, please see the definition "Long-Term Credit Ratings for Defaulted or Impaired Securities" in the Other Definitions section of this publication.

* By their terms, hybrid securities allow for the omission of scheduled dividends, interest, or principal payments, which can potentially result in impairment if such an omission occurs. Hybrid securities may also be subject to contractually allowable write-downs of principal that could result in impairment. Together with the hybrid indicator, the long-term obligation rating assigned to a hybrid security is an expression of the relative credit risk associated with that security.

Global Short-Term Rating Scale

- P-1: Ratings of Prime-1 reflect a superior ability to repay short-term obligations.
- P-2: Ratings of Prime-2 reflect a strong ability to repay short-term obligations.
- P-3: Ratings of Prime-3 reflect an acceptable ability to repay short-term obligations.
- NP: Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

Long-Term and Short-Term Obligation Ratings

Moody's assigns ratings to long-term and short-term financial obligations. Long-term ratings are assigned to issuers or obligations with an original maturity of eleven months or more and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default. Short-term ratings are assigned to obligations with an original maturity of thirteen months or less and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default.

For further information regarding Rating Symbols and Definitions, please refer to the Moody's report 'Rating Symbols and Definitions'.

5. CREDIT STRUCTURE

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

5.1 AVAILABLE FUNDS

Available Revenue Funds

Prior to the delivery of an Enforcement Notice by the Security Trustee, the sum of the following amounts, calculated on each Notes Calculation Date, received or to be received (prior to or on the immediately succeeding Notes Payment Date) or held by the Issuer in respect of the immediately preceding Notes Calculation Period (items under (i) up to and including (xii) less items (xiii) and (xiv) being the "Available Revenue Funds"):

- (i) as interest on the Mortgage Receivables less, with respect to the Bank Savings Mortgage Receivable, an amount equal to the amount received multiplied by the Bank Savings Participation Fraction;
- (ii) as interest accrued on the Issuer Collection Account, other than on amounts standing to the credit of the Issuer Collection Account corresponding to amounts standing to the credit of the relevant Financial Cash Collateral Ledger;
- (iii) as Prepayment Penalties, including interest penalties, under the Mortgage Receivables;
- (iv) as Net Foreclosure Proceeds on any Mortgage Receivables to the extent such proceeds do not relate to principal less, with respect to the Bank Savings Mortgage Receivable, an amount equal to the amount of interest received multiplied by the Bank Savings Participation Fraction;
- (v) as amounts to be drawn from the Issuer Collection Account with a corresponding debit to the relevant Financial Cash Collateral Ledger, equal to any Set-Off Amount and Commingling Amount, as applicable, on the immediately succeeding Notes Payment Date;
- (vi) in connection with a repurchase of Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement or any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts do not relate to principal less, with respect to the Bank Savings Mortgage Receivable, an amount equal to the amount of interest received multiplied by the Bank Savings Participation Fraction;
- (vii) in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent such amounts do not relate to principal less, with respect to the Bank Savings Mortgage Receivable, an amount equal to the amount of interest received multiplied by the Bank Savings Participation Fraction;
- (viii) as Post-Foreclosure Proceeds on the Mortgage Receivables;
- (ix) as amounts to be drawn under the Cash Advance Facility (other than Cash Advance Facility Standby Drawings) on the immediately succeeding Notes Payment Date;
- (x) as amounts deducted from the Available Principal Funds on such Notes Payment Date as Interest Shortfall equal to the amount debited as Interest Shortfall to the Principal Deficiency Ledgers;
- (xi) as amounts to be drawn from the Issuer Collection Account with a corresponding debit to the Interest Reconciliation Ledger on the immediately succeeding Notes Payment Date; and
- (xii) any amounts standing to the credit of the Issuer Collection Account, after all payment obligations of the Issuer under the Transaction Documents, other than towards payment of any Deferred Purchase Price, have been satisfied in full:

less:

- (xiii) on the first Notes Payment Date of each calendar year, an amount equal to ten (10) per cent. of the annual fee due and payable by the Issuer to the Directors in connection with the Management Agreements between the Issuer and the Directors relating to the management of the Issuer, the Shareholder and the Security Trustee with a minimum of EUR 2,500;
- (xiv) any amount of the Available Revenue Funds to be credited to the Interest Reconciliation Ledger on the immediately succeeding Notes Payment Date,

will pursuant to the terms of the Trust Deed be applied on the immediately succeeding Notes Payment Date in accordance with the Revenue Priority of Payments.

Available Principal Funds

Prior to the delivery of an Enforcement Notice by the Security Trustee, the sum of the following amounts, calculated on each Notes Calculation Date, received or to be received (on or prior to the immediately succeeding Notes Payment Date) or held by the Issuer in respect of the immediately preceding Notes Calculation Period (items (i) up to and including (x) less item (xi) up to and including (xiv) will hereinafter be referred to as the "Available Principal Funds"):

- (i) as repayment and prepayment in full of principal under the Mortgage Receivables, excluding Prepayment Penalties, if any, less with respect to each Bank Savings Mortgage Receivable, the Participation in such Bank Savings Mortgage Receivable;
- (ii) as partial repayment and prepayment of principal under the Mortgage Receivables, excluding Prepayment Penalties, if any, and in respect of each Bank Savings Mortgage Receivable, up to the relevant Net Outstanding Principal Amount;
- (iii) as Net Foreclosure Proceeds on any Mortgage Receivable to the extent such proceeds relate to principal (whereby in case the relevant Mortgage Receivable consists of both a Fixed Rate Mortgage Receivable and a Floating Rate Mortgage Receivable, such Net Foreclosure Proceeds will be attributed pro rata in accordance with the Outstanding Principal Amount of the Loan Part that constitutes a Floating Rate Mortgage Receivable and the Loan Part that constitutes a Fixed Rate Mortgage Receivable), and in respect of each Bank Savings Mortgage Receivable, less the Participation in such Bank Savings Mortgage Receivable;
- (iv) as amounts received in connection with a repurchase of Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement and any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts relate to principal, less with respect to each Bank Savings Mortgage Receivable, the Participation in such Bank Savings Mortgage Receivable;
- (v) as amounts received in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent such amounts relate to principal, less with respect to each Bank Savings Mortgage Receivable, the Participation in such Bank Savings Mortgage Receivable;
- (vi) the aggregate amounts to be credited to the Principal Deficiency Ledgers on the immediately succeeding Notes Payment Date in accordance with the Administration Agreement;
- (vii) as Participation Increase and as amounts to be received as Initial Bank Savings Participation on the immediately succeeding Notes Payment Date pursuant to the Bank Savings Participation Agreement, to the extent relating to Bank Savings Mortgage Receivables;
- (viii) as amounts received on the Issuer Collection Account on the preceding Mortgage Collection Payment Date from the credit balance of the Construction Deposit Account in cases where the relevant Construction Deposit to the extent relating to Mortgage Receivables is disbursed to the relevant Borrower by means of set-off;
- (ix) as an amount equal to the part of the Reserved Amount equal to the balance standing to the credit of the Purchase Ledger; and

(x) as (i) any amounts to be drawn from the Issuer Collection Account with a corresponding debit to the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date and (ii) on the first Notes Payment Date after the Closing Date only, the amount credited to the Issuer Collection Account resulting from the difference on the Closing Date between (a) the proceeds of the issue of the Notes plus the Initial Bank Savings Participation and (b) the Initial Purchase Price for the Mortgage Receivables;

less:

- (xi) any Interest Shortfall up to an amount equal to the amount that can be debited as Interest Shortfall to the relevant sub-ledger of the Principal Deficiency Ledger;
- (xii) any amount to be credited to the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date;
- (xiii) up to but excluding the First Optional Redemption Date, the Initial Purchase Price of any New Mortgage Receivables and Further Advance Receivables; and
- (xiv) such part of the Reserved Amount to be credited to the Purchase Ledger on the immediately succeeding Notes Payment Date (and reserved for the purchase of New Mortgage Receivables and Further Advance Receivables on the Notes Payment Date succeeding such Notes Payment Date),

will pursuant to the terms of the Trust Deed be applied by the Issuer on the immediately succeeding Notes Payment Date in accordance with the Redemption Priority of Payments.

Cash Collection Arrangements

Payments by the Borrowers under the Mortgage Loans are due and payable on the first day of each immediately succeeding calendar month, with interest being payable in arrear. All payments made by the Borrowers are paid into the Collection Foundation Accounts maintained by the Collection Foundation with the Foundation Account Providers. The Collection Foundation Accounts are also used for the collection of moneys paid in respect of mortgage loans other than the Mortgage Loans and in respect of other moneys to which the Seller is entitled *vis-à-vis* the Collection Foundation.

The Collection Foundation is set up as a passive bankruptcy remote entity. The objects clause of the Collection Foundation is limited to collecting, managing and distributing amounts received on the Collection Foundation Accounts to the persons who are entitled to receive such amounts pursuant to the Receivables Proceeds Distribution Agreement. Upon receipt of such amounts, the Collection Foundation will distribute to the Issuer or, after the Enforcement Date, to the Security Trustee any and all amounts relating to the Mortgage Receivables received by it on the Collection Foundation Accounts, in accordance with the relevant provisions of the Receivables Proceeds Distribution Agreement. Pursuant to the Receivables Proceeds Distribution Agreement, de Volksbank as Foundation Administrator and, after an insolvency event relating to de Volksbank, a new foundation administrator appointed for such purpose, respectively, will perform such payment transaction services on behalf of the Collection Foundation.

The Collection Foundation has undertaken to transfer all amounts of principal, interest and Prepayment Penalties received by the Collection Foundation in respect of the Mortgage Receivables and paid to the relevant Collection Foundation Account into the Issuer Collection Account on each Mortgage Collection Payment Date.

The Receivables Proceeds Distribution Agreement provides that upon the occurrence of a Collection Foundation Trigger Event, the Collection Foundation and de Volksbank (in all their respective capacities) will within thirty (30) calendar days after de Volksbank has ceased to have the Collection Foundation Trigger Required Ratings or, with respect to S&P only (only to the extent S&P assigns a rating to any of the notes issued by any of the SPVs) the later of (a) thirty (30) calendar days have elapsed since de Volksbank has ceased to have the Collection Foundation Trigger Required Rating or (b) if, on or before the 30th calendar day after de Volksbank ceases to have the Collection Foundation Trigger Required Ratings, de Volksbank has submitted a written proposal for a remedy to S&P (only to the extent S&P assigns a rating to any of the notes issued by any of the SPVs), sixty (60) calendar days have elapsed since de Volksbank has ceased to have the Collection Foundation Trigger Required Ratings, (i) have one of the Collection Foundation Trigger

Commingling Remedial Actions in place or (ii) will procure that either:

- (i) (a) all amounts standing to the credit of the Collection Foundation Accounts held with de Volksbank as Foundation Account Provider will be immediately transferred to the Rabobank Existing Account or the relevant Collection Foundation Eligible Counterparty Account, and (b) de Volksbank will procure and where required the Collection Foundation will undertake its best efforts that direct debits shall no longer be made to the Collection Foundation Accounts held with de Volksbank and Borrowers no longer pay any amount into such accounts and (c) where required, de Volksbank and the Collection Foundation will assist that Borrowers are informed that further payments in discharge of their obligations under the relevant Mortgage Receivables can no longer be made on the Collection Foundation Accounts held with de Volksbank as Foundation Account Provider, and that payments under the relevant Mortgage Receivables have to be made into the Rabobank Existing Account and/or Collection Foundation Eligible Counterparty Account, as applicable; or
- (ii) (a) the Collection Foundation Accounts held with de Volksbank as former Foundation Account Providers will be transferred to Rabobank or a Collection Foundation Eligible Counterparty (as the case may be) or closed and new Collection Foundation Accounts with the same numbers will be opened with Rabobank and/or a Collection Foundation Eligible Counterparty (as the case may be) as the only Foundation Account Provider(s) and (b) all amounts standing to the credit of the Collection Foundation Accounts held with de Volksbank as Foundation Account Providers will be immediately transferred with or to such Collection Foundation Accounts.

If at any time (whether before or after occurrence of a Collection Foundation Trigger Event) Rabobank as Foundation Account Provider is assigned a rating below the Collection Foundation Trigger Required Ratings, the Foundation Administrator on behalf of the Collection Foundation will as soon as reasonably possible, but at least within thirty (30) calendar days, (i) ensure that payments to be made by Rabobank as Foundation Account Provider in respect of amounts received on the Collection Foundation Accounts relating to the Mortgage Receivables will be fully guaranteed pursuant to an unconditional and irrevocable guarantee which complies with the criteria of S&P and Fitch (only to the extent S&P or Fitch assigns a rating to any of the notes issued by any of the SPVs) and Moody's, if applicable, or transfer the Collection Foundation Accounts to a new account provider, provided that such guarantor or new account provider shall be a Collection Foundation Eligible Counterparty, or (ii) implement any other actions acceptable at that time to S&P (only to the extent S&P assigns a rating to any of the notes issued by any of the SPVs) and provided Fitch (only to the extent Fitch assigns a rating to any of the notes issued by any of the SPVs) and Moody's are notified of such other action. In case of a transfer to an alternative bank as referred to under (i) above, the Collection Foundation shall enter into a pledge agreement and create a right of pledge over such bank account in favour of the Issuer, the Previous Transaction SPVs, the Security Trustee and the Previous Transaction Security Trustees separately upon terms substantially the same as the Collection Foundation Accounts Pledge Agreement.

Commingling Financial Collateral Agreement

In order to mitigate the potential commingling risk that any amounts received by the Collection Foundation, whether as interest or principal, in respect of Mortgage Receivables are not received by the Issuer, the Issuer will enter into the Commingling Financial Collateral Agreement. This agreement will be a Collection Foundation Trigger Commingling Remedial Action, subject to collateral being posted in accordance with this agreement, which may be zero as long as the required rating set out below is met.

If at any time (i) in respect of Moody's, the Seller's long-term, unsecured, unsubordinated and unguaranteed debt obligations cease to be rated at least as high as 'Baa1' by Moody's or (ii) in respect of Fitch, both (x) the Seller's long-term issuer default rating falls below 'BBB' by Fitch and (y) the Seller's short-term issuer default rating falls below 'F2' by Fitch (the "Commingling Trigger Required Rating"), the rating of Moody's and/or both ratings of Fitch are withdrawn, the Seller shall be obliged (I) for the first time after such event, within thirty (30) calendar days in case of a loss of the Commingling Trigger Required Rating by Moody's and within sixty (60) calendar days in case of a loss of the Commingling Trigger Required Rating by Fitch and thereafter on each subsequent Notes Payment Date, to transfer Eligible Collateral to the Issuer Collection Account with a corresponding credit to the Commingling Financial Cash Collateral Ledger in an amount of and having a value equal to the relevant Commingling Delivery Amount owed by the Seller subject to and in accordance with the terms of the Commingling Financial Collateral Agreement or (II) to take any of the Commingling Alternative Mitigant Measures within thirty (30) calendar days in case of a loss of the Commingling Trigger

Required Rating by Moody's and within sixty (60) calendar days in case of a loss of the Commingling Trigger Required Rating by Fitch.

If after the Closing Date the Seller is assigned a rating below the Commingling Trigger Required Rating and has transferred Eligible Collateral to the Issuer Collection Account in accordance with the Commingling Financial Collateral Agreement, the Issuer shall on each Notes Payment Date release from the Issuer Collection Account, with a corresponding debit to the Commingling Financial Cash Collateral Ledger, an amount equal to such Commingling Amount, which amount shall form part of the Available Revenue Funds on such date. A Commingling Amount will only arise if an amount is received by the Collection Foundation in respect of a Mortgage Receivable and which is not subsequently paid to and received by the Issuer.

To the extent that on any Notes Payment Date the relevant Posted Commingling Collateral Value exceeds the relevant Potential Commingling Required Amount, the Issuer shall on such Notes Payment Date transfer to the Seller Equivalent Eligible Collateral having a value equal to the relevant Commingling Return Amount and outside any Priority of Payments.

The Issuer Administrator will include the amounts to be calculated under the Commingling Financial Collateral Agreement in the Investor Report on a monthly basis.

If at any time after the Seller has taken any of the Commingling Alternative Mitigant Measures or the Seller is assigned a rating of at least the Commingling Trigger Required Rating, the Posted Commingling Collateral shall be retransferred by the Issuer to the Seller no later than on the immediately succeeding Notes Payment Date or such earlier date as requested by the Seller, in the form of Equivalent Eligible Collateral and outside any Priority of Payments.

Set-off by Borrowers

The Mortgage Receivables Purchase Agreement provides that if a Borrower invokes a right to set-off amounts due to it by the Seller against the Mortgage Receivable and, as a consequence thereof, the Issuer does not receive the amount which it is entitled to receive in respect of such Mortgage Receivable, the Seller will pay to the Issuer an amount equal to the difference between the amount which the Issuer would have received in respect of the Mortgage Receivable if no set-off had taken place and the amount actually received by the Issuer in respect of such Mortgage Receivable.

Set-Off Financial Collateral Agreement

In order to mitigate the risk of set-off by Borrowers with amounts standing to the credit of current accounts or deposits held with the Seller described above and the Seller failing to reimburse the Issuer such amounts, the Issuer will enter into the Set-Off Financial Collateral Agreement.

If at any time de Volksbank's long-term, unsecured, unsubordinated and unguaranteed debt obligations cease to be rated at least as high as 'Baa1' by Moody's or (ii) in respect of Fitch, both (x) the Seller's long-term issuer default rating falls below 'A' by Fitch and (y) the Seller's short-term issuer default rating falls below 'F1' by Fitch (the "Set-Off Trigger Required Rating"), or the rating of Moody's and/or both ratings of Fitch are withdrawn, the Seller shall be obliged, on each subsequent Notes Payment Date, to transfer Eligible Collateral to the Issuer Collection Account with a corresponding credit to the Set-Off Financial Cash Collateral Ledger having a value equal to the relevant Set-Off Delivery Amount owed by the Seller subject to and in accordance with the terms of the Set-Off Financial Collateral Agreement.

On the Closing Date, de Volksbank's long-term unsecured, unsubordinated and unguaranteed debt obligations have the Set-Off Trigger Required Rating.

If at any time de Volksbank has transferred Eligible Collateral to the Issuer under the Set-Off Financial Collateral Agreement, the Issuer should on each Notes Payment Date release from the Issuer Collection Account, with a corresponding debit to the Set-Off Financial Cash Collateral Ledger, an amount equal to the sum of the Set-Off Amount which the Seller is due to the Issuer on the basis of the Mortgage Receivables Purchase Agreement and which is unpaid on such Notes Payment Date, which amount shall form part of the Available Revenue Funds on such date.

To the extent that on any Notes Payment Date the relevant Posted Set-Off Collateral Value exceeds the relevant Potential Set-Off Required Amount on such Notes Payment Date, the Issuer shall on such Notes

Payment Date transfer to the Seller Equivalent Eligible Collateral having a value equal to the Set-Off Return Amount and outside any Priority of Payments.

The Issuer Administrator will include the amounts to be calculated under the Set-Off Financial Collateral Agreement in the Investor Report on a monthly basis.

If at any time de Volksbank's long-term, unsecured, unsubordinated and unguaranteed debt obligations are rated at least the Set-Off Trigger Required Rating, the Posted Set-Off Collateral shall be retransferred by the Issuer to the Seller no later than on the immediately succeeding Notes Payment Date or such earlier date as requested by the Seller, in the form of Equivalent Eligible Collateral and outside any Priority of Payments.

For the purpose of the Set-Off Financial Collateral Agreement, the following expressions will have the following meaning:

"Potential Set-Off Amount" means, on the Closing Date and on any Notes Payment Date an amount equal to the sum of all amounts in respect of the Mortgage Receivables, which amounts are, in respect of each Mortgage Receivable separately, the lower of:

- (a) the aggregate amount standing to the credit of each current account or deposit, excluding the Bank Savings Deposit, to the extent they exceed the amount claimable under the DGS, held by the Borrower of the Mortgage Receivable(s) with the Seller, in respect of the Closing Date, on the initial Cut-Off Date and, in respect of any Notes Payment Date, on the last day of the immediately preceding Mortgage Calculation Period;
- (b) the aggregate Outstanding Principal Amount of such Mortgage Receivable(s) on the last day of the immediately preceding Mortgage Calculation Period; and
- (c) after the notification of the Borrowers of the assignment of the Mortgage Receivables to the Issuer: the aggregate amount standing to the credit of each current account or deposit, excluding any Bank Savings Deposit, to the extent they exceed the amount claimable under the DGS, held by such Borrower with the Seller on the date the relevant Borrower is notified of the assignment of the Mortgage Receivable(s) to the Issuer.

"Potential Set-Off Required Amount" means, on the Closing Date and any Notes Payment Date, with respect to the Seller, an amount calculated, in respect of the Closing Date, as at the initial Cut-Off Date and, in respect of any Notes Payment Date, as at the relevant Notes Calculation Date, equal to (I) so long as any Class A Notes are outstanding, the higher of (x) an amount equal to (i) the Potential Set-Off Amount, in respect of the Closing Date, calculated as per the initial Cut-Off Date and, in respect of any Notes Payment Date, calculated as per the last day of the immediately preceding Mortgage Calculation Period less (ii) the sum of (a) an amount equal to 0.12 per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables, in respect of the Closing Date, on the initial Cut-Off Date and, in respect of any Notes Payment Date, on the last day of the immediately preceding Mortgage Calculation Period and (b) an amount equal to 80 per cent. of the Available Subordination Increase multiplied by the aggregate Outstanding Principal Amount of the Mortgage Receivables, in respect of the Closing Date, on the initial Cut-Off Date and, in respect of any Notes Payment Date, on the last day of the immediately preceding Mortgage Calculation Period provided that, on any Notes Payment Date after notification of the assignment of the Mortgage Receivables to the Issuer having been made, such amount shall not be higher than the amount calculated as Potential Set-Off Required Amount, in respect of the Closing Date, on the initial Cut-Off Date and, in respect of any Notes Payment Date, on the immediately preceding Notes Payment Date and (y) zero, and (II) zero, if the Class A Notes have been redeemed in full;

"Available Subordination" means, on the Closing Date and any Notes Payment Date, a percentage equal to (x) the Principal Amount Outstanding of the Class E Notes on such Notes Payment Date less any Class E Principal Deficiency divided by (y) the aggregate Principal Amount Outstanding of all Notes on the immediately preceding Notes Calculation Date;

"Available Subordination Increase" means, on the Closing Date and on any Notes Payment Date, the higher of (x) a percentage equal to (i) the Available Subordination on the immediately preceding Notes Calculation Date less (ii) 1.10 per cent. and (y) zero per cent.;

Joint Security Right Arrangements

In the Mortgage Receivables Purchase Agreement, the Seller, the Issuer and/or the Security Trustee (as applicable) will agree that the Issuer and/or the Security Trustee (as applicable) will manage and administer any jointly-held Security Interests. Furthermore, the Seller, the Issuer and/or the Security Trustee (as applicable) will agree that, in case of foreclosure the share (aandeel) in each jointly-held Security Interest of the Security Trustee and/or the Issuer will be equal to the Outstanding Principal Amount of the relevant Mortgage Receivable, increased with interest and costs, if any, and the share of the Seller will be equal to Net Foreclosure proceeds minus the Outstanding Principal Amount of the relevant Mortgage Receivable, increased with interest and costs, if any. Moreover, it will be agreed in the Mortgage Receivables Purchase Agreement that in case of a breach by the Seller of any of its obligations under the Joint Security Right Arrangements or if any such arrangement is dissolved, void, nullified or ineffective for any reason in respect of the Seller (including its bankruptcy), the Seller shall owe the Joint Security Indemnity Amount, being (i) to the Issuer, an amount equal to the share of the Seller in the Net Foreclosure Proceeds of each relevant Security interest, subject to item (ii), and (ii) by way of parallel debt, to the Security Trustee an amount equal to the amount due by the Seller to the Issuer as set out under (i), whereby the Seller's payment obligation under this item shall be reduced upon irrevocable payment by the Seller of an amount due under (i) and vice versa. To further secure the obligations of the Seller under the Joint Security Right Arrangements, the Seller has in the Mortgage Receivables Purchase Agreement undertaken with each of the Issuer and the Security Trustee to vest (a) a first ranking right of pledge in favour of the Security Trustee and (b) a second ranking right of pledge in favour of the Issuer on the Other Claims promptly but in any event within two (2) Business Days upon the occurrence of an Assignment Notification Event.

If, after the pledge of the Other Claims, the Assignment Notification Event has been cured or is not continuing, the Issuer and the Security Trustee will be obliged to release the rights of pledge vested on the Other Claims. In addition, each of the Issuer and the Security Trustee undertakes to release such right of pledge on any Other Claims of a Borrower if the Outstanding Principal Amount in respect of the relevant Mortgage Receivable has been repaid in full.

5.2 PRIORITIES OF PAYMENTS

Priority of payments in respect of interest

Prior to the delivery of an Enforcement Notice, the Available Revenue Funds, calculated on each Notes Calculation Date, will, pursuant to the terms of the Trust Deed, be applied by the Issuer on the immediately succeeding Notes Payment Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full) (the "Revenue Priority of Payments"):

- (a) first, in or towards satisfaction, pari passu and pro rata, according to the respective amounts thereof, of the fees or other remuneration due and payable to the Directors in connection with the Management Agreements and any costs, charges, liabilities and expenses incurred by the Security Trustee under or in connection with any of the Transaction Documents;
- (b) second, in or towards satisfaction, pari passu and pro rata, according to the respective amounts thereof, of administration fees and expenses due and payable to the Servicer under the Servicing Agreement and the Issuer Administrator under the Administration Agreement;
- (c) third, in or towards satisfaction of, pari passu and pro rata, according to the respective amounts thereof, (i) any amounts due and payable to third parties under obligations incurred in the Issuer's business (other than under the Transaction Documents), including, without limitation, in or towards satisfaction of sums due or provisions for any payment of the Issuer's liability, if any, to tax (to the extent such amounts cannot be paid out of the Withheld Amount) and the fees and expenses of the Credit Rating Agencies and any legal advisor, auditor and accountant, appointed by the Issuer or the Security Trustee, (ii) fees and expenses due to the Paying Agent under the Paying Agency Agreement, (iii) the Cash Advance Facility Commitment Fee under the Cash Advance Facility Agreement and (iv) any amounts due to the Issuer Account Bank (including any negative interest) under the Issuer Account Agreement;
- (d) fourth, in or towards satisfaction of (i) any amounts due and payable to the Cash Advance Facility Provider under the Cash Advance Facility Agreement, other than the Cash Advance Facility Commitment Fee and (ii) following a Cash Advance Facility Stand-by Drawing, sums to be credited to the Cash Advance Facility Stand-by Ledger, but excluding any gross-up amounts or additional amounts due under the Cash Advance Facility Agreement payable under sub-paragraph (k) below;
- (e) fifth, in or towards satisfaction of all amounts of interest due but unpaid in respect of the Class A Notes;
- (f) sixth, in or towards satisfaction of sums to be credited to the Class A Principal Deficiency Ledger until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero;
- (g) seventh, in or towards satisfaction of sums to be credited to the Class B Principal Deficiency Ledger until the debit balance, if any, on the Class B Principal Deficiency Ledger is reduced to zero;
- (h) *eighth,* in or towards satisfaction of sums to be credited to the Class C Principal Deficiency Ledger until the debit balance, if any, on the Class C Principal Deficiency Ledger is reduced to zero;
- (i) *ninth*, in or towards satisfaction of sums to be credited to the Class D Principal Deficiency Ledger until the debit balance, if any, on the Class D Principal Deficiency Ledger is reduced to zero;
- (j) tenth, in or towards satisfaction of sums to be credited to the Class E Principal Deficiency Ledger until the debit balance, if any, on the Class E Principal Deficiency Ledger is reduced to zero;
- (k) *eleventh*, in or towards satisfaction of gross-up amounts or additional amounts due, if any, to the Cash Advance Facility Provider pursuant to the Cash Advance Facility Agreement; and
- (I) twelfth, in or towards satisfaction of a Deferred Purchase Price Instalment to the Seller.

Priority of Payments in respect of principal

Prior to the delivery of an Enforcement Notice, the Available Principal Funds, calculated on each Notes Calculation Date, will pursuant to the terms of the Trust Deed be applied by the Issuer on the immediately succeeding Notes Payment Date as follows (in each case only if and to the extent that payments of a higher

order of priority have been made in full) (the "Redemption Priority of Payments"):

- first, the Available Principal Funds will be applied in or towards satisfaction of principal amounts due under the Class A Notes until fully redeemed;
- (b) second, in or towards satisfaction of principal amounts due under the Class B Notes until fully redeemed;
- (c) third, in or towards satisfaction of principal amounts due under the Class C Notes until fully redeemed;
- (d) fourth, in or towards satisfaction of principal amounts due under the Class D Notes until fully redeemed; and
- (e) fifth, in or towards satisfaction of principal amounts due under the Class E Notes.

Post-Enforcement Priority of Payments

Following the delivery of an Enforcement Notice, the Enforcement Available Amount will be paid by the Security Trustee to the Secured Creditors (including the Noteholders, but excluding the Participants,) in the following order of priority (and in each case only if and to the extent payments of a higher priority have been made in full) (the "Post-Enforcement Priority of Payments"):

- (a) first, in or towards satisfaction, pari passu and pro rata, according to the respective amounts thereof, of (i) the fees or other remuneration due to the Directors under the Management Agreements, (ii) the fees and expenses of the Paying Agent incurred under the provisions of the Paying Agency Agreement and (iii) the fees and expenses of the Servicer under the Servicing Agreement and the Issuer Administrator under the Administration Agreement;
- (b) second, in or towards satisfaction, pari passu and pro rata, according to the respective amounts thereof, of any sums due or accrued due but unpaid (i) to the Cash Advance Facility Provider under the Cash Advance Facility Agreement, but excluding any gross-up amounts or additional amounts due under the Cash Advance Facility Agreement payable under sub-paragraph (i) below and (ii) to the Issuer Account Bank (including any negative interest) under the Issuer Account Agreement;
- (c) third, in or towards satisfaction of all amounts of interest due but unpaid in respect of the Class A Notes;
- (d) fourth, in or towards satisfaction, of all amounts of principal and any other amount due but unpaid in respect of the Class A Notes;
- (e) fifth, in or towards satisfaction of all amounts of principal in respect of the Class B Notes;
- (f) sixth, in or towards satisfaction of all amounts of principal in respect of the Class C Notes;
- (g) seventh, in or towards satisfaction of all amounts of principal in respect of the Class D Notes;
- (h) eighth, in or towards satisfaction of all amounts of principal in respect of the Class E Notes;
- (i) *ninth*, in or towards satisfaction of gross-up amounts or additional amounts due, if any, to the Cash Advance Facility Provider pursuant to the Cash Advance Facility Agreement; and
- (j) tenth, in or towards satisfaction of a Deferred Purchase Price Instalment to the Seller.

5.3 LOSS ALLOCATION

Principal Deficiency Ledger

A Principal Deficiency Ledger comprising five (5) sub-ledgers, known as the Class A Principal Deficiency Ledger, the Class B Principal Deficiency Ledger, the Class C Principal Deficiency Ledger, the Class D Principal Deficiency Ledger and the Class E Principal Deficiency Ledger, respectively, will be established by or on behalf of the Issuer in order to record any Interest Shortfall and any Realised Losses on the Mortgage Receivables as Principal Deficiency upon completion of the foreclosure, such that there is no more collateral securing the Mortgage Receivable. On any Notes Calculation Date, any Interest Shortfall and, thereafter, any Realised Losses shall be debited to the Class E Principal Deficiency Ledger (such debit items being recredited at item (j) of the Revenue Priority of Payments) so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class E Notes and thereafter such amounts shall be debited to the Class D Principal Deficiency Ledger (such debit items being recredited at item (i) of the Revenue Priority of Payments) so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class D Notes and thereafter such amounts shall be debited to the Class C Principal Deficiency Ledger (such debit items being recredited at item (h) of the Revenue Priority of Payments) so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class C Notes and thereafter such amounts shall be debited to the Class B Principal Deficiency Ledger (such debit items being recredited at item (g) of the Revenue Priority of Payments) so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class B Notes and thereafter such amounts shall be debited to the Class A Principal Deficiency Ledger (such debit items being recredited at item (f) of the Revenue Priority of Payments).

"Realised Loss" means, on any relevant Notes Calculation Date, the sum of the following amounts (a), (b) and (c).

- (a) With respect to the Mortgage Receivables in respect of which the Seller, the Servicer on behalf of the Issuer, the Issuer or the Security Trustee has completed the foreclosure such that there is no more collateral securing the Mortgage Receivable in the immediately preceding Notes Calculation Period, the amount of difference between:
 - (i) the aggregate Net Outstanding Principal Amount of all such Mortgage Receivables; and
 - (ii) the amount of the Net Foreclosure Proceeds applied to reduce the Net Outstanding Principal Amount of the Mortgage Receivables.
- (b) With respect to the Mortgage Receivables sold by the Issuer in the immediately preceding Notes Calculation Period, the amount (if positive) by which:
 - (i) the aggregate Net Outstanding Principal Amount of such Mortgage Receivables exceeds;
 - (ii) the purchase price of the Mortgage Receivables sold to the extent relating to principal less, with respect to the Bank Savings Mortgage Receivables, the Bank Savings Participation.
- (c) With respect to the Mortgage Receivables in respect of which the Borrower has in the immediately preceding Notes Calculation Period (x) successfully asserted set-off or defence to payments or (y) repaid or prepaid any amount in the immediately preceding Mortgage Calculation Period (but is or will not be received by the Issuer), the amount by which (i) the aggregate Net Outstanding Principal Amount of such Mortgage Receivables prior to such set-off or defence or repayment or prepayment exceeds (ii) the aggregate Net Outstanding Principal Amount of such Mortgage Receivables after such set-off or defence or repayment or prepayment having been made, unless, and to the extent, such amount is received from the Seller as Set-Off Amount or Commingling Amount for the amount such Mortgage Receivable has been extinguished or otherwise in accordance with any item of the Available Principal Funds.

5.4 HEDGING

The Class A Notes bear a fixed rate of interest.

The Issuer receives amounts of interest in respect of all Mortgage Receivables, whereas the Issuer is only obliged to pay interest on the Class A Notes. As a result, the Outstanding Principal Amount in respect of which the Issuer receives interest exceeds on the Closing Date the Principal Amount Outstanding in respect of which the Issuer has an obligation to pay interest.

However, there is no separate hedging instrument available with respect to interest payable on the Class A Notes. Any default by the Issuer for a period of fourteen (14) days in the payment of any amount of interest on the Class A Notes after such amount of interest becomes due and payable pursuant to the Conditions constitutes an Event of Default in respect of the Class A Notes.

The Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will not carry any interest.

5.5 LIQUIDITY SUPPORT

Cash Advance Facility

On the Signing Date, the Issuer will enter into the Cash Advance Facility Agreement with the Cash Advance Facility Provider. The Issuer will be entitled on any Notes Payment Date (other than (x) a Notes Payment Date if and to the extent that on such date the Class A Notes are redeemed in full and (y) the Final Maturity Date) to make drawings under the Cash Advance Facility Agreement up to the Cash Advance Facility Maximum Amount, subject to certain conditions. The Cash Advance Facility Agreement is for a term of 364 days. The commitment of the Cash Advance Facility Provider is extendable at its option. Any drawing under the Cash Advance Facility by the Issuer shall only be made on a Notes Payment Date if, without taking into account any drawing under the Cash Advance Facility Agreement, there is a shortfall in the Available Revenue Funds, without taking into account any amount deducted from the Available Principal Funds under item (xi) of the Available Revenue Funds, to meet items (a) to (e) (inclusive) in the Revenue Priority of Payments in full on that Notes Payment Date.

If at any time, (I)(a) any credit rating of the Cash Advance Facility Provider falls below the Requisite Credit Rating or any such credit rating is withdrawn and (b) within thirty (30) calendar days in case of loss of the Requisite Credit Rating by Moody's and within fourteen (14) calendar days in case of loss of the Requisite Credit Rating by Fitch (i) the Cash Advance Facility Provider is not replaced by the Issuer with an alternative cash advance facility provider having at least the Requisite Credit Rating or (ii) no third party having at least the Requisite Credit Rating has guaranteed the obligations of the Cash Advance Facility Provider or (II) the Cash Advance Facility Provider has refused to extend the Cash Advance Facility Agreement upon the Issuer's request (irrespective of whether such request was made within or directly after the notice period) (each a "Cash Advance Facility Stand-by Drawing Event"), the Issuer will be required forthwith to make a Cash Advance Facility Stand-by Drawing and credit such amount to the Issuer Collection Account with a corresponding credit to the Cash Advance Facility Stand-by Ledger. Amounts so credited to the Issuer Collection Account may be utilised by the Issuer in the same manner as a drawing under the Cash Advance Facility Stand-by Drawing had not been so made.

5.6 ISSUER ACCOUNTS

Issuer Accounts

Issuer Collection Account

The Issuer, the Security Trustee and the Issuer Account Bank will enter into the Issuer Account Agreement on the Signing Date. The Issuer will maintain with the Issuer Account Bank the Issuer Collection Account to which all amounts received (i) in respect of the Mortgage Receivables and (ii) from the Bank Savings Participant under the Bank Savings Participation Agreement and (iii) from the other parties to the Transaction Documents will be paid.

The Issuer Administrator will identify all amounts paid into the Issuer Collection Account by crediting such amounts to ledgers established for such purpose. Payments received on or before each Mortgage Collection Payment Date in respect of the Mortgage Receivables will be identified as principal or revenue receipts and credited to a Principal Ledger or a Revenue Ledger, as the case may be. Further ledgers will be maintained to record amounts held in the Issuer Account Agreement in connection with the Financial Collateral Agreements, in connection with certain drawings made under the Cash Advance Facility and to record any NHG Advance Right payments.

Payments may be made from the Issuer Collection Account other than on a Notes Payment Date only to satisfy (i) amounts due to third parties (other than pursuant to the Transaction Documents) and under obligations incurred in connection with the Issuer's business and (ii) amounts due to the Bank Savings Participant under the Bank Savings Participation Agreement.

Construction Deposit Account

In addition, the Issuer will maintain with the Issuer Account Bank a Construction Deposit Account. On a Notes Payment Date on which New Mortgage Receivables and/or Further Advance Receivables will be purchased by the Issuer, an amount corresponding to the Aggregate Construction Deposit Amount in relation to the Mortgage Receivables purchased by the Issuer on such Notes Payment Date will be credited to the Construction Deposit Account. Payments may be made from the Construction Deposit Account on a Mortgage Collection Payment Date only to satisfy payment by the Issuer to the Seller of part of the Initial Purchase Price as a result of the distribution of (part of) the Construction Deposit by the Seller to the relevant Borrowers. Besides this, the Construction Deposit Account will be debited on each Mortgage Collection Payment Date with the amount Borrowers have set off against the Mortgage Receivables in connection with the Construction Deposits and as a result, in respect of which the Issuer has no further obligation to pay such part of the Initial Purchase Price. Such amount will be credited to the Issuer Collection Account and will form part of the Available Principal Funds. The Issuer shall pay the interest accrued on the Construction Deposit Account to the Seller.

Interest rate

The Issuer Account Bank will agree to pay a rate of interest of zero (0) per cent. on the balance standing to the credit of the Issuer Accounts from time to time or as otherwise reasonable determined by the Issuer Account Bank, as further set out in the Issuer Account Agreement.

In the event that the interest rate accruing on the balances standing to the credit of any of the Issuer Accounts is less than zero, such amount will be payable by the Issuer to the Issuer Account Bank.

Credit rating of the Issuer Account Bank

If, at any time, the Issuer Account Bank is assigned a credit rating of less than the Requisite Credit Rating or any such credit rating is withdrawn, the Issuer Account Bank will be required to use its best efforts within thirty (30) calendar days in case of loss of the Requisite Credit Rating by Moody's and within sixty (60) days in case of loss of the Requisite Credit Rating by Fitch, to (i) transfer the balance standing to the credit of the Issuer Accounts to an alternative issuer account bank having the Requisite Credit Rating, or (ii) obtain a third party with at least the Requisite Credit Rating to guarantee the obligations of the Issuer Account Bank or (iii) find any other solution in accordance with the applicable criteria of the relevant Credit Rating Agency to maintain the then current credit ratings assigned to the Notes acceptable to the Security Trustee. The Issuer shall, promptly following the execution of such agreement, pledge its interests in such agreement and the Issuer Accounts in favour of the Security Trustee on the terms of the Issuer Rights Pledge Agreement, *mutatis mutandis*, to the satisfaction of the Security Trustee.

5.7 ADMINISTRATION AGREEMENT

Issuer Services

In the Administration Agreement, the Issuer Administrator will agree to provide certain services, including (a) administration, calculation and cash management services to the Issuer, including all calculations to be made in respect of the Notes and the Transaction Documents, (b) operation of the Issuer Accounts and ensuring that payments are made into and from such accounts in accordance with the Administration Agreement and the Trust Deed and the production of monthly reports in relation thereto, (c) arranging for all payments to be made by the Issuer under the Notes in accordance with the Paying Agency Agreement and the Conditions of the Notes, (d) the maintaining of all required ledgers in accordance with the Trust Deed, (e) all calculations to be made in connection with the Financial Collateral Agreements and (f) submitting certain statistical information regarding the Issuer as referred to above to certain governmental authorities if and when requested or as required pursuant to the Securitisation Regulation.

The Issuer Administrator may subcontract its obligations subject to and in accordance with the Administration Agreement (without the consent of the Issuer and the Security Trustee or the approval of the Credit Rating Agencies or any other party being required where such sub-agent is a group company). Any such subcontracting will not relieve the Issuer Administrator of its responsibility to perform its obligations under the Administration Agreement, although where services are subcontracted, such services will be performed by a sub-agent.

The Issuer Administrator does not have any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes. The Notes will be solely the obligations and responsibilities of the Issuer.

The Issuer Administrator will, on behalf of the Seller, fulfil the information requirements set out in points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation, which includes, making available this Prospectus, the Transaction Documents and Ioan-by-Ioan information through the Securitisation Repository. It has been agreed in the Administration Agreement that the Issuer Administrator shall use its best efforts to make such Ioan-by-Ioan information available on a monthly basis which information can be obtained at the website of the European DataWarehouse http://eurodw.eu/ within one month after each Notes Payment Date, for as long as such requirement is effective, provided that (i) the Issuer Administrator has received the relevant information from the Servicer, (ii) such information is complete and correct and (iii) such information is provided in a format which enables the Issuer Administrator to use it for the purpose of the templates.

Calculations

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

Termination

The appointment of the Issuer Administrator under the Administration Agreement may be terminated by the Security Trustee or the Issuer (with the consent of the Security Trustee) in certain circumstances, including (a) a default by the Issuer Administrator in the payment on the due date of any payment due and payable by it under the Administration Agreement which is not remedied within the cure period specified therein, (b) a default by the Issuer Administrator in the performance or observance of any of its other covenants and obligations under the Administration Agreement which is not remedied within the cure period specified therein, or (c) the Issuer Administrator taking any corporate action or the taking of any steps or the instituting of legal proceedings or threats against it for suspension of payments (*surseance van betaling*) or for any analogous insolvency proceedings under any applicable law or for bankruptcy or for the appointment of a receiver or a similar officer of its or any or all of its assets.

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

Furthermore, the Administration Agreement may be terminated by (i) the Issuer Administrator and (ii) by the Issuer upon the expiry of not less than twelve (12) months' notice of termination given by (i) the Issuer Administrator to each of the Issuer and the Security Trustee or (ii) by the Issuer to each of the Issuer Administrator and the Security Trustee, provided that, *inter alia*, (a) the Security Trustee consents in writing to such termination (which consent shall not be unreasonably withheld or delayed), (b) a Credit Rating Agency Confirmation is available for such appointment and (c) a substitute issuer administrator shall be appointed, such appointment to be effective not later than the date of termination of the Administration Agreement and such substitute issuer administrator enters into an agreement substantially on the terms of the Administration Agreement and the Issuer Administrator shall not be released from its obligations under the Administration Agreement until such new agreement has been signed and entered into effect with respect to such substitute administrator. The Issuer shall, promptly following the execution of such agreement, pledge its interests in such agreement in favour of the Security Trustee on the terms of the Issuer Rights Pledge Agreement, *mutatis mutandis*, to the satisfaction of the Security Trustee.

Calculations and reconciliation

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

If on any Mortgage Report Date no Mortgage Report is delivered to the Issuer Administrator by the Servicer in accordance with the Servicing Agreement, the Issuer Administrator will use all reasonable endeavours to make all determinations necessary in order for the Issuer Administrator to continue to perform the Issuer Services, as further set out in the Administration Agreement. The Issuer Administrator will make such determinations until such time it receives from the Servicer or substitute servicer the Mortgage Report. Upon receipt by the Issuer Administrator of such Mortgage Report, the Issuer Administrator will apply the reconciliation calculations as further set out in the Administration Agreement in respect of payments made as a result of determinations made by the Issuer Administrator during the period when no Mortgage Report was available.

With respect to the Revenue Priority of Payments, the Issuer Administrator shall only make payments for items (a) up to and including (k) and shall make no payments to any items ranking below item (k) until the relevant Mortgage Reports are available. The Issuer Administrator shall credit the amounts remaining after the Revenue Priority of Payments and items (a) up to and including (k) of the Revenue Priority of Payments have been paid in full on a the Reconciliation Ledger.

Any (i) calculations properly done in accordance with the Trust Deed and in accordance with the Administration Agreement, and (ii) payments made and payments not made under any of the Notes and Transaction Documents in accordance with such calculations and (iii) reconciliation calculations and reconciliation payments made or payments not made as a result of such reconciliation calculations, each in accordance with the Administration Agreement, shall be deemed to be done, made or not made in accordance with the provisions of the Transaction Documents and will in themselves not lead to an event of default or any other default or termination event under any of the Transaction Documents or breach of any triggers included therein (including but not limited to Assignment Notification Events and Pledge Notification Events).

MAD Regulations

Pursuant to the Administration Agreement, the Issuer Administrator, *inter alia*, shall procure compliance by the Issuer with all applicable legal requirements, including in respect of the MAD Regulations which, *inter alia*, impose on the Issuer the obligation to disclose inside information and to maintain a list of persons that act on behalf of or for the account of the Issuer and who, on a regular basis, have access to inside information in respect of the Issuer.

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

| MAD Regulations to the Issuer Administrator, the Issuer shall ultimately remain legally responsible and liable for such compliance. |
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6. PORTFOLIO INFORMATION

6.1 STRATIFICATION TABLES

Summary of the Provisional Pool

The numerical information set out below relates to the Provisional Pool which was selected on 31 January 2023. Therefore, the information set out below in relation to the Provisional Pool may not necessarily correspond to that of the Mortgage Receivables actually sold on the Signing Date. After the Closing Date, the Final Portfolio will change from time to time as a result of repayment, prepayment, amendment and repurchase of Mortgage Receivables and the purchase of New Mortgage Receivables and Further Advance Receivables on any Notes Payment Date up to but excluding the First Optional Redemption Date.

The Mortgage Receivables represented in the stratification tables have been selected in accordance with the Mortgage Loan Criteria. However, there can be no assurance that any Further Advance Receivables or New Mortgage Receivables acquired by the Issuer after the Signing Date will have the exact same characteristics as represented in the Stratification Tables. The accuracy of the data included in the stratification tables in respect of the Final Portfolio as selected on 31 January 2023 has been verified by an appropriate and independent party.

Detailed information on the Provisional Pool of Mortgage Loans

1. Key Characteristics

| Description | As per Reporting Date | As per Closing Date |
|---|-----------------------|------------------------|
| Principal amount | 8.062.231.065,69 | 8.062.231.065,69 |
| Value of savings deposits | 62.231.066,19 | 62.231.066,19 |
| Net principal balance | 7.999.999.999,50 | 7.999.999.999,50 |
| Construction Deposits | 0,00 | 0,00 |
| Net principal balance excl. Construction and Saving Deposits | 7.999.999.999,50 | 7.999.999.999,50 |
| Negative balance | 0,00 | 0,00 |
| Net principal balance excl. Construction and Saving Deposits and Negative Balance | 7.999.999.999,50 | 7.999.999.999,50 |
| Number of loans | 31.543 | 31.543 |
| Number of loanparts | 79.290 | 79.290 |
| Number of negative loanparts | 0 | 0 |
| Average principal balance (borrower) | 253,622.04 | 253,622.04 |
| Weighted average current interest rate | 1.96% | 1.96% |
| Weighted average maturity (in years) | 24,58 | 24,66 |
| Weighted average remaining time to interest reset (in years) | 11,10 | 11,10 |
| Weighted average seasoning (in years) | 4,65 | 4,60 |
| Weighted average CLTOMV | 72.98% | 72.98% |
| Weighted average CLTIMV | 56.17% | 56.17% |
| Weighted average OLTOMV | 78.91% | 78.91% |

2. Delinquencies

| From (>) Untill (<=) | Arrears Amount | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV |
|------------------------|-------------------|-----------------------|------------|-----------------|------------|-------------------------------|---------------------------------|-------------------------------|
| Performing | 0,00 | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% |
| <= 29 days | | | | | | | | |
| 30 days - 59 days | | | | | | | | |
| 60 days - 89 days | | | | | | | | |
| 90 days - 119 days | | | | | | | | |
| 120 days - 149 days | | | | | | | | |
| 150 days - 179 days | | | | | | | | |
| > 180 days | | | | | | | | |
| Total | 0,00 | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% |

3. Redemption Type

| Description | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|---|--------------------------|------------|--------------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| French - i.e. Amortisation in which the total amount — principal plus interest — repaid in each instalment is the same. (FRXX)) | 4.278.911.696,22 | 53,49% | 45.213 | 57,02% | 1,81% | 26,08 | 76,33% | 53,49% |
| Fixed amortisation schedule - i.e. Amortisation in which the principal amount repaid in each instalment is the same. (FIXE) | 309.073.638,89 | 3,86% | 3.497 | 4,41% | 1,74% | 24,96 | 69,17% | 3,86% |
| Bullet - i.e. Amortisation in which the full principal amount is repaid in the last instalment. (BLLT) (Savings) | 100.868.138,65 | 1,26% | 1.515 | 1,91% | 2,43% | 15,19 | 66,78% | 1,26% |
| bullet - i.e. Amortisation in which the full principal amount is repaid in the last instalment. (BLLT) (Interest-only) Bullet - i.e. Amortisation in which the full principal amount is repaid in the last instalment. (BLLT) (Life insurance) | 3.199.596.378,47 | 39,99% | 28.025 | 35,34% | 2,14% | 23,44 | 68,72% | 39,99% |
| Bullet - i.e. Amortisation in which the full principal amount is repaid in the last instalment. (BLLT) (Other) Other (OTHR) | 111.550.147,27 | 1,39% | 1.040 | 1,31% | 2,80% | 12,90 | 83,18% | 1,39% |
| Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

4. Loanpart Coupon (interest rate bucket)

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--------------------------|-----------------------|------------|-----------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| < 0.50% | | | | | | | | |
| 0.50% - | 75.815.612,30 | 0,95% | 961 | 1,21% | 0,92% | 26,64 | 75,33% | 0,95% |
| 1.00% | | | | | | | | |
| 1.00% - | 1.422.453.010,77 | 17,78% | 15.206 | 19,18% | 1,29% | 26,18 | 72,21% | 17,78% |
| 1.50% | | | | | | | | |
| 1.50% - | 3.745.776.851,94 | 46,82% | 36.310 | 45,79% | 1,74% | 25,73 | 72,17% | 46,82% |
| 2.00% | | | | | | | | |
| 2.00% - | 1.397.004.485,50 | 17,46% | 13.418 | 16,92% | 2,20% | 23,72 | 74,99% | 17,46% |
| 2.50% | | | | | | | | |
| 2.50% - | 826.316.645,05 | 10,33% | 8.309 | 10,48% | 2,73% | 22,01 | 71,33% | 10,33% |
| 3.00% | 000 000 700 50 | 0.540/ | 0.440 | 0.050/ | 0.400/ | 00.04 | 70.700/ | 0.540/ |
| 3.00% - | 280.608.786,56 | 3,51% | 2.419 | 3,05% | 3,19% | 20,61 | 78,79% | 3,51% |
| 3.50% 3.50% - | 440.050.000.40 | 4 400/ | 1.276 | 4.040/ | 0.750/ | 40.00 | 70.000/ | 4 400/ |
| 4.00% | 118.252.020,10 | 1,48% | 1.276 | 1,61% | 3,75% | 18,93 | 76,80% | 1,48% |
| 4.00% - | 90.515.050,98 | 1,13% | 965 | 1,22% | 4,16% | 18,25 | 72,07% | 1,13% |
| 4.50% | 90.515.050,96 | 1,1376 | 900 | 1,2270 | 4,10% | 10,23 | 12,0170 | 1,13% |
| 4.50% - | 31.347.801,52 | 0,39% | 284 | 0,36% | 4,72% | 15,60 | 88,67% | 0,39% |
| 5.00% | 31.347.001,32 | 0,5570 | 204 | 0,3070 | 4,7270 | 13,00 | 00,07 /0 | 0,5370 |
| 5.00% - | 6.794.773,91 | 0,08% | 79 | 0,10% | 5,18% | 14,71 | 80,86% | 0,08% |
| 5.50% | 0.7 0 1.7 7 0,0 1 | 0,0070 | 7.0 | 0,1070 | 0,1070 | ,, . | 00,0070 | 0,0070 |
| 5.50% - | 2.284.599,82 | 0,03% | 23 | 0.03% | 5,68% | 16,49 | 77,59% | 0,03% |
| 6.00% | | 2,22.2 | | 0,0070 | -, | , | ,,. | 2,2272 |
| 6.00% - | 2.052.029,31 | 0.03% | 28 | 0.04% | 6,22% | 13,70 | 71,15% | 0,03% |
| 6.50% | | | | | | | | |
| 6.50% - | 778.331,74 | 0,01% | 12 | 0,02% | 6,61% | 13,86 | 71,85% | 0,01% |
| 7.00% | | | | | | | | |
| 7.00% >= | | | | | | | | |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted | 1.96% |
|----------|--------|
| Average | |
| Minimum | 0.69% |
| 8.4 | 0.000/ |
| Maximum | 6.90% |

5. Outstanding Loan Amount

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|------------------------------|-----------------------|------------|-------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| < 25.000 | 107.858,72 | 0,00% | 8 | 0,03% | 2,19% | 13,41 | 7,41% | 0,00% |
| 25,000.00 - | 2.523.327,79 | 0,03% | 67 | 0,21% | 2,34% | 18,71 | 18,80% | 0,03% |
| 50,000.00 | 2.020.02. ,. 0 | 0,0070 | . | 0,2.70 | 2,0 . 70 | .0, | .0,0070 | 0,0070 |
| 50,000.00 - | 16.868.491,50 | 0,21% | 253 | 0,80% | 2,28% | 18,68 | 40,89% | 0,21% |
| 75,000.00 | 407.440.400.44 | 4.040/ | 4 400 | 0.700/ | 0.4.40/ | 00.40 | 40 500/ | 4.040/ |
| 75,000.00 - 100,000.00 | 107.446.409,11 | 1,34% | 1.193 | 3,78% | 2,14% | 20,40 | 49,59% | 1,34% |
| 100,000.00 | 716.732.253,84 | 8,96% | 5.619 | 17,81% | 2,01% | 22,59 | 62,39% | 8,96% |
| 150.000.00 | 710.732.200,04 | 0,3070 | 0.010 | 17,0170 | 2,0170 | 22,00 | 02,0070 | 0,5070 |
| 150,000.00 - | 1.238.997.747,75 | 15,49% | 7.111 | 22,54% | 1,93% | 23,75 | 71,27% | 15,49% |
| 200,000.00 | • | , | | ŕ | , | , | , | , |
| 200,000.00 - | 1.217.576.943,17 | 15,22% | 5.482 | 17,38% | 1,93% | 24,20 | 74,90% | 15,22% |
| 250,000.00 | | | | | | | | |
| 250,000.00 - | 960.829.761,03 | 12,01% | 3.506 | 11,11% | 1,94% | 24,74 | 75,91% | 12,01% |
| 300,000.00 | 740 500 727 25 | 0.000/ | 2 227 | 7.000/ | 4.000/ | 05.40 | 74.600/ | 0.000/ |
| 300,000.00 - 350,000.00 | 719.588.737,35 | 8,99% | 2.227 | 7,06% | 1,96% | 25,12 | 74,69% | 8,99% |
| 350.000.00 - | 702.528.889,43 | 8,78% | 1.887 | 5,98% | 2,02% | 25,23 | 74,94% | 8,78% |
| 400.000.00 | 702.020.000,40 | 0,7070 | 1.007 | 0,5070 | 2,0270 | 20,20 | 74,5470 | 0,7070 |
| 400,000.00 - | 364.778.983,50 | 4,56% | 864 | 2,74% | 1,97% | 25,24 | 72,71% | 4,56% |
| 450,000.00 | | | | | | | | |
| 450,000.00 - | 366.952.825,18 | 4,59% | 768 | 2,43% | 1,95% | 25,61 | 74,97% | 4,59% |
| 500,000.00 | | | | | | | | |
| 500,000.00 - | 415.432.484,35 | 5,19% | 794 | 2,52% | 1,97% | 26,31 | 76,09% | 5,19% |
| 550,000.00 550.000.00 - | 343.063.812,01 | 4,29% | 598 | 1,90% | 1,97% | 26,06 | 75,74% | 4,29% |
| 600.000.00 | 343.003.812,01 | 4,2370 | 390 | 1,50 /6 | 1,97 /6 | 20,00 | 13,1470 | 4,2370 |
| 600,000.00 - | 239.179.488,85 | 2,99% | 384 | 1,22% | 1,97% | 25,69 | 74,90% | 2,99% |
| 650,000.00 | 200111 01 100,00 | 2,0070 | 00. | .,== /0 | .,0.70 | 20,00 | . 1,0070 | 2,0070 |
| 650,000.00 - | 187.366.192,01 | 2,34% | 278 | 0,88% | 1,89% | 26,18 | 74,54% | 2,34% |
| 700,000.00 | | | | | | | | |
| 700,000.00 - | 138.830.309,69 | 1,74% | 192 | 0,61% | 1,98% | 26,23 | 77,44% | 1,74% |
| 750,000.00 | 00 000 070 00 | 4.450/ | 440 | 0.000/ | 0.000/ | 00.00 | 75.040/ | 4.450/ |
| 750,000.00 - 800,000.00 | 92.336.670,22 | 1,15% | 119 | 0,38% | 2,00% | 26,80 | 75,21% | 1,15% |
| 800.000.00 - | 60.996.660,92 | 0,76% | 74 | 0,23% | 1,87% | 25,98 | 79,40% | 0.76% |
| 850,000.00 | 00.000,02 | 0,7070 | 74 | 0,2070 | 1,07 70 | 20,50 | 73,4070 | 0,7070 |
| 850,000.00 - | 50.627.084,71 | 0,63% | 58 | 0,18% | 1,81% | 26,39 | 75,36% | 0,63% |
| 900,000.00 | | | | | | | | |
| 900,000.00 - | 35.010.674,12 | 0,44% | 38 | 0,12% | 1,86% | 26,24 | 76,04% | 0,44% |
| 950,000.00 | 00.004.001.05 | 0.0001 | 00 | 0.070 | 4.700/ | 07.00 | 77 77 0 | 0.000/ |
| 950,000.00 - | 22.224.394,25 | 0,28% | 23 | 0,07% | 1,73% | 27,00 | 77,77% | 0,28% |
| 1,000,000.00 >= 1.000.000 | | | | | | | | |
| Unknown | | | | | | | | |
| Total | 7.999.999.999.50 | 100.00% | 31.543 | 100.00% | 1,96% | 24,66 | 72.98% | 100.00% |

| Average | 253,622.04 |
|---------|------------|
| Minimum | 7,500.00 |
| Maximum | 991,071.65 |

6. Construction Deposits (as percentage of net principal outstanding amount)

| From (>) - Until (<=) | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--------------------------|-----------------------|------------|-------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| 0% | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| 0.00% - | | | | | | | | |
| 10.00% | | | | | | | | |
| 10.00% - | | | | | | | | |
| 20.00% | | | | | | | | |
| 20.00% - | | | | | | | | |
| 30.00% | | | | | | | | |
| 30.00% - | | | | | | | | |
| 40.00% | | | | | | | | |
| 40.00% - | | | | | | | | |
| 50.00% | | | | | | | | |
| 50.00% - | | | | | | | | |
| 60.00% | | | | | | | | |
| 60.00% - | | | | | | | | |
| 70.00% | | | | | | | | |
| 70.00% - | | | | | | | | |
| 80.00% | | | | | | | | |
| 80.00% - | | | | | | | | |
| 90.00% | | | | | | | | |
| 90.00% - | | | | | | | | |
| 100.00% | | | | | | | | |
| 100.00% > | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

7. Origination Year

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--------------------------|-----------------------|------------|-----------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| >2023 | 3.678.853,00 | 0,05% | 31 | 0,04% | 3,83% | 28,88 | 85,82% | 0,05% |
| 2022 - 2023 | 705.224.392,27 | 8,82% | 5.015 | 6,32% | 2,10% | 28,44 | 76,68% | 8,82% |
| 2021 - 2022 | 1.781.112.774,43 | 22,26% | 16.753 | 21,13% | 1,54% | 27,56 | 75,54% | 22,26% |
| 2020 - 2021 | 1.439.690.339,52 | 18,00% | 14.693 | 18,53% | 1,69% | 26,42 | 75,48% | 18,00% |
| 2019 - 2020 | 1.466.447.637,52 | 18,33% | 15.458 | 19,50% | 1,97% | 25,68 | 72,54% | 18,33% |
| 2018 - 2019 | 712.936.232,47 | 8,91% | 7.818 | 9,86% | 2,20% | 24,64 | 69,54% | 8,91% |
| 2017 - 2018 | 583.479.605,88 | 7,29% | 6.630 | 8,36% | 2,13% | 23,89 | 66,90% | 7,29% |
| 2016 - 2017 | 292.052.829,56 | 3,65% | 3.359 | 4,24% | 2,37% | 22,82 | 63,89% | 3,65% |
| 2015 - 2016 | 13.934.418,07 | 0,17% | 144 | 0,18% | 2,62% | 20,74 | 63,69% | 0,17% |
| 2014 - 2015 | 4.260.377,96 | 0,05% | 73 | 0,09% | 2,20% | 15,78 | 62,37% | 0,05% |
| 2013 - 2014 | 3.185.537,54 | 0,04% | 56 | 0,07% | 2,76% | 15,11 | 60,40% | 0,04% |
| 2012 - 2013 | 1.429.361,45 | 0,02% | 23 | 0,03% | 2,78% | 13,23 | 51,85% | 0,02% |
| 2011 - 2012 | 19.003.371,14 | 0,24% | 156 | 0,20% | 2,47% | 17,05 | 71,00% | 0,24% |
| 2010 - 2011 | 147.142.892,23 | 1,84% | 1.700 | 2,14% | 2,31% | 16,77 | 70,14% | 1,84% |
| 2009 - 2010 | 116.965.319,77 | 1,46% | 1.234 | 1,56% | 2,57% | 15,95 | 68,81% | 1,46% |
| 2008 - 2009 | 134.375.544,25 | 1,68% | 1.094 | 1,38% | 2,65% | 15,21 | 71,44% | 1,68% |
| 2007 - 2008 | 148.314.484,58 | 1,85% | 1.107 | 1,40% | 2,65% | 14,22 | 72,65% | 1,85% |
| 2006 - 2007 | 62.401.856,49 | 0,78% | 482 | 0,61% | 2,69% | 12,94 | 76,06% | 0,78% |
| 2005 - 2006 | 193.474.026,10 | 2,42% | 1.858 | 2,34% | 2,63% | 12,14 | 73,93% | 2,42% |
| 2004 - 2005 | 76.875.107,76 | 0,96% | 746 | 0,94% | 2,62% | 11,23 | 72,43% | 0,96% |
| < 2004 | 94.015.037,51 | 1,18% | 860 | 1,08% | 2,64% | 9,78 | 69,04% | 1,18% |
| Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted | 2018 |
|--------------------|------|
| Average Minimum | 1999 |
| Maximum | 2023 |

8. Legal Maturity

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--------------------------|-----------------------|------------|-----------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| 2021 - 2025 | 17.985.920,82 | 0,22% | 230 | 0,29% | 3,24% | 0,78 | 67,29% | 0,22% |
| 2025 - 2030 | 26.809.401,65 | 0,34% | 683 | 0,86% | 2,37% | 5,05 | 64,29% | 0,34% |
| 2030 - 2035 | 214.173.634,89 | 2,68% | 2.581 | 3,26% | 2,51% | 10,11 | 69,28% | 2,68% |
| 2035 - 2040 | 701.328.757,76 | 8,77% | 6.745 | 8,51% | 2,57% | 14,20 | 71,75% | 8,77% |
| 2040 - 2045 | 377.231.646,30 | 4,72% | 4.186 | 5,28% | 2,07% | 18,96 | 68,46% | 4,72% |
| 2045 - 2050 | 3.125.543.856,32 | 39,07% | 32.787 | 41,35% | 2,05% | 25,16 | 70,73% | 39,07% |
| 2050 - 2055 | 3.536.926.781,76 | 44,21% | 32.078 | 40,46% | 1,70% | 28,05 | 76,02% | 44,21% |
| 2055 - 2060 | | | | | | | | |
| 2060 - 2065 | | | | | | | | |
| 2065 - 2070 | | | | | | | | |
| 2070 - 2075 | | | | | | | | |
| 2075 - 2080 | | | | | | | | |
| 2080 >= | | | | | | | | |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted | 2047 |
|----------|------|
| Average | |
| Minimum | 2023 |
| Maximum | 2053 |

9. Seasoning

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--|-----------------------|------------|-----------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| 1 Year | 571.034.381,39 | 7,14% | 3.889 | 4,90% | 2,24% | 28,52 | 77,26% | 7,14% |
| 1 year(s) - 2 | 1.771.925.709,36 | 22,15% | 16.487 | 20,79% | 1,53% | 27,64 | 75,38% | 22,15% |
| year(s) 2 year(s) - 3 | 1.261.407.139,66 | 15,77% | 12.727 | 16,05% | 1,69% | 26,63 | 76,34% | 15,77% |
| year(s) 3 year(s) - 4 | 1.700.747.299,28 | 21,26% | 17.929 | 22,61% | 1,89% | 25,76 | 72,53% | 21,26% |
| year(s) 4 year(s) - 5 | 707.845.540,51 | 8,85% | 7.605 | 9,59% | 2,23% | 24,76 | 70,28% | 8,85% |
| year(s) 5 year(s) - 6 | 624.925.618,04 | 7,81% | 7.091 | 8,94% | 2,13% | 23,99 | 67,08% | 7,81% |
| year(s) 6 year(s) - 7 | 333.229.395,24 | 4,17% | 3.860 | 4,87% | 2,32% | 22,93 | 64,22% | 4,17% |
| year(s) 7 year(s) - 8 | 26.482.846,51 | 0,33% | 298 | 0,38% | 2,59% | 21,61 | 63,10% | 0,33% |
| year(s) 8 year(s) - 9 | 5.205.800,31 | 0,07% | 87 | 0,11% | 2,27% | 16,47 | 64,17% | 0,07% |
| year(s) 9 year(s) - 10 | 2.942.672,66 | 0,04% | 49 | 0,06% | 2,71% | 15,32 | 61,13% | 0,04% |
| year(s) 10 year(s) - | 1.383.031,15 | 0,02% | 27 | 0,03% | 2,59% | 12,93 | 50,07% | 0,02% |
| 11 year(s) 11 year(s) - 12 year(s) | 11.874.010,22 | 0,15% | 85 | 0,11% | 2,49% | 17,12 | 65,50% | 0,15% |
| 12 year(s) - 13 year(s) | 136.207.100,83 | 1,70% | 1.583 | 2,00% | 2,32% | 16,79 | 70,62% | 1,70% |
| 13 year(s) - | 122.466.310,61 | 1,53% | 1.299 | 1,64% | 2,51% | 16,08 | 69,07% | 1,53% |
| 14 year(s) 14 year(s) - 15 year(s) | 126.991.859,81 | 1,59% | 1.070 | 1,35% | 2,67% | 15,35 | 71,17% | 1,59% |
| 15 year(s) - 16 year(s) | 154.049.307,25 | 1,93% | 1.143 | 1,44% | 2,64% | 14,32 | 72,32% | 1,93% |
| 16 year(s) - 17 year(s) | 54.854.260,31 | 0,69% | 400 | 0,50% | 2,60% | 13,23 | 75,39% | 0,69% |
| 17 year(s) - 18 year(s) | 200.490.867,23 | 2,51% | 1.916 | 2,42% | 2,66% | 12,26 | 74,88% | 2,51% |
| 18 year(s) - 19 year(s) | 79.083.930,50 | 0,99% | 776 | 0,98% | 2,62% | 11,38 | 71,10% | 0,99% |
| 19 year(s) - 20 year(s) | 68.947.608,19 | 0,86% | 645 | 0,81% | 2,66% | 10,30 | 72,26% | 0,86% |
| 20 year(s) - 21 year(s) | 15.685.851,64 | 0,20% | 120 | 0,15% | 2,62% | 10,08 | 68,27% | 0,20% |
| 21 year(s) - 22 year(s) | 8.974.160,23 | 0,11% | 68 | 0,09% | 2,63% | 9,15 | 64,93% | 0,11% |
| 22 year(s) - 23 year(s) | 6.584.647,09 | 0,08% | 63 | 0,08% | 2,63% | 8,27 | 61,16% | 0,08% |
| 23 year(s) - 24 year(s) | 6.531.777,90 | 0,08% | 71 | 0,09% | 2,59% | 7,77 | 56,20% | 0,08% |
| 24 year(s) - 25 year(s) | 128.873,58 | 0,00% | 2 | 0,00% | 2,20% | 13,69 | 62,96% | 0,00% |
| 25 year(s) - 26 year(s) | | | | | | | | |
| 26 year(s) - 27 year(s) | | | | | | | | |
| 27 year(s) - 28 year(s) | | | | | | | | |
| 28 year(s) - 29 year(s) | | | | | | | | |
| 29 year(s) - | | | | | | | | |
| 30 year(s) 30 year(s) >= | | | | | | | | |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted Average | 4.65 year(s) |
|---------------------|---------------|
| Minimum | .08 year(s) |
| Maximum | 24.05 year(s) |

10. Remaining Tenor

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|-----------------------------|-----------------------|------------|-----------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| < 1 Year | 16.892.954,15 | 0,21% | 176 | 0,22% | 3,29% | 0,74 | 67,95% | 0,21% |
| 1 Year - 2 | 1.140.071,56 | 0,01% | 60 | 0,08% | 2,44% | 1,46 | 57,49% | 0,01% |
| Years 2 year(s) - 3 | 2.633.745,26 | 0,03% | 85 | 0,11% | 2,38% | 2,49 | 69,03% | 0,03% |
| year(s) 3 year(s) - 4 | 4.620.368,66 | 0,06% | 115 | 0,15% | 2,43% | 3,44 | 68,61% | 0,06% |
| year(s) 4 year(s) - 5 | 4.092.269,44 | 0,05% | 144 | 0,18% | 2,13% | 4,48 | 61,98% | 0,05% |
| year(s) 5 year(s) - 6 | 5.562.971,46 | 0,07% | 136 | 0,17% | 2,35% | 5,55 | 66,50% | 0,07% |
| year(s) 6 year(s) - 7 | 13.753.376,54 | 0,17% | 250 | 0,32% | 2,41% | 6,57 | 61,60% | 0,17% |
| year(s) 7 year(s) - 8 | 18.962.889,91 | 0,24% | 330 | 0,42% | 2,39% | 7,50 | 63,53% | 0,24% |
| year(s) 8 year(s) - 9 | 23.798.232,89 | 0,30% | 364 | 0,46% | 2,39% | 8,50 | 65,55% | 0,30% |
| year(s) 9 year(s) - 10 | 22.103.475,82 | 0,28% | 293 | 0,37% | 2,44% | 9,54 | 66,26% | 0,28% |
| year(s) 10 year(s) - | 77.523.487,77 | 0,97% | 808 | 1,02% | 2,59% | 10,45 | 70,63% | 0,97% |
| 11 year(s) 11 year(s) - | 85.098.703,73 | 1,06% | 927 | 1,17% | 2,56% | 11,50 | 71,35% | 1,06% |
| 12 year(s) 12 year(s) - | 204.830.885,94 | 2,56% | 2.060 | 2,60% | 2,60% | 12,49 | 73,39% | 2,56% |
| 13 year(s) 13 year(s) - | 71.641.906,28 | 0,90% | 747 | 0,94% | 2,53% | 13,36 | 74,35% | 0,90% |
| 14 year(s) 14 year(s) - | 173.231.039,28 | 2,17% | 1.471 | 1,86% | 2,57% | 14,51 | 71,62% | 2,17% |
| 15 year(s) 15 year(s) - | 138.757.960,89 | 1,73% | 1.233 | 1,56% | 2,59% | 15,50 | 70,57% | 1,73% |
| 16 year(s) 16 year(s) - | 132.009.629,97 | 1,65% | 1.413 | 1,78% | 2,48% | 16,58 | 68,68% | 1,65% |
| 17 year(s) 17 year(s) - | 146.559.829,37 | 1,83% | 1.651 | 2,08% | 2,27% | 17,50 | 70,15% | 1,83% |
| 18 year(s) 18 year(s) - | 32.192.961,44 | 0,40% | 379 | 0,48% | 2,07% | 18,41 | 66,30% | 0,40% |
| 19 year(s) 19 year(s) - | 18.124.223,86 | 0,23% | 220 | 0,28% | 2,00% | 19,51 | 67,19% | 0,23% |
| 20 year(s) 20 year(s) - | 59.124.025,69 | 0,74% | 653 | 0,82% | 1,82% | 20,53 | 67,45% | 0,74% |
| 21 year(s) 21 year(s) - | 107.991.890,55 | 1,35% | 1.141 | 1,44% | 1,79% | 21,50 | 67,93% | 1,35% |
| 22 year(s) 22 year(s) - | 136.978.381,38 | 1,71% | 1.424 | 1,80% | 1,85% | 22,49 | 68,58% | 1,71% |
| 23 year(s) 23 year(s) - | 431.206.896,15 | 5,39% | 4.675 | 5,90% | 2,13% | 23,49 | 66,82% | 5,39% |
| 24 year(s) 24 year(s) - | 670.208.414,64 | 8,38% | 7.268 | 9,17% | 2,05% | 24,52 | 68,85% | 8,38% |
| 25 year(s) 25 year(s) - | 749.578.480,63 | 9,37% | 7.917 | 9,98% | 2,14% | 25,40 | 71,41% | 9,37% |
| 26 year(s) 26 year(s) - | 1.416.467.026,36 | 17,71% | 14.537 | 18,33% | 1,91% | 26,52 | 73,30% | 17,71% |
| 27 year(s) 27 year(s) - | 1.178.575.564,43 | 14,73% | 11.511 | 14,52% | 1,70% | 27,35 | 76,48% | 14,73% |
| 28 year(s) 28 year(s) - | 1.537.437.965,12 | 19,22% | 13.908 | 17,54% | 1,54% | 28,40 | 75,69% | 19,22% |
| 29 year(s) 29 year(s) - | 518.740.185,92 | 6,48% | 3.392 | 4,28% | 2,23% | 29,31 | 77,31% | 6,48% |
| 30 year(s) 30 year(s) >= | 160.184,41 | 0,00% | 2 | 0,00% | 2,80% | 30,50 | 74,19% | 0,00% |
| Unknown | | -,/0 | _ | -, | ,,,0 | , | .,, | 2,2270 |
| Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted Average | 25 year(s) |
|---------------------|------------|
| Minimum | year(s) |
| Maximum | 31 year(s) |

11a. Original Loan To Original Market Value

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|---------------------------------|-----------------------|------------|-------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| NHG loans (if applicable) | 1.844.521.167,17 | 23,06% | 10.492 | 33,26% | 1,73% | 24,88 | 79,12% | 23,06% |
| < 10.00% | 534.260,98 | 0,01% | 2 | 0,01% | 2,22% | 28,25 | 8,47% | 0,01% |
| 10.00% - 20.00% | 5.102.119,55 | 0,06% | 44 | 0,14% | 2,02% | 23,87 | 15,86% | 0,06% |
| 20.00% - 30.00% | 34.388.546,80 | 0,43% | 254 | 0,81% | 2,02% | 23,65 | 24,73% | 0,43% |
| 30.00% - 40.00% | 116.242.999,78 | 1,45% | 707 | 2,24% | 1,97% | 24,55 | 33,32% | 1,45% |
| 40.00% - 50.00% | 374.027.466,21 | 4,68% | 1.767 | 5,60% | 1,88% | 24,81 | 43,38% | 4,68% |
| 50.00% - 60.00% | 696.952.111,84 | 8,71% | 2.803 | 8,89% | 1,87% | 24,63 | 51,83% | 8,71% |
| 60.00% - 70.00% | 953.548.842,98 | 11,92% | 3.345 | 10,60% | 1,98% | 23,83 | 60,39% | 11,92% |
| 70.00% - 80.00% | 1.179.336.347,12 | 14,74% | 3.591 | 11,38% | 1,94% | 24,92 | 70,02% | 14,74% |
| 80.00% - 90.00% | 1.186.689.418,60 | 14,83% | 3.625 | 11,49% | 2,05% | 24,63 | 78,88% | 14,83% |
| 90.00% - 100.00% | 993.502.038,30 | 12,42% | 2.923 | 9,27% | 2,12% | 25,53 | 89,09% | 12,42% |
| 100.00% - 110.00% | 599.361.255,19 | 7,49% | 1.916 | 6,07% | 2,33% | 23,74 | 94,87% | 7,49% |
| 110.00% >= | 15.793.424,98 | 0,20% | 74 | 0,23% | 3,07% | 12,91 | 103,45% | 0,20% |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted | 78.91% |
|----------|---------|
| Average | |
| Minimum | 8.42% |
| Maximum | 110.00% |

11b. Current Loan To Original Market Value

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|------------------------------|-----------------------|------------|-------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| NHG loans (if | 1.844.521.167,17 | 23,06% | 10.492 | 33,26% | 1,73% | 24,88 | 79,12% | 23,06% |
| applicable) < 10.00% | 1.786.892,90 | 0,02% | 30 | 0,10% | 2,49% | 21,90 | 8,43% | 0,02% |
| 10.00% - 20.00% | 15.539.218,95 | 0,19% | 156 | 0,49% | 2,07% | 21,00 | 16,69% | 0,19% |
| 20.00% 20.00% - 30.00% | 63.867.372,65 | 0,80% | 486 | 1,54% | 2,07% | 22,35 | 25,91% | 0,80% |
| 30.00% 30.00% - 40.00% | 189.984.041,17 | 2,37% | 1.102 | 3,49% | 1,97% | 23,25 | 35,76% | 2,37% |
| 40.00% 40.00% - 50.00% | 533.113.106,95 | 6,66% | 2.390 | 7,58% | 1,93% | 24,09 | 45,76% | 6,66% |
| 50.00% 50.00% - 60.00% | 936.735.784,47 | 11,71% | 3.522 | 11,17% | 1,90% | 24,43 | 55,27% | 11,71% |
| 60.00% 60.00% - 70.00% | 1.055.009.990,65 | 13,19% | 3.513 | 11,14% | 2,00% | 24,03 | 65,28% | 13,19% |
| 70.00% 70.00% - 80.00% | 1.284.145.011,21 | 16,05% | 3.838 | 12,17% | 1,97% | 24,95 | 75,13% | 16,05% |
| 80.00% - | 1.024.754.299,22 | 12,81% | 3.024 | 9,59% | 2,09% | 25,05 | 85,02% | 12,81% |
| 90.00% 90.00% - | 950.827.758,47 | 11,89% | 2.575 | 8,16% | 2,11% | 26,33 | 94,62% | 11,89% |
| 100.00% 100.00% - | 89.925.296,35 | 1,12% | 371 | 1,18% | 3,37% | 13,86 | 105,84% | 1,12% |
| 110.00% 110.00% >= | 9.790.059,34 | 0,12% | 44 | 0,14% | 3,26% | 12,14 | 110,36% | 0,12% |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted Average | 72.98% |
|---------------------|---------|
| Minimum | 2.21% |
| Maximum | 125.10% |

12. Current Loan To Indexed Market Value

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|------------------------------------|-----------------------|------------|-------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| NHG loans (if | 1.844.521.167,17 | 23,06% | 10.492 | 33,26% | 1,73% | 24,88 | 79,12% | 23,06% |
| applicable) < 10.00% | 6.276.540,93 | 0,08% | 85 | 0,27% | 2,29% | 18,35 | 12,94% | 0,08% |
| 10.00% - 20.00% | 67.060.024,74 | 0,84% | 547 | 1,73% | 2,19% | 20,53 | 25,59% | 0,84% |
| 20.00% - 30.00% | 267.350.262,64 | 3,34% | 1.636 | 5,19% | 2,11% | 21,43 | 40,02% | 3,34% |
| 30.00% - 40.00% | 703.150.436,80 | 8,79% | 3.290 | 10,43% | 2,01% | 22,89 | 51,43% | 8,79% |
| 40.00% - 50.00% | 1.188.404.298,49 | 14,86% | 4.372 | 13,86% | 2,02% | 23,65 | 62,16% | 14,86% |
| 50.00% - 60.00% | 1.509.937.132,38 | 18,87% | 4.815 | 15,26% | 2,06% | 24,26 | 73,16% | 18,87% |
| 60.00% - 70.00% | 1.252.104.842,79 | 15,65% | 3.660 | 11,60% | 1,99% | 25,36 | 81,37% | 15,65% |
| 70.00% - 80.00% | 678.434.797,54 | 8,48% | 1.680 | 5,33% | 1,92% | 26,64 | 85,46% | 8,48% |
| 80.00% - 90.00% | 319.752.520,26 | 4,00% | 667 | 2,11% | 1,94% | 27,81 | 91,39% | 4,00% |
| 90.00% - 100.00% | 161.152.975,76 | 2,01% | 295 | 0,94% | 2,46% | 28,44 | 97,18% | 2,01% |
| 100.00% - 110.00% 110.00% >= | 1.855.000,00 | 0,02% | 4 | 0,01% | 4,53% | 22,40 | 100,00% | 0,02% |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted | 56.17% |
|----------|---------|
| Average | |
| Minimum | 1.71% |
| Maximum | 100.00% |

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|---|-----------------------|------------|-----------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| < 12 | 155.790.834,37 | 1,95% | 1.926 | 2,43% | 3,46% | 15,52 | 72,33% | 1,95% |
| month(s) 12 month(s) - 24 | 55.966.802,87 | 0,70% | 804 | 1,01% | 2,65% | 16,34 | 71,09% | 0,70% |
| month(s) 24 month(s) - 36 | 177.659.697,29 | 2,22% | 1.957 | 2,47% | 2,79% | 15,10 | 72,27% | 2,22% |
| month(s) 36 month(s) - 48 | 295.518.752,66 | 3,69% | 3.228 | 4,07% | 2,30% | 17,89 | 69,67% | 3,69% |
| month(s) 48 month(s) - 60 | 491.638.117,91 | 6,15% | 5.332 | 6,72% | 2,06% | 21,64 | 69,39% | 6,15% |
| month(s) 60 month(s) - 72 | 494.551.258,60 | 6,18% | 5.282 | 6,66% | 2,01% | 23,23 | 69,76% | 6,18% |
| month(s) 72 month(s) - 84 | 1.134.411.672,61 | 14,18% | 11.752 | 14,82% | 1,77% | 25,18 | 72,52% | 14,18% |
| month(s) 84 month(s) - 96 | 607.758.583,52 | 7,60% | 6.199 | 7,82% | 1,52% | 24,69 | 74,17% | 7,60% |
| month(s) 96 month(s) - 108 | 553.217.705,19 | 6,92% | 5.100 | 6,43% | 1,40% | 25,65 | 73,69% | 6,92% |
| month(s) 108 month(s) - | 338.994.366,27 | 4,24% | 2.549 | 3,21% | 2,34% | 26,21 | 76,17% | 4,24% |
| 120 month(s) 120 month(s) - 132 | 71.146.579,04 | 0,89% | 759 | 0,96% | 2,17% | 22,50 | 69,82% | 0,89% |
| month(s) 132 month(s) - | 75.833.470,21 | 0,95% | 752 | 0,95% | 2,32% | 23,06 | 70,07% | 0,95% |
| 144 month(s) 144 month(s) - 156 | 80.703.798,94 | 1,01% | 851 | 1,07% | 2,16% | 21,70 | 71,10% | 1,01% |
| month(s) 156 month(s) - 168 | 203.412.031,95 | 2,54% | 2.141 | 2,70% | 2,43% | 23,10 | 66,91% | 2,54% |
| month(s) 168 month(s) - 180 | 192.062.908,24 | 2,40% | 1.930 | 2,43% | 2,72% | 24,21 | 68,67% | 2,40% |
| month(s) 180 month(s) - 192 | 235.555.618,77 | 2,94% | 2.508 | 3,16% | 2,73% | 24,69 | 72,63% | 2,94% |
| month(s) 192 month(s) - 204 | 421.226.264,21 | 5,27% | 4.398 | 5,55% | 2,30% | 25,58 | 73,29% | 5,27% |
| month(s) 204 month(s) - 216 | 811.025.645,20 | 10,14% | 7.763 | 9,79% | 1,84% | 26,45 | 76,43% | 10,14% |
| month(s) 216 month(s) - 228 | 1.295.932.046,39 | 16,20% | 11.862 | 14,96% | 1,59% | 27,78 | 74,87% | 16,20% |
| month(s) 228 month(s) - 240 month(s) 240 | 307.462.468,66 | 3,84% | 2.194 | 2,77% | 2,01% | 28,34 | 74,25% | 3,84% |
| month(s) - 252 month(s) 252 month(s) - 264 | | | | | | | | |
| month(s) 264 month(s) - | | | | | | | | |

| Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
|-------------------------------|------------------|---------|--------|---------|--------|-------|---------|---------|
| 360 month(s) >= Unknown | | | | | | | | |
| month(s) | | | | | | | | |
| 360 | | | | | | | | |
| month(s) - | | | | | | | | |
| 348 | | | | | | | | |
| month(s) | | | | | | | | |
| 348 | | | | | | | | |
| month(s) - | | | | | | | | |
| 336 | | | | | | | | |
| month(s) | | | | | | | | |
| 336 | | | | | | | | |
| month(s) - | 21.030,30 | 0,0070 | • | 0,0070 | 2,0170 | 21,01 | 31,0270 | 0,0070 |
| 324 | 21.696,30 | 0,00% | 1 | 0,00% | 2,01% | 27,67 | 91,02% | 0,00% |
| 324 month(s) | | | | | | | | |
| month(s) - | | | | | | | | |
| 312 | 60.000,00 | 0,00% | 1 | 0,00% | 1,15% | 26,08 | 37,04% | 0,00% |
| month(s) | | | | | | | | |
| 312 | | | | | | | | |
| month(s) - | | | | | | | | |
| 300 | | | | | | | | |
| month(s) | | | | | | | | |
| montn(s) - 300 | | | | | | | | |
| 288 month(s) - | | | | | | | | |
| month(s) | | | | | | | | |
| 288 | | | | | | | | |
| month(s) - | | | | | | | | |
| 276 | 49.680,30 | 0,00% | 1 | 0,00% | 1,20% | 23,92 | 66,71% | 0,00% |
| month(s) | | | | | | | | |
| 276 | | | | | | | | |

| Weighted | 133.17 month(s) |
|----------|-----------------|
| Average | |
| Minimum | month(s) |
| Maximum | 222 month(a) |
| Maximum | 332 month(s) |

14. Interest Payment Type

| Description | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|---------------------------------|-----------------------|------------|--------------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| Fixed Interest Rate Mortgage | 7.909.782.189,13 | 98,87% | 78.165 | 98,58% | 1,93% | 24,76 | 73,00% | 98,87% |
| Floating Interest Rate Mortgage | 90.217.810,37 | 1,13% | 1.125 | 1,42% | 4,20% | 15,98 | 71,99% | 1,13% |
| Unknown | | | | | | | | |
| То | tal 7.999.999,99,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

15. Property Description

| Description | Ne | t Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|-------------|-------|---------------------|------------|----------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| House | | 7.076.433.907,62 | 88,46% | 27.292 | 86,52% | 1,97% | 24,56 | 72,84% | 88,46% |
| Apartment | | 923.566.091,88 | 11,54% | 4.251 | 13,48% | 1,84% | 25,40 | 74,12% | 11,54% |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

16. Geographical Distribution (by province)

| Province | N | et Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|-----------------------|-------|----------------------|------------|----------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| Drenthe | | 259.647.873,00 | 3,25% | 1.251 | 3,97% | 1,99% | 24,69 | 75,60% | 3,25% |
| Flevoland | | 278.574.897,00 | 3,48% | 1.166 | 3,70% | 1,98% | 24,25 | 75,45% | 3,48% |
| Friesland | | 197.705.397,28 | 2,47% | 977 | 3,10% | 2,00% | 24,50 | 75,86% | 2,47% |
| Gelderland | | 1.309.463.516,66 | 16,37% | 5.206 | 16,50% | 2,00% | 24,58 | 72,32% | 16,37% |
| Groningen | | 176.138.263,46 | 2,20% | 924 | 2,93% | 2,03% | 23,94 | 75,39% | 2,20% |
| Limburg | | 616.267.095,49 | 7,70% | 2.985 | 9,46% | 2,03% | 23,71 | 74,83% | 7,70% |
| Noord-Brabant | | 1.213.471.688,03 | 15,17% | 4.556 | 14,44% | 1,97% | 24,49 | 72,88% | 15,17% |
| Noord-Holland | | 1.368.333.419,98 | 17,10% | 4.364 | 13,84% | 1,90% | 25,34 | 71,74% | 17,10% |
| Overijssel | | 624.527.222,84 | 7,81% | 2.721 | 8,63% | 1,96% | 24,72 | 74,53% | 7,81% |
| Utrecht | | 621.906.480,66 | 7,77% | 2.123 | 6,73% | 1,94% | 24,86 | 69,65% | 7,77% |
| Zeeland | | 102.725.907,80 | 1,28% | 522 | 1,65% | 2,02% | 24,02 | 74,22% | 1,28% |
| Zuid-Holland | | 1.231.238.237,30 | 15,39% | 4.748 | 15,05% | 1,92% | 24,77 | 73,13% | 15,39% |
| Unknown/Not specified | | | | | | | | | |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Economic Region | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--|-----------------------|------------|----------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| NL111 - Oost-Groningen | 59.803.088,34 | 0,75% | 331 | 1,05% | 2,04% | 23,81 | 76,71% | 0,75% |
| NL112 - Delfzijl en omgeving | 10.403.094,68 | 0,13% | 66 | 0,21% | 2,19% | 22,42 | 79,04% | 0,13% |
| NL113- Overig Groningen | 105.932.080,44 | 1,32% | 527 | 1,67% | 2,01% | 24,17 | 74,28% | 1,32% |
| NL121- Noord-Friesland | 90.992.902,56 | 1,14% | 487 | 1,54% | 2,01% | 24,49 | 76,93% | 1,14% |
| NL122- Zuidwest-Friesland | 42.529.698,28 | 0,53% | 211 | 0,67% | 1,98% | 24,63 | 75,42% | 0,53% |
| NL123- Zuidoost-Friesland | 64.182.796,44 | 0,80% | 279 | 0,88% | 2,00% | 24,43 | 74,64% | 0,80% |
| NL131- Noord-Drenthe | 93.205.248,24 | 1,17% | 394 | 1,25% | 2,03% | 24,74 | 74,13% | 1,17% |
| NL132- Zuidoost-Drenthe | 102.434.700,69 | 1,28% | 544 | 1,72% | 1,97% | 24,38 | 77,64% | 1,28% |
| NL133- Zuidwest-Drenthe | 64.007.924,07 | 0,80% | 313 | 0,99% | 1,96% | 25,11 | 74,47% | 0,80% |
| NL211- Noord-Overijssel | 175.676.989,59 | 2,20% | 779 | 2,47% | 2,02% | 23,91 | 72,72% | 2,20% |
| NL212- Zuidwest-Overijssel | 78.111.520,43 | 0,98% | 325 | 1,03% | 2,01% | 24,56 | 74,25% | 0,98% |
| NL213- Twente | 370.738.712,82 | 4,63% | 1.617 | 5,13% | 1,92% | 25,13 | 75,45% | 4,63% |
| NL221- Veluwe | 404.557.965,66 | 5,06% | 1.479 | 4,69% | 1,94% | 24,69 | 70,99% | 5,06% |
| NL224- Zuidwest-Gelderland | 193.124.384,31 | 2,41% | 720 | 2,28% | 2,11% | 24,72 | 72,79% | 2,41% |
| NL225- Achterhoek | 268.565.666,73 | 3,36% | 1.171 | 3,71% | 2,04% | 24,72 | 73,94% | 3,36% |
| NL226- Arnhem/Nijmegen | 444.373.835,40 | 5,55% | 1.840 | 5,83% | 1,97% | 24,34 | 72,37% | 5,55% |
| NL230- Flevoland | 278.574.897,00 | 3,48% | 1.166 | 3,70% | 1,98% | 24,25 | 75,45% | 3,48% |
| NL310- Utrecht | 620.748.145,22 | 7,76% | 2.119 | 6,72% | 1,94% | 24,86 | 69,64% | 7,76% |
| NL321- Kop van Noord-Holland | 183.763.739,71 | 2,30% | 781 | 2,48% | 1,89% | 25,12 | 72,86% | 2,30% |
| NL322- Alkmaar en omgeving | 124.075.275,23 | 1,55% | 459 | 1,46% | 1,93% | 25,09 | 72,46% | 1,55% |
| NL323- IJmond | 72.023.526,28 | 0,90% | 259 | 0,82% | 1,91% | 25,28 | 72,86% | 0,90% |
| NL324- Agglomeratie Haarlem | 137.609.074,43 | 1,72% | 357 | 1,13% | 1,80% | 26,05 | 68,80% | 1,72% |
| NL325- Zaanstreek | 71.136.401,67 | 0,89% | 245 | 0,78% | 1,83% | 25,75 | 75,08% | 0,89% |
| NL326- Groot-Amsterdam | 624.551.961,95 | 7,81% | 1.812 | 5,74% | 1,92% | 25,42 | 72,09% | 7,81% |
| NL327- Het Gooi en Vechtstreek | 155.173.440,71 | 1,94% | 451 | 1,43% | 1,89% | 24,72 | 69,00% | 1,94% |
| NL331- Agglomeratie Leiden en | 192.203.951,95 | 2,40% | 638 | 2,02% | 1,89% | 25,57 | 69,84% | 2,40% |
| Bollenstreek NL332- Agglomeratie 's-Gravenhage | 282.230.202,80 | 3,53% | 1.036 | 3,28% | 1,91% | 24,57 | 73,34% | 3,53% |
| NL333- Delft en Westland | 62.834.531,39 | 0,79% | 233 | 0,74% | 2,00% | 25,01 | 71,33% | 0,79% |
| NL334- Oost-Zuid-Holland | 122.548.410,10 | 1,53% | 482 | 1,53% | 1,95% | 24,71 | 71,25% | 1,53% |
| NL335- Groot-Rijnmond | 427.556.965,91 | 5,34% | 1.756 | 5,57% | 1,92% | 24,63 | 74,88% | 5,34% |
| NL336- Zuidoost-Zuid-Holland | 143.864.175,15 | 1,80% | 603 | 1,91% | 1,93% | 24,44 | 74,29% | 1,80% |
| NL341- Zeeuwsch-Vlaanderen | 26.856.263,55 | 0,34% | 148 | 0,47% | 2,03% | 23,63 | 74,22% | 0,34% |
| NL342- Overig Zeeland | 75.869.644,25 | 0,95% | 374 | 1,19% | 2,02% | 24,15 | 74,22% | 0,95% |
| NL411- West-Noord-Brabant | 230.996.496,97 | 2,89% | 915 | 2,90% | 1,94% | 24,48 | 75,47% | 2,89% |
| NL412- Midden-Noord-Brabant | 208.619.934,21 | 2,61% | 804 | 2,55% | 1,93% | 24,43 | 73,36% | 2,61% |
| NL413- Noordoost-Noord-Brabant | 417.714.456,80 | 5,22% | 1.547 | 4,90% | 1,97% | 24,77 | 71,61% | 5,22% |
| NL414- Zuidoost-Noord-Brabant | 356.140.800,05 | 4,45% | 1.290 | 4,09% | 1,99% | 24,22 | 72,41% | 4,45% |
| NL421- Noord-Limburg | 187.717.679,70 | 2,35% | 841 | 2,67% | 2,02% | 24,18 | 74,30% | 2,35% |
| NL422- Midden-Limburg | 133.690.299,26 | 1,67% | 628 | 1,99% | 2,08% | 24,04 | 74,62% | 1,67% |
| NL423- Zuid-Limburg | 294.859.116,53 | 3,69% | 1.516 | 4,81% | 2,01% | 23,27 | 75,26% | 3,69% |
| Unknown/Not specified | | | | | | | | |
| Ti | otal 7.999.999,99 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| 18. C |)ccu | pancy |
|-------|------|-------|
|-------|------|-------|

| Description | N | let Principal Balance | % of Total | Nr of Borrowers | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|----------------|-------|-----------------------|------------|--------------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| Owner Occupied | | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| Buy-to-let | | | | | | | | | |
| Unknown | | | | | | | | | |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

19. Employment Status Borrower

| Description | ١ | Net Principal Balance | % of Total | Nr of Borrowers | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|---------------|-------|-----------------------|------------|--------------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| Employed | | 5.328.541.090,45 | 66,61% | 22.284 | 70,65% | 1,97% | 24,36 | 74,58% | 66,61% |
| Self Employed | | 2.100.258.658,36 | 26,25% | 6.249 | 19,81% | 1,97% | 25,14 | 72,48% | 26,25% |
| Pension | | 494.505.754,10 | 6,18% | 2.590 | 8,21% | 1,86% | 25,84 | 58,76% | 6,18% |
| Unemployed | | | | | | | | | |
| Benefits | | 76.694.496,59 | 0,96% | 420 | 1,33% | 1,96% | 25,19 | 67,80% | 0,96% |
| Unknown | | | | | | | | | |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

20. Loanpart Payment Frequency

| Description | N | let Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--------------|-------|-----------------------|------------|--------------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| Monthly | | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| Quarterly | | | | | | | | | |
| Semi-annualy | | | | | | | | | |
| Annualy | | | | | | | | | |
| Unknown | | | | | | | | | |
| | Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

21. Energy Label (OPTIONAL)

| Description | N | let Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|-------------|-------|-----------------------|------------|----------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| {CATCH-ALL} | | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

22. Loan To Income (Debt to income)

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|-----------------------------|-----------------------|------------|-------------|------------|-------------------------------|---------------------------------|-------------------------------|---|
| Self Certified (main) | | | | | | | | |
| < 0.5 | 8.681.117,71 | 0,11% | 61 | 0,19% | 1,75% | 24,22 | 68,03% | 0,11% |
| 0.5 - 1.0 | 15.612.673,41 | 0,20% | 161 | 0,51% | 2,00% | 20,25 | 31,90% | 0,20% |
| 1.0 - 1.5 | 65.055.970,27 | 0,81% | 525 | 1,66% | 2,08% | 20,63 | 41,52% | 0,81% |
| 1.5 - 2.0 | 172.448.975,32 | 2,16% | 1.094 | 3,47% | 2,02% | 22,10 | 51,68% | 2,16% |
| 2.0 - 2.5 | 368.878.100,25 | 4,61% | 1.997 | 6,33% | 2,01% | 23,08 | 60,71% | 4,61% |
| 2.5 - 3.0 | 637.525.405,78 | 7,97% | 3.063 | 9,71% | 2,01% | 23,55 | 66,61% | 7,97% |
| 3.0 - 3.5 | 972.424.506,30 | 12,16% | 4.330 | 13,73% | 2,00% | 24,10 | 70,92% | 12,16% |
| 3.5 - 4.0 | 1.305.295.628,20 | 16,32% | 5.586 | 17,71% | 1,95% | 24,79 | 74,49% | 16,32% |
| 4.0 - 4.5 | 1.581.085.675,28 | 19,76% | 6.303 | 19,98% | 1,87% | 25,37 | 77,12% | 19,76% |
| 4.5 - 5.0 | 1.117.269.305,42 | 13,97% | 3.490 | 11,06% | 1,91% | 25,72 | 77,49% | 13,97% |
| 5.0 - 5.5 | 769.220.866,94 | 9,62% | 2.022 | 6,41% | 1,92% | 25,68 | 77,09% | 9,62% |
| 5.5 - 6.0 | 330.738.042,28 | 4,13% | 894 | 2,83% | 1,90% | 25,41 | 73,99% | 4,13% |
| 6.0 - 6.5 | 173.417.648,46 | 2,17% | 564 | 1,79% | 2,05% | 23,83 | 73,37% | 2,17% |
| 6.5 - 7.0 | 108.925.120,01 | 1,36% | 361 | 1,14% | 2,05% | 22,83 | 70,57% | 1,36% |
| 7.0 >= | 373.420.963,87 | 4,67% | 1.092 | 3,46% | 2,33% | 23,21 | 73,41% | 4,67% |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| Weighted | 4.7 |
|----------|---------|
| Average | |
| Minimum | 0.0 |
| Maximum | 2,363.5 |

23. Payment Due to Income

| From (>=) - Until (<) | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|--------------------------|-----------------------|------------|-------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| < 5.00% | 188.471.533,68 | 2,36% | 1.270 | 4,03% | 1,72% | 22,16 | 45,95% | 2,36% |
| 5.00% - 10.00% | 1.026.764.817,92 | 12,83% | 5.021 | 15,92% | 1,86% | 23,31 | 60,36% | 12,83% |
| 10.00% - 15.00% | 2.237.528.427,37 | 27,97% | 8.946 | 28,36% | 1,91% | 24,48 | 71,65% | 27,97% |
| 15.00% - 20.00% | 2.873.560.379,02 | 35,92% | 10.924 | 34,63% | 1,91% | 25,33 | 77,10% | 35,92% |
| 20.00% - 25.00% | 1.248.063.627,33 | 15,60% | 4.106 | 13,02% | 2,07% | 25,20 | 78,25% | 15,60% |
| 25.00% - 30.00% | 214.267.194,25 | 2,68% | 657 | 2,08% | 2,38% | 23,81 | 78,60% | 2,68% |
| 30.00% - 35.00% | 56.853.913,31 | 0,71% | 207 | 0,66% | 2,60% | 22,57 | 78,22% | 0,71% |
| 35.00% - 40.00% | 30.655.273,72 | 0,38% | 99 | 0,31% | 2,63% | 22,16 | 81,72% | 0,38% |
| 40.00% - 45.00% | 13.083.185,80 | 0,16% | 39 | 0,12% | 2,47% | 20,84 | 75,33% | 0,16% |
| 45.00% - 50.00% | 10.293.974,99 | 0,13% | 35 | 0,11% | 2,70% | 22,04 | 76,45% | 0,13% |
| 50.00% - 55.00% | 8.110.679,69 | 0,10% | 30 | 0,10% | 2,58% | 19,84 | 71,47% | 0,10% |
| 55.00% - 60.00% | 4.748.437,44 | 0,06% | 15 | 0,05% | 2,94% | 20,42 | 77,88% | 0,06% |
| 60.00% - 65.00% | 4.266.615,35 | 0,05% | 13 | 0,04% | 2,97% | 18,81 | 71,09% | 0,05% |
| 65.00% - 70.00% | 3.956.036,59 | 0,05% | 11 | 0,03% | 2,29% | 26,22 | 74,82% | 0,05% |
| 70.00% >= | 79.375.903,04 | 0,99% | 170 | 0,54% | 3,19% | 27,28 | 83,00% | 0,99% |
| Unknown | | | | | | | | |
| Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| Weighted Average | 18.31% | _ | | | | | | |

| Weighted | 18.31% |
|--------------------|------------|
| Average Minimum | 0.08% |
| Maximum | 13,057.94% |

24a. Guarantee Type (Loans)

| Description | ŀ | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|-------------------|-------|-----------------------|------------|----------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| NHG Guarantee | | 1.844.521.167,17 | 23,06% | 10.492 | 33,26% | 1,73% | 24,88 | 79,12% | 23,06% |
| Non-NHG Guarantee | | 6.155.478.832,33 | 76,94% | 21.051 | 66,74% | 2,03% | 24,60 | 71,15% | 76,94% |
| Other | | | | | | | | | |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

24b. Guarantee Type (Loanparts)

| nhg part | N | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
|----------|-------|-----------------------|------------|--------------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| NHG | | 1.844.521.167,17 | 23,06% | 22.321 | 33,26% | 1,73% | 24,88 | 79,12% | 23,06% |
| Non-NHG | | 6.155.478.832,33 | 76,94% | 56.969 | 66,74% | 2,03% | 24,60 | 71,15% | 76,94% |
| unknown | | | | | | | | | |
| | Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

| 25. Originator | | | | | | | | | |
|---------------------------------|---------|-----------------------|------------|--------------------|------------|-------------------------------|---------------------------------|-------------------------------|--|
| Originator | | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
| Reaal | | | | | | | | | |
| de Volksbank | | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| 26. Servicer | | | | | | | | | |
| Servicer | | Net Principal Balance | % of Total | Nr of Loans | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | % of Total Not.Amount at Closing Date |
| de Volksbank | | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| | Total | 7.999.999.999,50 | 100,00% | 31.543 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |
| 27. Capital Insurance Policy Pr | rovider | * | | | | | | | |
| Insurance Policy Provider | | Net Principal Balance | % of Total | Nr of Loanparts | % of Total | Weighted Average Coupon | Weighted Average Maturity | Weighted Average CLTOMV | Not. |
| No policy attached | | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | |
| | Total | 7.999.999.999,50 | 100,00% | 79.290 | 100,00% | 1,96% | 24,66 | 72,98% | 100,00% |

6.2 DESCRIPTION OF MORTGAGE LOANS

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

The Mortgage Loans are loans secured by a Mortgage, evidenced by notarial mortgage deeds (*notariële akten van hypotheekstelling*) each entered into by the Seller (or its predecessors) and the relevant Borrowers. The Mortgage Loans are all in the form of All Moneys Mortgages. See 'Risk that the All Moneys Security Rights will not follow the Mortgage Receivables upon assignment to the Issuer' in section 1 (Risk Factors).

The Mortgage Loans in the Final Portfolio will be selected prior to or on the Closing Date from the Provisional Pool of Mortgage Loans that have been selected in accordance with the criteria set forth in the Mortgage Receivables Purchase Agreement. The Final Portfolio will have the same general characteristics as the Provisional Pool.

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

Based on the numerical information set out in section 6.1 (*Stratification Tables*), but subject to what is set out in section 1 (*Risk Factors*), the Mortgage Receivables backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service payments due and payable on the Notes.

Residential Mortgage Products

The Seller offers a full range of mortgage products with various interest rate and repayment mechanisms. Only certain specified mortgage products are intended to be assigned to the Issuer. The characteristics of these products are described further below.

Legal Form

Details of all land and properties are recorded in public registers in the Netherlands. All Mortgage Loans are secured by a Mortgage evidenced by a notarial mortgage deed recorded in these registers. Although other legal forms of mortgage loans are available in the Netherlands, all Mortgage Loans originated are All Moneys Mortgages. An All Moneys Mortgage is a mortgage that secures not only the mortgage loan granted to finance a property, long lease or apartment right, but also any other liabilities owed at any time by the relevant Borrower to the Seller. Accordingly, the Mortgaged Asset provides security for all debts up to a maximum amount as registered in the relevant public registry. For a further description of All Moneys Mortgages see section 1 (*Risk Factors*).

Mortgaged Assets

The Mortgages securing the Mortgage Loans are vested on (i) a real property (onroerende zaak), (ii) an apartment right (appartementsrecht), (iii) a long lease (erfpacht) or (iv) a right of superficies (opstalrecht). For over a century different municipalities and other public bodies in the Netherlands have used long lease (erfpacht) as a system to provide land without giving up the ownership of it. There are three types of long lease: temporary (tijdelijk), ongoing (voortdurend) and perpetual (eeuwigdurend). A long lease is a right in rem (zakelijk recht) which entitles the leaseholder (erfpachter) to hold and use a real property (onroerende zaak) owned by another party, usually a municipality. The long lease can be transferred by the leaseholder without permission from the landowner being required, unless the lease conditions provide otherwise and it passes to the heirs of the leaseholder in case of his or her death. Usually a remuneration (canon) will be due by the leaseholder to the landowner for the long lease.

Repayment mechanism

Apart from Interest-Only Mortgage Loans (*aflossingsvrije hypotheek*) whereby principal is repaid at final maturity of the mortgage loan (which to the extent compulsory under the relevant acceptance conditions, have the benefit of combined risk and capital life insurance policies taken out by Borrowers with an insurance company), the following repayment mechanisms are offered by the Seller:

Bank Savings Mortgage Loans (bankspaarhypotheek)

The Mortgage Loans (or parts thereof) may be in the form of Bank Savings Mortgage Loans entered into by

the Seller and the relevant Borrower combined with a blocked Bank Savings Account. Under the Bank Savings Mortgage Loan, no principal is paid by the Borrower prior to the maturity of the Mortgage Loan. Instead, the Borrower pays the Bank Savings Deposit in the Bank Savings Account. The Bank Savings Deposit is calculated in such a manner that, on an annuity basis, the balance standing to the credit of the Bank Savings Account is equal to the relevant part of the amount due by the Borrower to the Seller at maturity of the Bank Savings Mortgage Loan. The balances standing to the credit of the Bank Savings Accounts are pledged to the Seller as security for repayment of the relevant Bank Savings Mortgage Loan.

Investment-based Mortgage Loans (beleggingshypotheek)

In case of the former SNS Bank the Borrower undertakes to invest, whether on a lump sum basis or on an instalment basis, by applying his own funds or (part of) the proceeds of the Investment-based Mortgage Loan by means of an 'SNS Rendementrekening', the Borrower Investment Account held with the former SNS Bank (the legal predecessor of de Volksbank) in certain Investment Funds of SNS Beleggingsfondsen N.V. The investments in Investment Funds are effectuated by the Borrowers paying the relevant amount from the Borrower Investment Account to an account held with the former SNS Bank, designated by the former SNS Bank for the purchasing of securities of Investment Funds by SNS Beleggersgiro. The securities purchased by SNS Beleggersgiro, will be in the form of "Wge-effecten" (securities regulated under the Wge) and will be administrated on the Borrower Investment Account.

With respect to the Investment-based Mortgage Loans originated by former BLG Hypotheekbank N.V., the Borrower has undertaken to invest, whether on a lump sum basis or on an instalment basis, by applying an agreed amount in certain investment funds or certain other securities selected by the Borrower out of a range of investment funds and/or securities offered by the Investment Firm (*beleggingsonderneming*). The Investment Firm has been notified of the fact that the Borrower is only allowed to purchase investment funds and/or securities selected by former BLG Hypotheekbank N.V. The securities purchased will be administered on an investment account held with a bank or a beleggersgiro in the Netherlands.

Life Mortgage Loans (levenhypotheek)

Principal repayments will be paid out from the proceeds of the Life Insurance Policy at final maturity of the mortgage loan.

Linear Mortgage Loans (lineaire hypotheek)

Scheduled (usually monthly) repayments of principal are fixed over the term of the mortgage.

Annuity Mortgage Loans (annuiteitenhypotheek)

Scheduled (usually monthly) repayments of principal plus interest are fixed (provided that the interest rates do not change).

Interest-Only Mortgage Loans

An Interest-Only Mortgage Loan is a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity.

Combined Mortgage Loans (combinatiehypotheken)

In order to tailor a Mortgage Loan to meet as closely as possible the specific fiscal and economic needs of a Borrower, it is common for a Mortgage Loan to be constructed from a combination of the mortgage types as set out above.

Interest rate

The Mortgage Loans bear interest on the basis of any of the following alternatives:

- fixed rate, whereby the interest rates can be fixed for a specific period between 1 to 30 years;
- floating rate; or
- any other type of interest alternatives offered, including:
 - Capped Interest (*Plafond Rente*). The interest payable by the Borrower is a floating interest rate with a cap. The Borrower can choose a Capped Interest for five (5) or ten (10) years. In this period the borrower pays the floating Capped Interest rate with an agreed maximum (*plafond*) interest rate.

- Interest Damper (Rente Demper). The interest payable by the Borrower equals the interest as
 described below under 'Stable Interest' with the difference that the bandwidth is not fixed for
 thirty (30) years but, at the option of the Borrower, for five (5), ten (10) or fifteen (15) years; or
- any type of interest alternatives the Seller used to offer, including:
 - Stable Interest (*Stabiel Rente*). In such case, the interest payable by the Borrower is determined on an annual basis, whereby the Borrower chooses a bandwidth between 1.0 per cent. and 3.5 per cent., (increased by steps of 0.5 per cent.) at the beginning of the Mortgage Loan. At any time, the Borrower is entitled to choose another bandwidth, subject to payment of certain administrative costs. Each bandwidth has its own SNS Stable Interest rate. Every year the interest rate in the contract (*contractrente*) will be compared with the actual SNS Stable Interest rate (*toetsrente*) for the applicable bandwidth. When the difference falls within the bandwidth, the interest rate for that year will be fixed at the interest rate equal to the interest rate in the contract of the Borrower (*contractrente*). When the difference falls outside the bandwidth, the interest rate for that year will be fixed at the interest rate equal to the interest rate in the contract of the Borrower (*contractrente*) adjusted for the percentage which did fall outside the bandwidth.
 - Ideal Interest (*Ideaal Rente*). The interest rate is the average interest rate over five years. The interest payable by the Borrower is determined using a fraction in which the numerator is the sum of five interest percentages determined by de Volksbank as the Ideal Interest and in which the denominator is five. In the first year, the numerator equals the Ideal Interest percentage for that year multiplied by five. In the second year, the numerator equals the Ideal Interest percentage for year one multiplied by four plus the Ideal Interest percentage for year two. In the years thereafter, the most recent Ideal Interest percentage is included and the oldest Ideal Interest percentage is excluded from the numerator.
 - Middle Interest (*Middelrente*). The interest rate is the average interest rate over ten years. The interest payable by the Borrower is determined using a fraction in which the numerator is the sum of ten interest percentages determined by de Volksbank as the Ideal Interest and in which the denominator is ten. In the first year, the numerator equals the Middle Interest percentage for that year multiplied by ten. In the second year, the numerator equals the Middle Interest percentage for year one multiplied by nine plus the Middle Interest percentage for year two. In the years thereafter, the most recent Middle Interest percentage is included and the oldest Ideal Interest percentage is excluded from the numerator.

Although the Seller no longer offers the above types of interest rate alternatives, it is possible that these are or will be included in the Provisional Pool.

Prepayments

Annual prepayments of not more than 20 per cent. of the original Mortgage Loan are allowed without a prepayment compensation being due. In addition, full prepayments can be made without prepayment compensation in specific situations:

- at the time of an interest rate reset;
- on sale or destruction of the property;
- if the Borrower dies.

In other cases, except for Capped Interest mortgage loans and Interest Damper mortgage loans, prepayment compensations apply which are calculated as the net present value of the difference between the fixed rate being paid and the current mortgage rate, if lower, for the remaining term of the fixed period. For Mortgage Loans with a Capped Interest, the prepayment compensation is calculated by multiplying an agreed percentage with the remaining term of the Capped Interest and the loan balance.

6.3 ORIGINATION AND SERVICING

RegioBank N.V. and ASN Bank N.V. as disappearing entities have merged with SNS Bank N.V. as acquiring entity effective as of 1 January 2017 whereby RegioBank N.V. and ASN Bank N.V. have ceased to exist. The name of SNS Bank N.V. has of the date mentioned above changed to 'de Volksbank N.V.'.

Mortgage Origination

de Volksbank originates mortgage loans through three separate channels: directly, through its branch network and indirectly, through independent agents, such as estate agents, financial advisers and insurance intermediaries, and through its franchise network. The underwriting criteria of de Volksbank are in compliance with the Code of Conduct.

Borrower Income Requirements

The maximum amount that can be borrowed depends on, *inter alia*, the Borrower's income. The maximum loan amount is calculated on the basis of the so-called 'income ratio', which is the percentage of (gross) annual income available for mortgage loan expenses. The income ratio is established every year by NIBUD (*National Instituut voor Budgetvoorlichting*) and is applicable for all mortgage loans. Taking the relevant mortgage interest rate and the relevant income into account, this is then converted into the maximum loan amount.

Other Conditions

The following general conditions also apply to mortgage loans offered:

- the borrowers must be at least 18 years old and must have full legal capacity;
- self-employed borrowers and contractors are subject to additional income tests;
- self-employed borrowers have to provide income statements and tax assessments of at least three years;
- credit assessment of the borrower is required;
- fraud detection checks via SFH (Stichting Fraudebestrijding Hypotheken) and an internal fraud register are required; and
- an insurance in respect of the property against risk of fire and other accidental damage for its full restitution value is required.

Mortgage Administration

Collection Procedures

Interest payments and repayments due will be debited directly from the account of the Borrower.

The loan administration system calculates the repayment schedules and reconciles collected funds with the appropriate account. A range of exception reports are automatically produced and are used by arrears management to monitor the status of individual loans.

Arrears Management

The procedures for the monitoring and collection of late payments include the following actions:

At the beginning of each month late payments are being signalled. After ten days a reminder letter is automatically generated and sent to the Borrower. Further reminder letters are being generated if the arrear persists. Besides reminder letters the client may be contacted by phone either directly by the bank or with the use of the intermediary. In case of increasing arrears and limited possibilities to become current an attempt is made to restructure the loan and otherwise an attempt is made come to an agreement for a private sale of the property. If all negotiations with the borrower fail the civil-law notary will be instructed, who will then organise a forced sale by way of public auction.

Rate re-setting procedures

Prior to the reset date, the loan administration system automatically generates a letter to the Borrower advising that a rate re-setting is imminent and, in addition, listing the rate(s) that would apply. The Borrower does not have to choose the same fixed rate period as the previous one. If there is no response from the Borrower before the rate re-setting date, the Borrower receives the offered interest rate.

6.4 DUTCH RESIDENTIAL MORTGAGE MARKET

This section 6.4 (*Dutch Residential Mortgage Market*) is derived from the overview which is available at the website of the Dutch Securitisation Association (https://www.dutchsecuritisation.nl/dutch-mortgage-and-consumer-loan-markets) regarding the Dutch residential mortgage market over the period until February 2023. The Issuer confirms that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the Dutch Securitisation Association, no facts have been omitted which would render the information in this section inaccurate or misleading.

Dutch residential mortgage market

The Dutch residential mortgage debt stock is relatively sizeable, especially when compared to other European countries. Since the 1990s, the mortgage debt stock of Dutch households has grown considerably, mainly on the back of mortgage lending on the basis of two incomes in a household, the introduction of tax-efficient product structures such as mortgage loans with deferred principal repayment vehicles and interest-only mortgage loans, financial deregulation and increased competition among originators. Moreover, Loan-to-Value (LTV) ratios have been relatively high, as the Dutch tax system implicitly discouraged amortisation, due to the tax deductibility of mortgage interest payments. After a brief decline between 2012 and 2015, mortgage debt reached a new peak of EUR 811.5 billion in Q3 2022¹. This represents a rise of EUR 34 billion compared to Q3 2021.

Tax system

The Dutch tax system plays an important role in the Dutch mortgage market, as it allows for partial deductibility of mortgage interest payments from taxable income. Historically, this has resulted in various deferred amortisation mortgage products, most importantly the use of interest-only loan parts.

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

Another reform imposed in 2013 is to reduce the tax deductibility by gradually lowering the maximum deduction percentage. The highest tax rate against which the mortgage interest may be deducted is 36.93 per cent. in 2023, down from 40 per cent. In 2022.

There are several housing-related taxes which are linked to the fiscal appraisal value ("**WOZ**") of the house, both imposed on national and local level. Moreover, a transfer tax of 2 per cent. is due when a house is acquired for owner-occupation. As from 2021, house buyers younger than 35 years will no longer pay any transfer tax (from 1 January 2023, this exemption only applies to houses sold for EUR 440,000 or less). The exemption can only be applied once and the policy is initially in place for a period of five (5) years. For 2023, a transfer tax of 10.4 per cent is due upon transfer of houses which are not owner-occupied (compared to 8 per cent. in 2022).

Although these taxes partially unwind the benefits of tax deductibility of interest payments, and several restrictions to this tax deductibility have been applied, tax relief on mortgage loans is still substantial.

Loan products

The Dutch residential mortgage market is characterised by a wide range of mortgage loan products. In general, three types of mortgage loans can be distinguished.

Firstly, the "classical" Dutch mortgage product is an annuity loan. Secondly, there is a relatively big presence of interest-only mortgage loans in the Dutch market. Full interest-only mortgage loans were popular in the late nineties and in the early years of this century. Mortgage loans including an interest-only loan part were the norm until 2013, and even today, grandfathering of older tax benefits still results in a considerable amount of interest-only loan origination.

¹ Statistics Netherlands, household data.

Thirdly, there is still a big stock of mortgage products including deferred principal repayment vehicles. In such products, capital is accumulated over time (in a tax-friendly manner) in a linked account in order to take care of a bullet principal repayment at maturity of the loan. The principal repayment vehicle is either an insurance product or a bank savings account. The latter structure has been allowed from 2008 and was very popular until 2013. Mortgage loan products with insurance-linked principal repayment vehicles used to be the norm prior to 2008 and there is a wide range of products present in this segment of the market. Most structures combine a life-insurance product with capital accumulation and can be relatively complex. In general, however, the capital accumulation either occurs through a savings-like product (with guaranteed returns), or an investment-based product (with non-guaranteed returns).

A typical Dutch mortgage loan consists of multiple loan parts, e.g. a bank savings loan part that is combined with an interest-only loan part. Newer mortgage loans, in particular those for first-time buyers after 2013, are full annuity and often consists of only one loan part. Nonetheless, tax grandfathering of older mortgage loan product structures still results in the origination of mortgage loans including multiple loan parts.

Most interest rates on Dutch mortgage loans are not fixed for the full duration of the loan, but they are typically fixed for a period between five (5) and fifteen (15) years. Rate term fixings differ by vintage, however. In recent years, there has been a strong bias to longer term fixings (twenty (20) to thirty (30) years) but very recently ten (10) year fixings are rapidly increasing in popularity as the sharply increased mortgage rates drive borrowers to seek lower mortgage payments by going for shorter fixings. Most borrowers remain subject to interest rate risk, but compared to countries in which floating rates are the norm, Dutch mortgage borrowers are relatively well-insulated against interest rate fluctuations.

Underwriting criteria

Most of the Dutch underwriting standards follow from special underwriting legislation (*Tijdelijke regeling hypothecair krediet*). This law has been present since 2013 and strictly regulates maximum LTV and Loan-to-Income (LTI) ratios. The current maximum LTV is 100 per cent. or 106 per cent. when financing energy saving measures. The new government has indicated not to lower the maximum LTV further. LTI limits are set according to a fixed table including references to gross income of the borrower and mortgage interest rates. This table is updated annually by the consumer budget advisory organisation "NIBUD" and ensures that income after (gross) mortgage servicing costs is still sufficient to cover normal costs of living.

Prior to the underwriting legislation, the underwriting criteria followed from the Code of Conduct as applicable at the time of origination for Mortgage Lending. Although the Code of Conduct is currently largely overruled by the underwriting legislation, it is still in force. The major restriction it currently regulates, in addition to the criteria in the underwriting legislation, is the cap of interest-only loan parts to 50 per cent. of the market value of the residence. This cap was introduced in 2011 and is in principle applicable to all new mortgage contracts. A mortgage lender may however diverge from the cap limitation if certain conditions have been met.

Recent developments in the Dutch housing market

Following years of strong house price growth, the Dutch housing market has started to cool down rapidly as a significant rise in mortgage interest rates in 2022 has put affordability under substantial pressure, with households able to borrow tens of thousands of Euros less and faced with higher monthly mortgage payments. Moreover, declining consumer confidence and increased supply has put further pressure on house prices. Whilst existing house prices (PBK-index) in December 2022 were still up 2.7 per cent. year-on-year, the month-on-month decline was a rather steep 2.3 per cent. It followed a number of month-on-month price declines in recent months, and declining faster than anticipated due to the stronger than anticipated rise in interest rates.

Despite the correction that is underway, transaction volumes are not collapsing. In the Q4 2022, a little over 51,000 homes changed hands, down 2.8 per cent. year-on-year but up by 1.8 per cent. compared to Q3 2022. The number of homes for sale has rapidly increased, though coming from a low level, resulting in more choice for potential homebuyers and contributing to a more normal property market. Overall, homes are still being sold and sold relatively fast as well so buyers are ultimately found, though at a lower price level than before

Positive factors for the Dutch housing market and house prices are the persistent housing shortage, generally high levels of home equity for subsequent homebuyers moving, a large pool of subsequent buyers able to take their low mortgage rates with them to a new house and high rents and limited supply in the rental sector.

Negative factors are risks like even higher interest rates, a renewed energy price shock, higher building costs, general inflation that's high and the impact of housing market policies of the government and municipalities.

Forced sales

Compared to other jurisdictions, performance statistics of Dutch mortgage loans show relatively low arrears and loss rates². The most important reason for default is relationship termination, although the increase in unemployment following the economic downturn post-financial crisis was increasingly also a reason for payment problems. The ultimate attempt to loss recovery to a defaulted mortgage borrower is the forced sale of the underlying property.

For a long time, mortgage servicers opted to perform this forced sale by an auction process. The advantage of this auction process is the high speed of execution, but the drawback is a discount on the selling price. The Land Registry recorded eighty-six (86) forced sales by auction in the third quarter 2022 (0.17 per cent. of total number of sales in that quarter).

² Comparison of S&P RMBS index delinquency data.

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6.5 NHG GUARANTEE PROGRAMME

NHG Guarantee

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

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

Financing of Stichting WEW

Stichting WEW finances itself, *inter alia*, by a one-off charge to the borrower by a current charge of 0.60 per cent. (as of January 2022) of the principal amount of the mortgage loan at origination. Besides this, the scheme provides for liquidity support to Stichting WEW from the Dutch State and the participating municipalities. Should Stichting WEW not be able to meet its obligations under guarantees issued, (i) in respect of all loans issued before 1 January 2011, the Dutch State will provide subordinated interest free loans to Stichting WEW of up to 50 per cent. of the difference between Stichting WEW's own funds and a pre-determined average loss level and municipalities participating in the NHG Guarantee scheme will provide subordinated interest free loans to Stichting WEW of the other 50 per cent. of the difference and (ii) in respect of all loans issued on or after 1 January 2011, the Dutch State will provide subordinated interest free loans to Stichting WEW of up to 100 per cent. of the difference between Stichting WEW's own funds and a predetermined average loss level. Both the keep well agreement between the Dutch State and Stichting WEW and the keep well agreements between the municipalities and Stichting WEW contain general 'keep well' undertakings of the Dutch State and the municipalities to enable Stichting WEW at all times (including in the event of bankruptcy (faillissement), suspension of payments (surseance van betaling) or liquidation (ontbinding) of Stichting WEW) to meet its obligations under guarantees issued.

Terms and conditions of the NHG Guarantee

Under the NHG scheme, the lender is responsible for ensuring that the guarantee application and the binding offer (*bindend aanbod*) meet the NHG Conditions. If the application qualifies, various reports are produced that are used in the processing of the application, including the form that will eventually be signed by the relevant lender and forwarded to the NHG to register the mortgage and establish the guarantee. Stichting WEW has, however, no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the NHG Conditions, which were applicable at the date of origination of the mortgage loan, unless such non-payment is unreasonable towards the lender.

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

The NHG has specific rules for the level of credit risk that will be accepted. The credit worthiness of the applicant must be verified with the BKR, a central credit agency used by all financial institutions in the Netherlands. All financial commitments above EUR 250 over the past five (5) years that prospective borrowers have entered into with financial institutions are recorded in this register. This applies to both positive and negative registrations. After repayment of the debt by the borrower, a negative statement remains registered for up to five (5) years after repayment. In addition, as of 1 January 2008 the applicant itself must be verified with the Foundation for Fraud Prevention of Mortgages (*Stichting Fraudepreventie Hypotheken*, "SFH"). If the applicant has been recorded in the SFH system, no NHG Guarantee will be granted.

To qualify for an NHG Guarantee various conditions relating to valuation of the property must be met. In addition, the mortgage loan must be secured by a first ranking mortgage right (or a second ranking mortgage right in case of a further advance). Furthermore, the borrower is required to take out insurance in respect of the mortgaged property against risk of fire and other accidental damage for the full restitution value thereof.

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

Claiming under the NHG Guarantee

When a borrower is in arrears with payments under the mortgage loan for a period of three (3) months, a lender informs Stichting WEW. When the borrower is in arrears Stichting WEW may approach the lender and/or the borrower to attempt to solve the problem and make the borrower aware of the consequences. If an agreement cannot be reached, Stichting WEW reviews the situation with the lender to endeavour to generate the highest possible proceeds from the property. The situation is reviewed to see whether a private sale of the property, rather than a public auction, would generate proceeds sufficient to cover the outstanding mortgage loan. In case of a private sale, permission of Stichting WEW is required unless the property is sold for an amount higher than 95 per cent. of the market value. A forced sale of the mortgaged property is only allowed in case the borrower is in arrears with payments under the mortgage loan and Stichting WEW has given its consent to the forced sale.

Within one month after receipt of the proceeds of the private or forced sale of the mortgaged property, the lender must make a formal request to Stichting WEW for payment, using standard forms, which request must include all of the necessary documents relating to the original mortgage loan and the NHG Guarantee. After receipt of the claim and all the supporting details, Stichting WEW must make payment within two (2) months. If the payment is late, provided the request is valid, Stichting WEW must pay interest for the late payment period.

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

For mortgage loans originated after 1 January 2014, the mortgage lender will participate for 10 per cent. in any loss claims made under the NHG Guarantee. The lender is not entitled to recover this amount from the borrower.

Additional loans

Furthermore, on 1 July 2005 provisions were added to the NHG Conditions pursuant to which a borrower who is or threatens to be in arrears with payments under the existing mortgage loan may have the right to request Stichting WEW for a second guarantee to be granted by it in respect of an additional mortgage loan to be granted by the relevant lender. The moneys drawn down under the additional loan have to be placed on deposit with the relevant lender and may, up to a maximum period of two years, be used for, *inter alia*, payment of the amounts which are due and payable under the existing mortgage loan, interest due and payable under the additional mortgage loan and the costs made with respect to the granting of the additional mortgage loan. The relevant borrower needs to meet certain conditions, including, *inter alia*, the fact that the financial difficulties are caused by a divorce, unemployment, disability or death of the partner of the borrower.

Main NHG underwriting criteria (Normen) as of 1 January 2023 (Normen 2023-1)

On 1 November 2022, new NHG terms and conditions were published, which entered into force on 1 January 2023. With respect to a borrower, the underwriting criteria include, but are not limited to, the following:

- The lender has to perform a BKR check. Only under certain circumstances are registrations allowed.
- As a valid source of income the following qualifies: indefinite contract of employment, temporary contract of employment if the employer states that the employee will be provided an indefinite

contract of employment in case of equal performance of the employee and equal business circumstances, a three (3) year history of income statements for workers with flexible working arrangements or during a probational period (*proeftijd*) or three (3) year (annual) statements for self-employed persons.

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

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

- As of 1 January 2013, for new borrowers the redemption types are limited to Annuity Mortgage Loans and Linear Mortgage Loans with a maximal term of thirty (30) years.
- As of 1 January 2020, the maximum amount of the mortgage loan is dependent on the average house price level in the Netherlands (based on the information available from the Land Registry (*Kadaster*)) multiplied with the statutory loan to value, which is 100 per cent. if there are no energy saving improvements and 106 per cent. if there are energy saving improvements. As a consequence, there are two maximum loan amounts:
 - (i) EUR 405,000 for loans without energy saving improvements (as of 1 January 2023); and
 - (ii) EUR 429,300 for loans with energy saving improvements (as of 1 January 2023).

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

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

NHG Advance Rights

Pursuant to the NHG underwriting criteria which entered into force on 1 June 2020 (*Normen 2020-2*), changes have been made in order for the NHG Guarantee to meet the requirements for a guarantee to qualify as eligible credit protection for banks under the CRR. In particular, the ability to receive an advance payment of the expected loss is introduced. Lenders can make use of this option immediately after publication, both for existing and new loans with an NHG Guarantee.

Under the underwriting criteria, as stated above and any subsequent underwriting criteria, WEW will offer lenders the opportunity to receive an advance payment of expected loss, subject to certain conditions being met, including foreclosure procedures not having been completed twenty-one (21) months after default of the NHG mortgage loan (the "NHG Advance Right").

The NHG Advance Right is a separate right and it is not part of the surety by NHG. Unlike the surety, this NHG Advance Right therefore does not automatically transfer upon the transfer of the mortgage receivable. If a mortgage receivable has been transferred to a third party (including in the context of special purpose vehicle transactions), the NHG Advance Right may be transferred simultaneously or at a later moment in time, for example when the transferee wishes to exercise the NHG Advance Right. This transfer is necessary if the transferee of the mortgage receivable wants to make use of this NHG Advance Right. However, if the transferee does not wish to exercise the NHG Advance Right, a transfer is not necessary. After a transfer of

the Mortgage Receivable, the transferor can no longer exercise the NHG Advance Right, regardless of whether the NHG Advance Right is transferred to the transferee. This prevents the NHG Advance Right payment being made to a party other than the transferee of the mortgage receivable. However, at the request of the transferee the transferor can on its behalf exercise the right to an NHG Advance Right on behalf of the transferee.

The underwriting criteria as of June 2020 include a repayment obligation by the person that exercises the NHG Advance Right in case the payment exceeded the amount payable by Stichting WEW under the surety as actual loss eligible for compensation. This would for example be the case if the proceeds of the enforcement are higher than estimated, but also if the borrower in arrears resumes payment under the mortgage loan.

The Seller will transfer the NHG Advance Rights to the Issuer. In case the Issuer exercises its NHG Advance Right, it may be liable to repay any amount when the payment under the NHG Advance Right exceeded the amount payable by Stichting WEW under the surety. In case the Issuer exercises its NHG Advance Right, it will deposit such amount on the collection account to the NHG Advance Right Ledger created for such purpose. Amounts credited to the NHG Advance Right Ledger will be available (i) to pay any amount repayable to Stichting WEW outside the Priority of Payments and (ii) upon enforcement in full of the relevant Mortgage Loan on the moment on which Stichting WEW would otherwise have made such payment under the surety, to be released in an amount equal to the amount deposited for such Mortgage Receivable and such amount will form part of the enforcement proceeds of such Mortgage Receivable.

7. PORTFOLIO DOCUMENTATION

7.1 PURCHASE, REPURCHASE AND SALE

Purchase of Mortgage Receivables

Under the Mortgage Receivables Purchase Agreement, the Issuer will purchase the Mortgage Receivables on the Signing Date and will accept the assignment of the Mortgage Receivables and, to the extent legally possible, the Beneficiary Rights from the Seller on the Closing Date by means of a registered deed of assignment as a result of which legal title to the Mortgage Receivables and the Beneficiary Rights is transferred to the Issuer. The assignment of the Mortgage Receivables and the Beneficiary Rights from the Seller to the Issuer will not be notified to the Borrowers and the Insurance Companies, except that notification of the assignment of the Mortgage Receivables may be made upon the occurrence of any of the Assignment Notification Events (see 'Assignment Notification Events' below). Until such notification the Borrowers will only be entitled to validly pay (bevrijdend betalen) to the Seller. The Issuer will be entitled to all proceeds in respect of the Mortgage Receivables as of the relevant Cut-Off Date. The Seller will pay, or will procure that the Collection Foundation will pay, to the Issuer ultimately on each Mortgage Collection Payment Date all proceeds received during the immediately preceding Mortgage Calculation Period in respect of the Mortgage Receivables. The assignment and pledge of the Beneficiary Rights will only be completed upon notification to the relevant Insurance Company. It is uncertain whether this assignment and pledge will be effective.

Purchase of Further Advance Receivables and New Mortgage Receivables

The Mortgage Receivables Purchase Agreement will provide that, on each Notes Payment Date up to but excluding the First Optional Redemption Date, the Seller may offer for sale and assignment (a) any Further Advance Receivables resulting from Further Advances granted by the Seller in the preceding Mortgage Calculation Period and the Issuer shall apply the Further Advance Purchase Available Amount towards the purchase of any such Further Advance Receivables, subject to the satisfaction of the Portfolio Conditions and (b) any New Mortgage Receivables and the Issuer shall apply the New Mortgage Receivables Purchase Available Amount towards the purchase of any such New Mortgage Receivables, if and to the extent offered by the Seller and, to the extent legally possible, the Beneficiary Rights, subject to the satisfaction of the Portfolio Conditions.

With respect to the Portfolio Conditions which apply to each purchase and assignment of Further Advance Receivables and/or New Mortgage Receivables, respectively, on each Notes Payment Date each Notes Payment Date up to but excluding the First Optional Redemption Date, reference is made to section 7.4 (*Portfolio Conditions*).

Purchase Price

The purchase price for the Mortgage Receivables shall consist of (i) the Initial Purchase Price for the Mortgage Receivables purchased on the Signing Date, which shall be payable on the Closing Date or, in case of Further Advance Receivables and New Mortgage Receivables purchased on a Notes Payment, which shall be payable on the relevant Notes Payment Date and (ii) a Deferred Purchase Price. The Initial Purchase Price is equal to the aggregate Outstanding Principal Amount of the Mortgage Receivables, respectively the aggregate Outstanding Principal Amount of the New Mortgage Receivables and Further Advance Receivables, on the relevant Cut-Off Date. The Initial Purchase Price in respect of the Mortgage Receivables purchased on the Signing Date will be EUR 8,062,231,065.69, which is equal to the aggregate Outstanding Principal Amount of the Mortgage Receivables at the relevant Cut-Off Date. The Deferred Purchase Price shall be equal to the sum of all Deferred Purchase Price Instalments.

Repurchase of Mortgage Receivables

In the Mortgage Receivables Purchase Agreement, the Seller has undertaken to repurchase a Mortgage Receivable and accept re-assignment of such Mortgage Receivable and the Beneficiary Rights on the immediately succeeding Mortgage Collection Payment Date if:

(a) at any time any of the representations and warranties set out in Clause 8 of the Mortgage Receivables Purchase Agreement relating to the Mortgage Loans and the Mortgage Receivables given by the Seller proves to have been untrue or incorrect in any material respect and the Seller has not within fourteen (14) days of receipt of written notice thereof from the Issuer or the Security Trustee remedied the matter or if such matter is not capable of being remedied within the said period of fourteen (14) days;

- (b) in a Mortgage Calculation Period the Seller agrees with a Borrower to grant a Further Advance and the relevant Further Advance Receivable is not purchased by the Issuer on the Notes Payment Date immediately succeeding such Mortgage Calculation Period;
- (c) the Seller agrees to set the Mortgage Interest Rate in respect of a Fixed Rate Mortgage Receivable and as a result thereof the weighted average interest rate would fall or falls below 1.0 per cent.;
- (d) the aggregate Net Outstanding Principal Amount of all Floating Rate Mortgage Receivables exceeds five (5) per cent. of the aggregate Net Outstanding Principal amount of all Mortgage Receivables, provided that it will only repurchase such Mortgage Receivables to the extent necessary to decrease the aggregate Net Outstanding Principal Amount of all Floating Rate Mortgage Receivables to less than five (5) per cent. of the aggregate Net Outstanding Principal amount of all Mortgage Receivables);
- (e) the Seller agrees with a Borrower to a Non-Permitted Mortgage Loan Amendment; or
- (f) (a) prior to foreclosure of a NHG Mortgage Loan, such NHG Mortgage Loan no longer has the benefit of a NHG Guarantee, or (b) following foreclosure of a NHG Mortgage Loan, the amount actually reimbursed under the NHG Guarantee is lower than the amount claimable had the terms of the NHG Guarantee been met, each time as a result of an action taken or omitted to be taken by the Seller or the Servicer.

The purchase price for the Mortgage Receivable in such events will be equal to the Outstanding Principal Amount of the Mortgage Receivable, together with due and overdue interest and reasonable costs, if any (including any costs incurred by the Issuer in effecting and completing such repurchase and re-assignment), accrued up to but excluding the date of repurchase and re-assignment of the Mortgage Receivable, save that in the event of a repurchase set forth in item (f) sub (b) above, the purchase price shall be equal to the amount that was not reimbursed under the relevant NHG Guarantee as a result of an action taken or omitted to be taken by the Seller or the Servicer.

Other than in the events set out above, the Seller will not be obliged to repurchase any Mortgage Receivables from the Issuer. In addition, the Seller has no right to repurchase and accept re-assignment of any Mortgage Receivables which are in arrears, other than in respect of Mortgage Receivables the Seller is obliged to repurchase in case an event as set out in item (a) above occurs.

Assignment Notification Events

The Mortgage Receivables Purchase Agreement provides that if:

- (a) a default is made by the Seller in the payment on the due date of any amount due and payable by it under the Mortgage Receivables Purchase Agreement or under any Transaction Document to which it is a party and, if capable of being remedied, such failure is not remedied within ten (10) business days after notice thereof has been given by the Issuer or the Security Trustee to the Seller; or
- (b) the Seller fails to duly perform or comply with any of its obligations under the Mortgage Receivables Purchase Agreement or under any other Transaction Document to which it is a party and, if such failure is capable of being remedied, such failure is not remedied within ten (10) business days after notice thereof has been given by the Issuer or the Security Trustee to the Seller; or
- (c) any representation, warranty or statement made or deemed to be made by the Seller in the Mortgage Receivables Purchase Agreement, other than the representations and warranties contained in Clause 8 thereof, or under any of the other Transaction Documents to which the Seller is a party or if any notice or other document, certificate or statement delivered by the Seller pursuant thereto proves to have been, and continues to be after the expiration of any applicable grace period provided for in any Transaction Document, untrue or incorrect in any material respect; or
- (d) the Seller takes any corporate action or other steps are taken or legal proceedings are started against it for its dissolution (ontbinding) and liquidation (vereffening) or legal demerger (juridische splitsing) involving the Seller or for it being converted (conversie) into a foreign entity or its assets are placed under administration (onder bewind gesteld); or

- (e) the Seller has taken any corporate action or any steps have been taken or legal proceedings have been instituted against it for its bankruptcy (faillissement) or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or
- at any time it becomes unlawful for the Seller to perform all or a material part of its obligations under the Mortgage Receivables Purchase Agreement or under any other Transaction Document to which it is a party; or
- (g) the Seller has given materially incorrect information or not given material information which was essential for the Issuer and the Security Trustee in connection with the entering into of the Mortgage Receivables Purchase Agreement and/or any of the other Transaction Documents; or
- (h) a Pledge Notification Event has occurred; or
- (i) the Collection Foundation has been declared bankrupt (*failliet verklaard*) or been subjected to suspension of payments (*surseance van betaling*) or analogous insolvency proceedings under any applicable law:

(each of the items (a) through (i), an "Assignment Notification Event") then the Seller shall, unless the Security Trustee instructs otherwise, forthwith:

- (i) notify or ensure that the relevant Borrowers and any other relevant parties indicated by the Issuer and/or the Security Trustee are forthwith notified of the assignment of the Mortgage Receivables and the Beneficiary Rights to the Issuer substantially in accordance with the form of the notification letter attached to the Mortgage Receivables Purchase Agreement (the final form to be determined by the Issuer and the Security Trustee) or, at its option, the Issuer shall be entitled to make such notifications itself. For the purpose of the notification by the Issuer of the assignment of the Mortgage Receivables to the Borrowers, the Seller will pursuant to the Mortgage Receivables Purchase Agreement grant an irrevocable power of attorney to the Issuer and the Security Trustee; and
- (ii) notify or ensure that the Insurance Companies are notified of the assignment of the Beneficiary Rights or, at its option, the Issuer shall be entitled to make such notifications itself for the purpose of notification by the Issuer of the assignment of the Beneficiary Rights to the Insurance Companies, the Seller will pursuant to the Mortgage Receivables Purchase Agreement grant an irrevocable power of attorney to the Issuer and the Security Trustee; and
- (iii) release the Borrower Insurance Pledge in respect of the Insurance Policies and undertake its reasonable efforts to the effect that a first ranking right of pledge is created on the right of the Borrowers/insured under the Insurance Policies in favour of (i) the Issuer subject to the dissolving condition of the occurrence of a Pledge Notification Event and (ii) the Security Trustee subject to the condition precedent of the occurrence of a Pledge Notification Event; and
- (iv) with regard to the Investment-based Mortgage Loans, release the right of pledge in favour of the Seller on the relevant securities, if any, and undertake to use its best efforts to create a first ranking pledge on the relevant securities in favour of (x) the Issuer subject to the dissolving condition of the occurrence of a Pledge Notification Event and (y) the Security Trustee subject to the condition precedent of the occurrence of a Pledge Notification Event; and
- (v) if so requested by the Security Trustee and/or the Issuer, forthwith make the appropriate entries in Land Registry relating to the assignment of the Mortgage Receivables, also on behalf of the Issuer, or, at its option, the Issuer or the Security Trustee shall be entitled to make such entries itself, for which entries the Seller will pursuant to the Mortgage Receivables Purchase Agreement grant an irrevocable power of attorney to the Issuer and the Security Trustee; and
- (vi) instruct the agent to release the Escrow List of Loans to the Issuer and/or the Security Trustee,

In addition, pursuant to the Beneficiary Waiver Agreement, the Seller waives its rights as beneficiary under the Insurance Policies, subject to the condition precedent of the occurrence of an Assignment Notification Event, and appoint as first beneficiary (x) the Issuer subject to the dissolving condition of the occurrence of an Pledge Notification Event and (y) the Security Trustee under the condition precedent of the occurrence of an Pledge Notification Event.

Furthermore, pursuant to the Beneficiary Waiver Agreement, to the extent that the waiver and appointment referred to above are not effective in respect of the Insurance Policies, the Seller and/or the Life Insurance Company shall upon the occurrence of an Assignment Notification Event (a) use their best efforts to terminate the appointment of the Seller as beneficiary under the Insurance Policies and to appoint as first beneficiary under the Insurance Policies (x) the Issuer under the dissolving condition of the occurrence of a Pledge Notification Event and (y) the Security Trustee under the condition precedent of the occurrence of a Pledge Notification Event and (b) with respect to Insurance Policies where a Borrower Insurance Proceeds Instruction has been given, use their best efforts to withdraw the Borrower Insurance Proceeds Instruction in favour of the Seller and to issue such instruction in favour of (x) the Issuer under the dissolving condition of the occurrence of a Pledge Notification Event and (y) the Security Trustee under the condition precedent of the occurrence of a Pledge Notification Event.

Sale of Mortgage Receivables

Sale of Mortgage Receivables on an Optional Redemption Date

Under the terms of the Trust Deed, the Issuer will have the right and shall use its reasonable efforts to sell and assign all but not some of the Mortgage Receivables on each Optional Redemption Date, provided that the Issuer shall apply the proceeds of such sale to redeem the Notes in accordance with Condition 6(d) (Optional Redemption).

Sale of Mortgage Receivables if the Tax Call Option is exercised

Under the terms of the Trust Deed, the Issuer will also have the right to sell and assign all, but not some, of the Mortgage Receivables, if the Issuer exercises the Tax Call Option in accordance with Condition 6(e) (*Redemption for tax reasons*). If the Issuer wishes to sell the Mortgage Receivables in order to exercise any of the options described above, the Issuer will first offer such Mortgage Receivables to the Seller. If the Seller does not accept such offer within fourteen (14) Business Days, the Issuer shall instruct the Issuer Administrator to select within thirty (30) calendar days one or more third parties to make a binding offer to purchase the Mortgage Receivables.

The purchase price for the Mortgage Receivable in case of a sale by the Issuer will be equal to the Outstanding Principal Amount, together with accrued interest due but unpaid and reasonable costs, if any of the Mortgage Receivable.

Sale of Mortgage Receivables if the Clean-Up Call Option is exercised

If on any Notes Payment Date, the aggregate Outstanding Principal Amount of the Mortgage Receivables is not more than ten (10) per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables on the Closing Date, the Seller has the right to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables. The Issuer has undertaken in the Mortgage Receivables Purchase Agreement to sell and assign the Mortgage Receivables to the Seller, or any third party appointed by the Seller at its sole discretion, in case the Seller exercises the Clean-Up Call Option. The purchase price will be as set out above.

7.2 REPRESENTATIONS AND WARRANTIES

The Seller represents and warrants (i) on the Signing Date and on the Closing Date, with respect to the Mortgage Receivables assigned by it on the Closing Date, and the relevant Mortgage Loans and the Beneficiary Rights, and (ii) on the relevant Notes Payment Date with respect to the New Mortgage Receivables assigned by it on such Notes Payment Date, and the Mortgage Loans and the Beneficiary Rights, that inter alia:

- (a) each of the Mortgage Receivables and the Beneficiary Rights is duly and validly existing and, to best of the Seller's knowledge, is not subject to annulment or dissolution as a result of circumstances which have occurred prior to or on the Closing Date or, in the case of New Mortgage Receivables and/or Further Advance Receivables, the relevant Notes Payment Date;
- (b) it (i) has full right and title (titel) to the Mortgage Receivables, the Beneficiary Rights and the NHG Advance Rights relating thereto, (ii) has power (is beschikkingsbevoegd) to sell and assign the Mortgage Receivables and the Beneficiary Rights and to assign the NHG Advance Rights and no restrictions on the sale and assignment of the Mortgage Receivables, the Beneficiary Rights and the assignment of the NHG Advance Rights relating thereto are in effect and (iii) the Mortgage Receivables, the Beneficiary Rights and the NHG Advance Rights relating thereto are, upon written notification thereof to the relevant Insurance Companies, capable of being assigned and pledged;
- (c) the Mortgage Receivables and the Beneficiary Rights and for NHG mortgage loans only the NHG Advance Rights are free and clear of any encumbrances and attachments (beslagen) and no option rights to acquire the Mortgage Receivables, the Beneficiary Rights and the NHG Advance Rights relating thereto have been granted by the Seller in favour of any third party nor are the Mortgage Receivables otherwise in a condition that can be foreseen to adversely affect the enforceability of the assignment;
- (d) each Mortgage Receivable is secured by a Mortgage on a Mortgaged Asset used for a residential purpose in the Netherlands and is governed by Dutch law;
- the Mortgage Conditions applicable to each Mortgage Loan do not contain specific wording to the extent that the Mortgage and the Borrower Pledge will not follow the Mortgage Receivable if it is assigned to a third party;
- (f) upon creation (vestiging) of each Mortgage and Borrower Pledge (other than the Borrower Insurance Pledges entered into by one of the predecessors of the Seller at that time named 'SNS Bank N.V.' before the end of 2005 and the Borrower Investment Pledges) the power to unilaterally terminate the Mortgage and Borrower Pledge was granted to the Seller and such power has not been amended, revoked or terminated:
- (g) each Mortgaged Asset concerned was valued according to the then prevailing guidelines of the Seller, which guidelines are in a form as may reasonably be expected from a lender of residential mortgage loans in the Netherlands. No revaluation of the Mortgaged Assets has been made for the purpose of the transaction contemplated by the Transaction Documents and the valuations quoted are as at the date of the original initial mortgage loan;
- (h) each Mortgage Receivable and the Mortgages and the Borrower Pledges, if any, securing such receivable constitute legal, valid, binding and enforceable obligations of the relevant Borrower vis-à-vis the Seller, subject to any limitations arising from bankruptcy, insolvency and any other laws of general application relating to or affecting the rights of creditors. The binding effect and enforceability of the obligations of a Borrower may be affected by rules of Dutch law which generally apply to contractual arrangements, including (without limitation) the requirements of reasonableness and fairness (redelijkheid en billijkheid) and rules relating to force majeure;
- (i) all Mortgages and Borrower Pledges granted to secure the Mortgage Receivables (i) constitute valid mortgage rights (hypotheekrechten) and rights of pledge (pandrechten) respectively on the Mortgaged Assets and the assets which are the subject of the Borrower Pledge respectively and, to the extent relating to the Mortgages, entered into the appropriate public register (Dienst van het Kadaster en de

Openbare Registers), (ii) have first priority or first and sequential ranking priority and (iii) were vested for a principal sum which is at least equal to the Outstanding Principal Amount of the Mortgage Receivable resulting from the Mortgage Loan when originated, increased with interest, penalties, costs and any insurance premium paid by the Seller on behalf of the Borrower;

- (j) each of the Mortgage Loans and, if offered by the Seller, the Insurance Policy connected thereto, has been granted, in all material respects, in accordance with all applicable legal requirements prevailing at the time of origination, the Code of Conduct on Mortgage Loans (*Gedragscode Hypothecaire Financieringen*) and the Seller's standard underwriting criteria and procedures, including borrower income requirements, prevailing at that time and which underwriting criteria and procedures are no less stringent than those that the Seller applied at the time of origination to similar exposures that are not securitised and these underwriting criteria and procedures are in a form as may reasonably be expected from a lender of Netherlands residential mortgages;
- (k) each of the Interest-Only Mortgage Loans originated by one of the predecessors of the Seller at that time named 'SNS Bank N.V.' before 1 October 2003 with an Original Loan to Original Foreclosure Value Ratio higher than 75 per cent. and with a tenor of more than thirty (30) years or without a maturity date will have a Life Insurance Policy attached to it in the form of a combined risk and capital policy which, as far as the risk element is concerned, pays out upon death of the insured and, as far as the capital element is concerned, upon maturity of the Life Insurance Policy and each of the Life Insurance Policies has a term not exceeding thirty years from the date the Mortgage Loan was granted;
- (I) the Mortgage Conditions applicable to the Mortgage Loans originated by one of the predecessors of the Seller at that time named 'SNS Bank N.V.' provide that the Outstanding Principal Amount, increased with interest, reimbursements, costs and amounts paid by the Seller on behalf of the Borrower and any other amounts due by the Borrowers to the Seller will become due and payable, inter alia, if the Life Insurance Policy belonging to the Mortgage Loan is invalid and/or payment of premium under the Life Insurance Policy is suspended (premievrij) and/or the relevant Insurance Company makes a payment under the Life Insurance Policy;
- (m) as at the Closing Date in respect of Mortgage Receivables assigned by the Seller on such date and as at the relevant Cut-Off Date in respect of Further Advance Receivables and/or New Mortgage Receivables assigned by the Seller on the relevant Notes Payment Date, no amounts due and payable under any of the Mortgage Receivables or the Further Advance Receivables and/or the New Mortgage Receivables, respectively, will be unpaid for a period exceeding one month;
- (n) with respect to the Mortgage Loans whereby it is a condition for the granting of the relevant Mortgage Loan that a Life Insurance Policy is entered into by the Borrower (i) a Borrower Insurance Pledge is granted on the rights under such policy in favour of the Seller (see section 7.3 (Mortgage Loan Criteria) under (ix)), (ii) the Mortgage Loan and the Life Insurance Policy are in the Seller's or the relevant Insurance Company's promotional materials not offered as one combined mortgage and life insurance product or under one name and (iii) the Borrowers were not obliged to enter into the Life Insurance Policy with an Insurance Company which was at the time of origination, a group company of the Seller;
- (o) with respect to Investment-based Mortgage Loans, the relevant investments held in the name of the relevant Borrower have been validly pledged to the Seller and the relevant securities are purchased for the account of the Borrowers by a bank or an investment firm (beleggingsonderneming) in the meaning ascribed thereto in the Wft, such as a securities broker or a portfolio manager, or by a bank, each of which is by law obliged to make adequate arrangements to safeguard the clients' rights to such securities
- (p) with respect to the Bank Savings Mortgage Loans, the Seller has the benefit of a valid Borrower Pledge on the rights under the relevant Bank Savings Account;
- (q) each receivable under a mortgage loan (*hypothecaire lening*) which is secured by the same Mortgage is sold and assigned to the Issuer pursuant to the Mortgage Receivables Purchase Agreement;
- (r) each Mortgage Loan constitutes the entire mortgage loan granted to the relevant Borrower and not merely one or more Loan Parts;

- (s) with respect to the Mortgage Receivables secured by a Mortgage on a long lease (erfpacht), the Mortgage Loan (a) has a maturity that is equal to or shorter than the term of the long lease and/or, if the maturity date of the Mortgage Loan falls after the maturity date of the long lease, the acceptance conditions used by the Seller provide that certain provisions should be met and (b) becomes due if the long lease terminates for whatever reason;
- (t) to the best knowledge of the Seller and without prejudice to the representation under (m), the Borrowers are not in any material breach of any provision of their Mortgage Loans;
- the Mortgage Conditions provide that all payments by the relevant Borrowers should be made without any deduction or set-off;
- (v) each Mortgage Loan was originated by the Seller;
- (w) each NHG Mortgage Loan has the benefit of a NHG Guarantee as each such NHG Guarantee, it being understood that on the date of origination the NHG Guarantee amortises on the basis of a thirty (30) year annuity loan or linear loan, as applicable, and covers ninety (90) per cent. of the realised loss on the NHG Mortgage Loan, (i) was granted for the full Outstanding Principal Amount of the NHG Mortgage Loan, (ii) constitutes legal, valid and binding obligations of Stichting WEW, enforceable in accordance with their terms, (iii) all NHG Conditions applicable to the NHG Guarantee at the time of origination of the NHG Mortgage Loan were complied with and (iv) the Seller is not aware of any reason why any claim made in accordance with the requirements pertaining thereto under any NHG Guarantee in respect of any NHG Mortgage Loan should not be met in full and in a timely manner;
- (x) each of the Mortgaged Assets had, at the time the Mortgage Loan was advanced, the benefit of buildings insurance (*opstalverzekering*) for the full reinstatement value (*herbouwwaarde*);
- (y) the Seller has not been notified and is not aware of anything affecting the Seller's title to the Mortgage Receivables:
- (z) the repayment of the Mortgage Receivables by the Borrowers is executed by way of direct debit procedures or on the basis of an invoice;
- (aa) the notarial mortgage deeds (*minuut*) relating to the Mortgages are kept by a civil law notary in the Netherlands and are registered in the appropriate registers, while the Loan Files, which include certified copies of the notarial mortgage deeds, are kept by the Seller;
- (bb) other than the Construction Deposit, the full principal amount of each Mortgage Loan was in case of each of the Mortgage Loans paid to the relevant Borrower, whether or not through the relevant civil law notary;
- (cc) each of the Mortgage Receivables to which a Life Insurance Policy is connected has the benefit of Life Insurance Policies with any of the Insurance Companies and either (i) the Seller has been validly appointed as beneficiary (begunstigde) under such Life Insurance Policies upon the terms of the Mortgage Loans and the Life Insurance Policies or (ii) the relevant Insurance Company has been given a Borrower Insurance Proceeds Instruction;
- (dd) it can be determined in its administration without any uncertainty which Beneficiary Rights belong to which Mortgage Receivables;
- (ee) each Mortgage Loan meets the Mortgage Loan Criteria;
- (ff) each of the Mortgage Loans has been granted, each of the Mortgages and Borrowers Pledges has been vested, subject to the general terms and conditions and materially in the forms of the mortgage deeds and deeds of pledge as set out in Clause 8(hh) of the Mortgage Receivables Purchase Agreement;
- (gg) the particulars of each Mortgage Receivable as set forth in the List of Mortgage Loans attached to the Mortgage Receivables Purchase Agreement are correct and complete in all material respects;

- (hh) the aggregate Outstanding Principal Amount of the Mortgage Receivables purchased on the Signing Date is equal to the aggregate Initial Purchase Price; and
- (ii) no Borrower has the right under a Life Insurance Policy to switch the capital insurance element from a unit-linked investment into a traditional savings insurance policy.

7.3 MORTGAGE LOAN CRITERIA

Each of the Mortgage Loans will meet, inter alia, the following criteria (the "Mortgage Loan Criteria"):

- (i) the Mortgage Loans are either:
 - a. Interest-Only Mortgage Loans (aflossingsvrije hypotheken);
 - b. Linear Mortgage Loans (lineaire hypotheken);
 - c. Annuity Mortgage Loans (annuiteitenhypotheken);
 - d. Investment-based Mortgage Loans (beleggingshypotheken);
 - e. Bank Savings Mortgage Loans (bankspaarhypotheken);
 - f. Life Mortgage Loans (levenhypotheken); or
 - g. Mortgage Loans which combine any of the above mentioned types of mortgage loans (combinatiehypotheken);
- (ii) the Borrower is a private individual and is a resident of the Netherlands;
- (iii) the Borrower has made at least one monthly payment under the relevant Mortgage Loan;
- (iv) the interest of each Mortgage Receivable is either (i) fixed rate or (ii) floating rate, without any interest optionality's or alternatives, such as the Interest Damper (*Rente Demper*), Stable Interest (*Stabiel Rente*), Capped Interest (*Plafond Rente*), the Ideal Interest (*Ideaal Rente*), Middle Interest (*Middelrente*), varirust, average interest rate and other caps and/or floors;
- (v) each Mortgaged Asset is not the subject of residential letting and is occupied by the Borrower at the moment of (or shortly after) origination;
- (vi) each Mortgage Loan has been entered into after 31 December 1998;
- (vii) interest payments are scheduled to be made monthly;
- (viii) the maximum Outstanding Principal Amount of each Mortgage Receivable, or all Mortgage Receivables secured on the same Mortgaged Assets together, did not exceed a loan-to-market value ratio of 110 per cent. or its equivalent of 125 per cent. (rounded to the third decimal place) of the Foreclosure Value of the Mortgaged Assets upon origination of the Mortgage Receivable or Mortgage Receivables;
- (ix) where compulsory under the acceptance conditions used by the Seller, each Mortgage Loan has a Life Insurance Policy or Risk Insurance Policy attached to it;
- (x) each Mortgage Loan has a legal maturity of not more than thirty (30) years, or in case of Interest-Only Mortgage Loans originated by one of the predecessors of the Seller at that time named 'SNS Bank N.V.' before 1 October 2003 with an Original Loan to Original Foreclosure Value Ratio higher than 75 per cent. and with a tenor of more than thirty (30) years or without a maturity date, has a Life Insurance Policy attached to it which has a term not exceeding thirty years from the date the Mortgage Loan was granted;
- (xi) none of the Mortgage Loans matures after the Notes Payment Date falling in April 2060, or in case of Interest-Only Mortgage Loans originated by one of the predecessors of the Seller at that time named 'SNS Bank N.V.' before 1 October 2003 with an Original Loan to Original Foreclosure Value Ratio higher than 75 per cent. and with a tenor of more than thirty (30) years or without a maturity date, the Life Insurance Policy attached to it does not have a term ending after April 2060;
- (xii) each Mortgage Loan, other than NHG Mortgage Loans, has an original Outstanding Principal Amount of not more than EUR 1,000,000;
- (xiii) each NHG Mortgage Loan has an original Outstanding Principal Amount of not more than the maximum loan amount pursuant to the NHG terms and conditions applicable at the time of origination of the Mortgage Receivable or Mortgage Receivables;

- (xiv) each Mortgaged Asset is located in the Netherlands;
- (xv) none of the Mortgage Loans has been originated by the former RegioBank N.V. prior to the merger with CVB Bank N.V.;
- (xvi) each Mortgage Loan, or all Mortgage Loans secured on the same Mortgaged Asset, is denominated in euro];
- (xvii) none of the Mortgage Loans qualifies as a self-certified mortgage loan nor as an advisor verified mortgage loan;
- (xviii) none of the Mortgage Receivables qualifies as a transferable security or a securitisation position within the meaning of article 20(8) and 20(9), respectively, of the Securitisation Regulation; and
- (xix) the Mortgage Conditions do not contain confidentiality provisions which restrict the Seller or Issuer in exercising its rights under the relevant Mortgage Receivables.

7.4 PORTFOLIO CONDITIONS

Purchase of New Mortgage Receivables and Further Advance Receivables

The Mortgage Receivables Purchase Agreement provides that on each Notes Payment Date up to but excluding the First Optional Redemption Date, the Seller (a) may offer for sale and assignment any Further Advance Receivables resulting from Further Advances granted by the Seller in the preceding Mortgage Calculation Period and the Issuer shall apply the Further Advance Purchase Available Amount towards the purchase of any such Further Advance Receivables and (b) the Seller may offer for sale and assignment any New Mortgage Receivables and the Issuer shall apply the New Mortgage Receivables Purchase Available Amount towards the purchase of any such New Mortgage Receivables, if and to the extent offered by the Seller and, to the extent legally possible, the Beneficiary Rights, subject to certain conditions as set out below.

The purchase by the Issuer of any Further Advance Receivables and/or New Mortgage Receivables will in all cases be subject to the conditions that (to the extent applicable, if such Further Advance Receivables and/or New Mortgage Receivables would be purchased) on the relevant Notes Payment Date (such conditions, the "Portfolio Conditions"):

- (a) the Seller will represent and warrant to the Issuer and the Security Trustee the matters set out in (i) Clause 8 of the Mortgage Receivables Purchase Agreement, other than those set out in Clause 8 item (hh), with respect to the Further Advance Receivables and/or New Mortgage Receivables sold on such date and (ii) Clause 9 of the Mortgage Receivables Purchase Agreement;
- (b) no Assignment Notification Event has occurred and is continuing on such Notes Payment Date;
- (c) there has been no failure by the Seller to repurchase any Mortgage Receivable which it is required to repurchase pursuant to the Mortgage Receivables Purchase Agreement;
- (d) the Further Advance Purchase Available Amount is sufficient to pay the Initial Purchase Price for the relevant Further Advance Receivables and/or the New Mortgage Receivables Purchase Available Amount is sufficient to pay the Initial Purchase Price for the relevant New Mortgage Receivables;
- (e) (x) the aggregate Net Outstanding Principal Amount of all Defaulted Mortgage Loans divided by (y) the aggregate Net Outstanding Principal Amount of all Mortgage Loans, each as calculated on the immediately preceding Notes Calculation Date, does not exceed 1.50 per cent.;
- (f) the weighted average number of months elapsed since origination of all Mortgage Loans shall not fall below thirty-six (36) months;
- (g) the New Mortgage Receivables and/or the Further Advance Receivables have to be fully repaid ultimately by April 2060 pursuant to the relevant Mortgage Conditions;
- (h) the weighted average Current Loan to Original Market Value Ratio of all Mortgage Receivables does not exceed 90 per cent..;
- the aggregate Net Outstanding Principal Amount of the non-NHG Mortgage Loan Receivables with an Original Loan to Original Market Value higher than 100 per cent. does not exceed 10 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables;
- (j) the aggregate Net Outstanding Principal Amount of the non-NHG Mortgage Loan Receivables with an Original Loan to Original Market Value higher than 90 per cent. does not exceed 30 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables;
- (k) the aggregate Net Outstanding Principal Amount of the non-NHG Mortgage Loan Receivables with an Original Loan to Original Market Value higher than 80 per cent. does not exceed 45 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables;
- (I) the weighted average Loan to Income Ratio of the Mortgage Receivables does not exceed 5;
- (m) the aggregate Net Outstanding Principal Amount of the Mortgage Receivables with a Loan to Income

- Ratio of 6 and higher does not exceed 12 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables;
- the aggregate Net Outstanding Principal Amount of the Mortgage Receivables with a Loan to Income Ratio of 5 and higher does not exceed 40 per cent. of the aggregate Outstanding Principal Amount of all Mortgage Receivables;
- (o) the aggregate Net Outstanding Principal Amount of the Mortgage Receivables from Borrowers which are employed is at least 60 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables;
- (p) the aggregate Net Outstanding Principal Amount of the Mortgage Receivables from Borrowers which are self-employed does not exceed 30 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables;
- (q) there is no balance on the Principal Deficiency Ledger;
- (r) no part of the Available Principal Funds on such Notes Payment Date is used to make good any Interest Shortfall as item (x) of the Available Revenue Funds;
- (s) the aggregate Net Outstanding Principal Amount of the New Mortgage Receivables and the Further Advance Receivables purchased on such Notes Payment Date and on the eleven immediately preceding Notes Payment Dates divided by the aggregate Net Outstanding Principal Amount of all Mortgage Receivables on the Closing Date does not exceed 20 per cent. The Issuer and the Seller may agree to a higher percentage, subject to the confirmation of Moody's and Fitch that the ratings will not be adversely affected as a result thereof;
- (t) the aggregate Net Outstanding Principal Amount of all NHG Mortgage Loan Receivables divided by the aggregate Net Outstanding Principal Amount of all Mortgage Receivables is equal to or higher than 20 per cent.;
- (u) the Aggregate Construction Deposit Amount does not exceed EUR 50,000,000;
- (v) the aggregate Net Outstanding Principal Amount of all Interest-Only Mortgage Receivables divided by the aggregate Net Outstanding Principal Amount of all Mortgage Receivables does not exceed 50 per cent.;
- (w) the aggregate Net Outstanding Principal Amount of all Floating Rate Mortgage Receivables does not exceed 5 per cent. of the aggregate Net Outstanding Principal Amount of all Mortgage Receivables;
- (x) the aggregate Realised Losses in respect of all previous Mortgage Calculation Periods divided by
 (y) the aggregate Net Outstanding Principal Amount of the Mortgage Receivables on the Closing Date,
 does not exceed 0.40 per cent; and
- (y) a Further Advance Receivable and a New Mortgage Receivable has either a fixed rate of interest or a floating rate of interest, without any interest optionality's or alternatives, such as the Interest Damper (Rente Demper), Stable Interest (Stabiel Rente), Capped Interest (Plafond Rente), the Ideal Interest (Ideaal Rente), Middle Interest (Middelrente), varirust, average interest rate and other caps and/or floors.

7.5 SERVICING AGREEMENT

Mortgage Loan Services

In the Servicing Agreement the Servicer will agree (i) to provide administration and cash management services to the Issuer on a day-to-day basis in relation to the Mortgage Loans and the Mortgage Receivables, including, without limitation, the collection and recording of payments of principal, interest and other amounts in respect of the Mortgage Receivables and the implementation of arrears procedures including the enforcement of mortgage rights, (ii) to communicate with the relevant Borrowers, (iii) to investigate and pursue payment delinquencies and (iv) to prepare and provide the Issuer Administrator with certain statistical information regarding the Issuer as required by law, for submission to the relevant regulatory authorities (see further section 6.3 (*Origination and Servicing*)).

The Servicer will be obliged to administer the Mortgage Loans and the Mortgage Receivables with the same level of skill, care and diligence as mortgage loans in its own portfolio.

Termination

The Servicing Agreement may be terminated by the Security Trustee or the Issuer (with the consent of the Security Trustee) in certain circumstances, including (a) a default by the Servicer in the payment on the due date of any payment due and payable by it under the Servicing Agreement, (b) a default is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, (c) the Servicer has taken any corporate action or any steps have been taken or legal proceedings have been instituted against it for its entering or suspension of payments (surseance van betaling) or for bankruptcy (faillissement) or for any analogous insolvency proceedings under any applicable law or for bankruptcy or for the appointment of a receiver or a similar officer of its or any or all of its assets, (d) the Servicer is no longer licensed as intermediary (bemiddelaar) or offeror (aanbieder) under the Wft or (e) at any time it becomes unlawful for the Servicer to perform all or a material part of its obligations under the Servicing Agreement.

Upon the occurrence of a termination event as set out above, the Security Trustee and the Issuer shall use their best efforts to appoint a substitute servicer, and such substitute servicer shall enter into an agreement with the Issuer and the Security Trustee substantially on the terms of the Servicing Agreement, provided that such substitute servicer shall have the benefit of a servicing fee at a level to be then determined. Any such substitute servicer must (i) have experience with the administration of mortgage loans and mortgages of residential property in the Netherlands and (ii) hold a licence as an intermediary (bemiddelaar) or offeror (aanbieder) of credits under the Wft. The Issuer shall, promptly following the execution of such agreement, pledge its interest in such agreement in favour of the Security Trustee on the terms of the Issuer Rights Pledge Agreement, mutatis mutandis, to the satisfaction of the Security Trustee. The Issuer shall notify the Credit Rating Agencies of the identity of such substitute servicer following the appointment thereof.

Furthermore, the Servicing Agreement may be terminated by (i) the Servicer or (ii) the Issuer upon the expiry of not less than twelve (12) months' notice of termination given by the terminating party to the other party, provided that, *inter alia*, (a) the Security Trustee consents in writing to such termination (which consent shall not be unreasonably withheld or delayed), (b) a substitute servicer shall be appointed, such appointment to be effective not later than the date of termination of the Servicing Agreement, (c) a Credit Rating Agency Confirmation is available in connection with such termination and appointment and (d) such substitute servicer enters into an agreement substantially on the terms of the Servicing Agreement and the Servicer shall not be released from its obligations under the Servicing Agreement until such new agreement has been signed and entered into effect with respect to such substitute servicer.

7.6 SUB-PARTICIPATION

Bank Savings Participation Agreement

Under the Bank Savings Participation Agreement the Issuer will grant to the Bank Savings Participant a Bank Savings Participation in the Bank Savings Mortgage Receivables.

Bank Savings Accounts

The conditions applicable to the Bank Savings Mortgage Loans stipulate that amounts paid by the Borrowers will be deposited by the Bank Savings Participant on the relevant Bank Savings Account held with the Seller.

Bank Savings Participation

In the Bank Savings Participation Agreement the Bank Savings Participant will undertake to pay to the Issuer:

- (i) (a) on the Closing Date, (b) with respect to Further Advance Receivables in the form of Bank Savings Mortgage Receivables and any New Bank Savings Mortgage Receivables, on any Notes Payment Date and (c) in respect of a switch from any type of Mortgage Loan into a Bank Savings Mortgage Loan, on the immediately succeeding Notes Payment Date, the Initial Bank Savings Participation in relation to each of the Bank Savings Mortgage Receivables;
- (ii) on each Mortgage Collection Payment Date, an amount equal to the amount received by the Bank Savings Participant on the relevant Bank Savings Account in relation to the Bank Savings Mortgage Receivables during the Mortgage Calculation Period immediately preceding such Mortgage Collection Payment Date,

provided that no amounts will be paid to the extent that, as a result thereof, the Bank Savings Participation in each of the Bank Savings Mortgage Receivable would exceed the Outstanding Principal Amount of such relevant Bank Savings Mortgage Receivable.

As a consequence of such payments, the Bank Savings Participant will acquire a Bank Savings Participation in each of the Bank Savings Mortgage Receivables, which is equal to the Initial Bank Savings Participation in respect of the Bank Savings Mortgage Receivables, increased during each Mortgage Calculation Period with the Bank Savings Participation Increase.

In consideration for the undertakings of the Bank Savings Participant described above, the Issuer will undertake to pay to the Bank Savings Participant on each Mortgage Collection Payment Date, in respect of each of the Bank Savings Mortgage Receivables in respect of which amounts have been received during the relevant Mortgage Calculation Period or, in the case of the first Mortgage Collection Payment Date, during the period which commences on the initial Cut-Off Date and ends on the last day of the Mortgage Calculation Period immediately preceding such first Mortgage Collection Payment Date all amounts received (i) by means of repayment and prepayment in full under the Bank Savings Mortgage Receivables, but excluding any Prepayment Penalties and interest penalties, if any, including by way of set-off, (ii) as partial prepayments but only to the extent it exceeds the Net Outstanding Principal Amount, (iii) in connection with a repurchase of Bank Savings Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts relate to principal, (iv) in connection with a sale of Bank Savings Mortgage Receivables pursuant to the Trust Deed to the extent such amounts relate to principal and (v) as Net Foreclosure Proceeds on any Bank Savings Mortgage Receivables to the extent such amounts relate to principal up to the relevant Bank Savings Participation (the "Bank Savings Participation Redemption Available Amount").

Reduction of Participation

If a Borrower invokes a defence, including but not limited to a right of set-off or counterclaim against any person in respect of a Bank Savings Mortgage Receivable, if set-off takes place by operation of law or if, for whatever reason, the Bank Savings Participant does not pay the amounts due under the relevant Bank Savings Mortgage Receivable, whether in full or in part, and, as a consequence thereof, the Issuer will not have received any amount outstanding prior to such event in respect of such Bank Savings Mortgage Receivable, then the Bank Savings Participation of the Bank Savings Participant in respect of such Bank Savings Mortgage Receivable, will be reduced by an amount equal to the amount which the Issuer has failed to so receive.

Enforcement Notice

If an Enforcement Notice is given by the Security Trustee to the Issuer, then and at any time thereafter the Security Trustee on behalf of the Bank Savings Participant may and, if so directed by the Bank Savings Participant, shall by notice to the Issuer:

- (i) declare that the obligations of the Bank Savings Participant under the Bank Savings Participation Agreement are terminated;
- (ii) declare the Bank Savings Participation in relation to the Bank Savings Mortgage Receivables to be immediately due and payable, whereupon it shall become so due and payable, but such payment obligations shall be limited to the Bank Savings Participation Redemption Available Amount or, as the case may be, the Bank Savings Participation Enforcement Available Amount received or recovered by the Issuer or, as the case may be, the Security Trustee in respect of the Bank Savings Mortgage Receivables.

Termination

If one or more of the Bank Savings Mortgage Receivables are (i) repurchased by the Seller from the Issuer pursuant to the Mortgage Receivables Purchase Agreement, (ii) sold by the Issuer to a third party pursuant to the Trust Deed, the Bank Savings Participation in such Bank Savings Mortgage Receivables will terminate and the Bank Savings Participation Redemption Available Amount in respect of such Bank Savings Mortgage Receivables will be paid by the Issuer to the Bank Savings Participant. If so requested by the Bank Savings Participant, the Issuer undertakes to use its best efforts to ensure that the acquirer of the Bank Savings Mortgage Receivables will enter into a bank savings participation agreement with the Bank Savings Participant in a form similar to the Bank Savings Participation Agreement. Furthermore, the Bank Savings Participation envisaged in the Bank Savings Participation Agreement shall terminate if at the close of business of any Mortgage Collection Payment Date the Bank Savings Participant has received the Bank Savings Participation Redemption Available Amount in respect of the Bank Savings Mortgage Receivables.

8. GENERAL

- 1. The issue of the Notes has been duly authorised by a resolution of the board of directors of the Issuer passed on 5 April 2023.
- 2. Application has been made to list the Class A Notes on Euronext Amsterdam. The estimated total costs involved with such admission to trading of the Class A Notes amount to EUR 20,000.
- 3. The Class A Notes have been accepted for clearance through Euroclear and/or Clearstream, Luxembourg and will bear common code 260322486 and ISIN code XS2603224861.
- 4. The Class B Notes have been accepted for clearance through Euroclear and/or Clearstream, Luxembourg and will bear common code 260323393 and ISIN code XS2603233938.
- 5. The Class C Notes have been accepted for clearance through Euroclear and/or Clearstream, Luxembourg and will bear common code 260324365 and ISIN code XS2603243655.
- The Class D Notes have been accepted for clearance through Euroclear and/or Clearstream, Luxembourg and will bear common code 260324713 and ISIN code XS2603247136.
- 7. The Class E Notes have been accepted for clearance through Euroclear and/or Clearstream, Luxembourg and will bear common code 260324756 and ISIN code XS2603247565.
- 8. The addresses of the clearing systems are: Euroclear, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium and Clearstream Luxembourg, 42 Avenue J.F. Kennedy, L-1855 Luxembourg.
- 9. There has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 28 February 2023 to the date of this Prospectus.
- 10. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware) which may have, or have had during the twelve (12) months prior to the date of this Prospectus, a significant effect on the Issuer's financial position or profitability.
- 11. As long as any of the Notes are outstanding, copies of the following documents may be inspected at the specified offices of the Security Trustee and the Paying Agent during normal business hours and will be available either in physical or in electronic form, as the case may be, and can also be obtained on the website of European DataWarehouse (https://eurodw.eu/) as the Securitisation Repository:
 - (i) the deed of incorporation, including the articles of association of the Issuer;
 - (ii) the Mortgage Receivables Purchase Agreement;
 - (iii) the Deed of Assignment and Pledge;
 - (iv) the Notes Purchase Agreement;
 - (v) the Paying Agency Agreement;
 - (vi) the Trust Deed;
 - (vii) the Parallel Debt Agreement;
 - (viii) the Issuer Mortgage Receivables Pledge Agreement;
 - (ix) the Issuer Rights Pledge Agreement;
 - (x) the Administration Agreement;
 - (xi) the Servicing Agreement;
 - (xii) the Issuer Account Agreement;
 - (xiii) the Financial Collateral Agreements;
 - (xiv) the Cash Advance Facility Agreement;
 - (xv) the Bank Savings Participation Agreement;
 - (xvi) the Beneficiary Waiver Agreement;
 - (xvii) the Master Definitions Agreement;
 - (xviii) the Receivables Proceeds Distribution Agreement;
 - (xix) the Collection Foundation Accounts Pledge Agreement; and
 - (xx) the Prospectus.

The documents listed above are all the underlying documents that are essential for understanding the securitisation transaction described in this Prospectus and include, but are not limited to, each of the documents referred to in article 7(1) under point (b) of the Securitisation Regulation.

- 12. No content available via the website addresses contained in this Prospectus forms part of this Prospectus. This information has not been scrutinised or approved by the AFM.
- 13. A copy of the Prospectus (in print) will be available (free of charge) at the registered office of the Issuer, the Security Trustee and the Paying Agent.
- 14. The Issuer has not yet commenced operations and as of the date of this Prospectus, no financial statements have been produced. As long as the Notes are admitted to trading on Euronext Amsterdam, the most recent audited annual financial statements of the Issuer will be made available, free of charge from the specified office of the Security Trustee.
- 15. The Issuer and the Seller have amongst themselves designated the Seller for the purpose article 7(2) of the Securitisation Regulation. The Seller, or the Issuer or any other party on its behalf, will make available to Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors, on the website of European DataWarehouse (https://eurodw.eu/) as the Securitisation Repository:

(i)

- a. in accordance with article 7(1)(a) of the Securitisation Regulation, on a quarterly basis certain loan-by-loan information in relation to the Mortgage Receivables in respect of each Notes Calculation Period in the form of the standardised template set out in Annex II of Delegated Regulation (EU) 2020/1224);
- in accordance with article 7(1)(e) of the Securitisation Regulation, a quarterly investor report in respect of each Notes Calculation Period in the form of the standardised template set out in Annex II and Annex XII of Delegated Regulation (EU) 2020/1224; and
- c. in accordance with article 7(1)(f) and/or (g) of the Securitisation Regulation, on a quarterly basis, a report in relation to any inside information and/or any significant event in respect of each Notes Calculation Period in the form of the standardised template set out in Annex XIV of Delegated Regulation (EU) 2020/1224;
- (ii) without delay, in accordance with article 7(1)(f) of the Securitisation Regulation, any inside information relating to the transaction described in this Prospectus; and
- (iii) without delay, in accordance with article 7(1)(g) of the Securitisation Regulation, if applicable, any significant event such as (a) a material breach of the obligations laid down in the Transaction Documents, including any remedy, waiver or consent subsequently provided in relation to such breach, (b) a change in the structural features that can materially impact the performance of the securitisation, (c) a change in the risk characteristics of the transaction described in this Prospectus or of the Mortgage Receivables that can materially impact the performance of the transaction described in this Prospectus and (d) any material amendment to any of the Transaction Documents, in the form of the standardised template set out in Annex XIV of Delegated Regulation (EU) 2020/1224.

In addition, the Seller, or the Issuer or any other party on its behalf, has made available and will make available, as applicable, to the abovementioned parties before pricing of the Notes at least in draft or initial form and, at the latest fifteen (15) calendar days after the Closing Date, in final form, all underlying documents that are essential for the understanding of the transaction described in this Prospectus, which are listed in section 8 (*General*) under item (11), as required by article 7(1)(b) of the Securitisation Regulation, through the Securitisation Repository.

16. The Issuer, or the Issuer Administrator on its behalf, confirms that it will undertake that, provided that

it has received such information from the Seller:

- (A) it will disclose in the first Notes and Cash Report the amount of the Notes:
 - (i) privately-placed with investors which are not the Seller or group companies of the Seller:
 - (ii) retained by the Seller or group companies of the Seller; and
 - (iii) publicly-placed with investors which are not the Seller or group companies of the Seller;
- (B) in relation to any amount initially retained by the Seller or group companies of the Seller, but subsequently placed with investors which are not the Seller or group companies of the Seller, it will (to the extent permissible) disclose such placement in the next Notes and Cash Report.
- 17. The auditor of the Issuer is Ernst & Young Accountants LLP, appointed as the Issuer's independent auditor upon the Issuer Director having informed the AFM on such appointment. Ernst & Young Accountants LLP's principal place of business is at Boompjes 258, 3011 XZ Rotterdam, the Netherlands. Ernst & Young Accountants LLP is registered at the Chamber of Commerce under number 24432944. The registeraccountants (registeraccountants) of Ernst & Young Accountants LLP are members of the NBA (Koninklijke Nederlandse Beroepsorganisatie van Accountants the Royal Netherlands Institute of Chartered Accountants).

18. Responsibility statement

The Issuer is responsible for the information contained in this Prospectus. To the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import. Any information from third parties contained and specified as such in this Prospectus has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

In addition to the Issuer, the Seller is also responsible for the information contained in the following sections of this Prospectus: 3.4 (*Seller*), 6 (*Portfolio Information*), 7.5 (*Servicing Agreement*) and 8 (*General*). The Seller is also responsible for the information contained in the following sections of this Prospectus: all paragraphs dealing with articles 5, 6 and 7 of the Securitisation Regulation and all paragraphs in section 4.4 (*Regulatory and Industry Compliance*) and all other paragraphs to the extent relating to the Seller. To the best of the Seller's knowledge, the information contained in these sections is in accordance with the facts and does not omit anything likely to affect the import of such information. The Seller accepts responsibility accordingly.

9. GLOSSARY OF DEFINED TERMS

The defined terms set out in section 9.1 (Definitions) of this Glossary of Defined Terms, to the extent applicable, conform to the standard published by the Dutch Securitisation Association (see section 4.4 (Regulatory and Industry Compliance) (the RMBS Standard)). However, certain deviations from the defined terms used in the RMBS Standard are denoted in the below as follows:

- · if the defined term is not included in the RMBS Standard definitions list and is an additional definition, by including the symbol '+' in front of the relevant defined term;
- · if the defined term deviates from the definition as recorded in the RMBS Standard definitions list, by including the symbol '*' in front of the relevant defined term;
- · if the defined term is not between square brackets in the RMBS Standard definitions list and is not used in this Prospectus, by including the symbol 'N/A' in front of the relevant defined term.

In addition, the principles of interpretation set out in section 9.2 (Interpretation) of this Glossary of Defined Terms conform to the RMBS Standard definitions list. However, certain principles of interpretation may have been added (but not deleted) in deviation of the RMBS Standard.

9.1 **DEFINITIONS**

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

| + | "ABN AMRO Bank" | means ABN AMRO Bank N.V., a public company (naamloze vennootschap) organised under Dutch law and with its registered office in Amsterdam, the Netherlands; |
|---|--|---|
| | "Administration Agreement" | means the administration agreement between the Issuer, the Issuer Administrator and the Security Trustee dated the Signing Date; |
| | "AFM" | means the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten); |
| | "Aggregate Construction Deposit Amount" | means the aggregate of the Construction Deposits in respect of all Mortgage Loans; |
| | "All Moneys Mortgage" | means any mortgage right (hypotheekrecht) which secures not only the loan granted to the Borrower to purchase the Mortgaged Asset, but also any other liabilities and moneys that the Borrower, now or in the future, may owe to the Seller either (i) regardless of the basis of such liability or (ii) under or in connection with the credit relationship (kredietrelatie) of the Borrower and the Seller; |
| | "All Moneys Pledge" | means any right of pledge (pandrecht) which secures not only the loan granted to the Borrower to purchase the Mortgaged Asset, but also any other liabilities and moneys that the Borrower, now or in the future, may owe to the Seller either (i) regardless of the basis of such liability or (ii) under or in connection with the credit relationship (kredietrelatie) of the Borrower and the Seller; |
| | "All Moneys Security Rights" | means any All Moneys Mortgages and All Moneys Pledges collectively; |
| | "Annuity Mortgage Loan" | means a mortgage loan or part thereof in respect of which the Borrower pays a fixed monthly instalment, made up of an initially high and thereafter decreasing interest portion and an initially low and thereafter increasing principal portion, and calculated in |

| | | such manner that such mortgage loan will be fully redeemed at its maturity; |
|-----|---|---|
| N/A | "Annuity Mortgage Receivable" | |
| | "Arranger" | means de Volksbank; |
| | "Assignment Notification Event" | means any of the events specified as such in section 7.1 (Purchase, Repurchase and Sale) of this Prospectus; |
| | "Available Principal Funds" | has the meaning ascribed thereto in section 5.1 (Available Funds) of this Prospectus; |
| | "Available Revenue Funds" | has the meaning ascribed thereto in section 5.1 (Available Funds) of this Prospectus; |
| + | "Available Subordination" | has the meaning ascribed thereto in section 5.1 (Available Funds) of this Prospectus; |
| + | "Available Subordination Increase" | has the meaning ascribed thereto in section 5.1 (Available Funds) of this Prospectus; |
| | "Bank Savings Account" | means, in respect of a Bank Savings Mortgage Loan, a blocked savings account held in the name of a Borrower with the Bank Savings Participant; |
| | "Bank Savings Deposit" | means, in respect of a Bank Savings Mortgage Loan, the balance standing to the credit of the relevant Bank Savings Account; |
| + | "Bank Savings Participation Enforcement Available Amount" | means: (a) an amount equal to the Bank Savings Participation in each Bank Savings Mortgage Receivable; or (b) if the amount recovered in respect of the Bank Savings Mortgage Loan is less than the Bank Savings Participation, an amount equal to the amount actually recovered, including, without limitation, amounts recovered in connection with the Trustee Indemnification; in case of (a) less the sum of (i) any amount paid by the Security |
| | | Trustee to the Bank Savings Participant pursuant to the Parallel Debt Agreement; |
| | "Bank Savings Mortgage Loan" | means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity but instead makes a deposit into the relevant Bank Savings Account on a monthly basis; |
| | "Bank Savings Mortgage Receivable" | means the Mortgage Receivable resulting from a Bank Savings Mortgage Loan; |
| | "Bank Savings Participant" | means de Volksbank; |
| | "Bank Savings Participation" | means, on any Mortgage Calculation Date, in respect of each Bank Savings Mortgage Receivable an amount equal to the sum of (i) the Initial Bank Savings Participation in respect of such Bank Savings Mortgage Receivable and (ii) each Bank Savings |

| | | Participation Increase up to (and including) the Mortgage Calculation Period immediately preceding such Mortgage Calculation Date, whereby the sum of (i) and (ii) does not exceed the Outstanding Principal Amount of such Bank Savings Mortgage Receivable; |
|---|---|--|
| | "Bank Savings Participation Agreement" | means the bank savings participation agreement between the Issuer and the Bank Savings Participant and the Security Trustee dated the Signing Date; |
| * | "Bank Savings Participation Fraction" | means in respect of each Bank Savings Mortgage Receivable, an amount equal to the relevant Participation divided by the Outstanding Principal Amount of such Bank Savings Mortgage Receivable, as applicable, both on the first day of the relevant Mortgage Calculation Period; |
| | "Bank Savings Participation Increase" | means an amount calculated for each Mortgage Calculation Period on the relevant Mortgage Calculation Date by application of the following formula: (P x I) + S, whereby: |
| | | P = Bank Savings Participation Fraction; S = the amount received by the Issuer pursuant to the Bank Savings Participation Agreement on the Mortgage Collection Payment Date immediately succeeding the relevant Mortgage Calculation Date in respect of the relevant Bank Savings Mortgage Receivable from the Bank Savings Participant; and I = the amount of interest due by the Borrower on the relevant Bank Savings Mortgage Receivable and actually received by the Issuer in respect of such Mortgage Calculation Period; |
| | "Bank Savings Participation Redemption Available Amount" | has the meaning ascribed thereto in section 7.6 (Sub-Participation) of this Prospectus; |
| | "Basel II" | means the capital accord under the title "Basel II: "International Convergence of Capital Measurement and Capital Standards: Revised Framework" published on 26 June 2004 by the Basel Committee on Banking Supervision; |
| * | "Basel III" | means the capital accord amending Basel II under the title "Basel III: a global regulatory framework for more resilient banks and banking systems" published in December 2010 by the Basel Committee on Banking Supervision and further standards adopted by the Basel Committee as forming part of Basel III; |
| + | "Basel III Reforms" | means the Basel III reforms as published on 7 December 2017 Reforms (informally referred to as Basel IV). |
| * | "Basic Terms Change" | means, in respect of Notes of a Class, a change (i) of the date of maturity of the relevant Notes, (ii) which would have the effect of postponing any day for payment of interest or principal in respect of the relevant Notes, (iii) of the amount of interest or principal payable in respect of the relevant Notes, (iv) of the rate of interest, to the extent applicable, applicable in respect of the relevant Notes, (v) of the Revenue Priority of Payments, the Redemption Priority of Payments or the Post-Enforcement Priority of Payments or (vi) of the quorum or majority required to pass an Extraordinary Resolution; |

| * | "Benchmarks Regulation" | means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014; |
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| | "Beneficiary Rights" | means all rights which the Seller has vis-à-vis the relevant Insurance Company in respect of an Insurance Policy, under which the Seller has been appointed by the Borrower/insured as beneficiary (begunstigde) in connection with the relevant Mortgage Receivable; |
| | "Beneficiary Waiver Agreement" | means the beneficiary waiver agreement between, amongst others, the Seller, the Security Trustee and the Issuer dated the Signing Date; |
| | "BKR" | means Office for Credit Registration (Bureau Krediet Registratie); |
| | "Borrower" | means the debtor or debtors, including any jointly and severally liable co-debtor or co-debtors, of a Mortgage Loan; |
| | "Borrower Insurance Pledge" | means a right of pledge (pandrecht) created in favour of the Seller on the rights of the relevant pledgor against the relevant Insurance Company under the relevant Insurance Policy securing the relevant Mortgage Receivable; |
| | "Borrower Insurance Proceeds Instruction" | means the irrevocable instruction by the beneficiary under an Insurance Policy to the relevant Insurance Company to apply the insurance proceeds towards repayment of the same debt for which the relevant Borrower Insurance Pledge was created; |
| * | "Borrower Investment Account" | means, in respect of an Investment-based Mortgage Loan, an investment account in the name of the relevant Borrower; |
| * | "Borrower Investment Pledge" | means a right of pledge (pandrecht) on the securities of the relevant Borrower in respect of the Investment-based Mortgage Loans; |
| | "Borrower Pledge" | means a right of pledge (pandrecht) securing the relevant Mortgage Receivable, including a Borrower Insurance Pledge and/or a Borrower Investment Pledge; |
| | "BRRD" | means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms; |
| | "Business Day" | means (i) when used in the definition of Notes Payment Date, a TARGET 2 Settlement Day and provided that such day is also a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Amsterdam and London; and (ii) in any other case, a day on which banks are generally open for business in Amsterdam; |

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| | "Cash Advance Facility" | means the cash advance facility provided by the Cash Advance Facility Provider to the Issuer pursuant to the Cash Advance Facility Agreement; |
| | "Cash Advance Facility Agreement" | means the cash advance facility agreement between the Cash Advance Facility Provider, the Issuer and the Security Trustee dated the Signing Date; |
| | "Cash Advance Facility Available | means the Cash Advance Facility Maximum Amount less the |
| + | Amount" | aggregate outstanding balance of the Cash Advance Facility Loan and the Cash Advance Facility Stand-by Loan, if any; |
| + | "Cash Advance Facility Commitment Fee" | means 0.10 per cent. of the Cash Advance Facility Available Amount per annum or, in case of a Cash Advance Facility Standby Drawing, 0.10 per cent. per annum calculated by reference to the Cash Advance Facility Stand-by Drawing; |
| | "Cash Advance Facility Drawing" | means a drawing under the Cash Advance Facility; |
| + | "Cash Advance Facility Loan" | means the principal amount of the Cash Advance Facility Drawing outstanding under the Cash Advance Facility; |
| * | "Cash Advance Facility Maximum Amount" | means, as long as any Class A Notes are outstanding, an amount equal to the greater of (i) 1.5 per cent. of the Principal Amount Outstanding of the Class A Notes on such date and (ii) 0.50 per cent. of the Principal Amount Outstanding of the Class A Notes as at the Closing Date and thereafter EUR 2,000,000; |
| | "Cash Advance Facility Provider" | means de Volksbank; |
| | "Cash Advance Facility Stand-by Drawing" | means the drawing by the Issuer of the entire undrawn portion under the Cash Advance Facility Agreement if a Cash Advance Facility Stand-by Drawing Event occurs; |
| | "Cash Advance Facility Stand-by Drawing Event" | means any of the events specified as such in section 5.5 (Liquidity Support) of this Prospectus; |
| * | "Cash Advance Facility Stand-by Ledger" | means a Ledger created for the purpose of recording any Cash Advance Facility Stand-by Drawing in accordance with the Administration Agreement; |
| + | "Class" | means either the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes; |
| + | "Class A Noteholders" | means holders of the Class A Notes from time to time; |
| | "Class A Notes" | means the EUR 7,560,000,000 class A mortgage-backed fixed rate notes 2023 due 2060; |
| + | "Class A Principal Deficiency Ledger" | means the class A principal deficiency ledger relating to the Class A Notes; |
| + | "Class B Noteholders" | means holders of the Class B Notes; |
| | "Class B Notes" | means the EUR 156,000,000 class B mortgage-backed notes 2023 due 2060; |
| | "Class B Principal Deficiency | means the class b principal deficiency ledger relating to the |
| + | Ledger" | Class B Notes; |
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| + | "Class B Principal Shortfall" | has the meaning ascribed thereto in Condition 9(a) (<i>Principal</i>); |
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| + | "Class C Noteholders" | means holders of the Class C Notes; |
| | "Class C Notes" | means the EUR 120,000,000 class C mortgage-backed notes 2023 due 2060; |
| + | "Class C Principal Deficiency Ledger" | means the class c principal deficiency ledger relating to the Class C Notes; |
| + | "Class C Principal Shortfall" | has the meaning ascribed thereto in Condition 9(a) (<i>Principal</i>); |
| + | "Class D Noteholders" | means holders of the Class D Notes; |
| | "Class D Notes" | means the EUR 104,000,000 class D mortgage-backed notes 2023 due 2060; |
| + | "Class D Principal Deficiency Ledger" | has the meaning ascribed thereto in Condition 9(a) (<i>Principal</i>); |
| + | "Class D Principal Shortfall" | means an amount equal to the quotient of the balance on the Class D Principal Deficiency Ledger and the number of Class D Notes outstanding on such Notes Payment Date; |
| + | "Class E Noteholders" | means holders of the Class E Notes; |
| | "Class E Notes" | means the EUR 60,000,000 class E mortgage-backed notes 2023 due 2060; |
| + | "Class E Principal Deficiency Ledger" | means the class e principal deficiency ledger relating to the Class E Notes; |
| + | "Class E Principal Shortfall" | has the meaning ascribed thereto in Condition 9(a) (<i>Principal</i>); |
| | "Clean-Up Call Option" | means the right of the Seller to repurchase and accept re- assignment of all (but not only part of) the Mortgage Receivables which are outstanding, which right may be exercised on any Notes Payment Date on which the aggregate Outstanding Principal Amount of the Mortgage Receivables is not more than ten (10) per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables on the Closing Date; |
| * | "Clearstream, Luxembourg" | means Clearstream Banking, S.A.; |
| | "Closing Date" | means 14 April 2023 or such later date as may be agreed between the Issuer, the Seller and the Manager; |
| | "Code" | means U.S. Internal Revenue Code of 1986; |
| * | "Code of Conduct" | means the Mortgage Code of Conduct (Gedragscode Hypothecaire Financieringen) effective from time to time of the Dutch Association of Banks (Nederlandse Vereniging van Banken), including the version effective from August 2020; |
| | "Collection Foundation" | means Stichting Hypotheken Incasso; |

| | "Collection Foundation Accounts" | means the bank accounts designated as such in the |
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| * | | Receivables Proceeds Distribution Agreement; |
| * | "Collection Foundation Accounts Pledge Agreement" | means the collection foundation accounts pledge agreement between, <i>inter alia</i> , the Collection Foundation, the Issuer, the Security Trustee, the Previous Transaction Security Trustees, and the Previous Transaction SPVs, containing (i) a first ranking right of pledge on the balances standing to the credit of the Collection Foundation Accounts in favour of, <i>inter alia</i> , the Security Trustee and the Previous Transaction Security Trustees jointly as security for any and all liabilities of the Collection Foundation to the Security Trustee and the Previous Transaction Security Trustees, and (ii) a second ranking right of pledge on the balances standing to the credit of the Collection Foundation Accounts in favour of, <i>inter alia</i> , the Issuer and the Previous Transaction SPVs jointly as security for any and all liabilities of the Collection Foundation to the Issuer and the Previous Transaction SPVs, dated the Signing Date; |
| + | "Collection Foundation Eligible Counterparty" | means a bank having a credit rating at least equal to the Collection Foundation Trigger Required Ratings; |
| + | "Collection Foundation Eligible Counterparty Account" | means a bank account with an Eligible Counterparty in the name of the Collection Foundation including the bank accounts in the name of the Collection Foundation if such accounts have been transferred to such Eligible Counterparty as Foundation Account Provider in accordance with the Receivables Proceeds Distribution Agreement; |
| + | "Collection Foundation Trigger Commingling Remedial Actions" | means any of the following actions taken: (i) sufficient collateral being posted (which may be zero collateral if at such time under the Commingling Financial Collateral Agreement no collateral is required to be posted) or any of the alternative mitigant measures being taken under the Commingling Financial Collateral Agreement, (ii) an amount equal to the collateral amount referred to above being guaranteed by a Collection Foundation Eligible Counterparty or (iii) that direct debits from borrower accounts in respect of Mortgage Receivables will solely be made directly to the accounts of the Issuer or Security Trustee, as the case may be, and the borrowers that do not pay by means of direct debits are directed to pay to the accounts of the Issuer or the or Security Trustee, as applicable, and/or amounts not paid by means of direct debits are directed to be paid to the accounts of the Issuer or Security Trustee, as applicable; |
| + | "Collection Foundation Trigger Event" | means the event that (i) de Volksbank ceases to have the Collection Foundation Trigger Required Ratings and (ii) none of the Collection Foundation Trigger Commingling Remedial Actions are in place; |
| + | "Collection Foundation Trigger Required Ratings" | means (i) in respect of Fitch, (x) a long-term issuer default rating of at least 'A' by Fitch or (y) a short-term issuer default rating of at least 'F1' by Fitch and (ii) in respect of Moody's, a rating of its long-term unsecured, unsubordinated and unguaranteed debt obligations of at least 'Baa1' by Moody's; |
| + | "Commingling Alternative Mitigant Measures" | means (i) any of the measures set out in Clause 2.3 of the Receivables Proceeds Distribution Agreement being taken, (ii) |

| | | the Potential Commingling Required Amount being guaranteed by a Collection Foundation Eligible Counterparty, (iii) the assignment of the Mortgage Receivables to the Issuer being notified to the Borrowers or (iv) that direct debits in connection with amounts due to the Issuer and/or the Security Trustee in connection with the Mortgage Receivables will solely be made into the Issuer Collection Account and/or any amounts not paid by means of direct debits are directed to be paid to the Issuer Collection Account; |
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| + | "Commingling Amount" | means, on any Notes Payment Date, an amount equal to the amount received by the Collection Foundation, whether as interest or principal, in respect of Mortgage Receivables during the Mortgage Calculation Period immediately preceding such Notes Payment Date, which was required to be paid to the Issuer but was not received by the Issuer during the relevant Mortgage Calculation Period or is received on such Notes Payment Date; |
| + | "Commingling Delivery Amount" | means, on any Notes Payment Date, the higher of (i) the Potential Commingling Required Amount minus the Posted Commingling Collateral Value and (ii) zero; |
| + | "Commingling Financial Cash Collateral Funds" | means, on any day, the amount of the Posted Commingling Collateral standing to the credit of the Commingling Financial Cash Collateral Ledger at opening of business of such day; |
| + | "Commingling Financial Cash Collateral Ledger" | means the Ledger in accordance with the Administration Agreement created for the purpose of recording any Eligible Collateral transferred by the Seller to the Issuer Collection Account under the Commingling Financial Collateral Agreement; |
| + | "Commingling Financial Collateral Agreement" | means the commingling financial collateral agreement between the Issuer, the Seller and the Security Trustee dated the Signing Date; |
| + | "Commingling Financial Collateral Interest" | means, with respect to a Mortgage Calculation Period, any amount of interest calculated for each day in that Mortgage Calculation Period on the Commingling Financial Cash Collateral Funds and received by the Issuer in accordance with the Issuer Account Agreement; |
| + | "Commingling Return Amount" | means, on any Notes Payment Date, the higher of (i) an amount equal to the Posted Commingling Collateral Value minus the Potential Commingling Required Amount and (ii) zero; |
| * | "Common Safekeeper" | means, in respect of the Class A Notes, Euroclear and, in respect of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, a common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg. |
| | "Conditions" | means the terms and conditions of the Notes set out in Schedule 5 to the Trust Deed as from time to time modified in accordance with the Trust Deed and, with respect to any Notes represented by a Global Note, as modified by the provisions of the relevant Global Note; |
| | "Construction Deposit" | means in respect of a Mortgage Loan, that part of the Mortgage Loan which the relevant Borrower requested to be disbursed into a blocked account held in his name with the Seller, the proceeds |

| | | of which may be applied towards construction of, or improvements to, the relevant Mortgaged Asset; |
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| | "Construction Deposit Account" | means the bank account of the Issuer designated as such in the Issuer Account Agreement; |
| * | "Coupons" | means the interest and principal coupons appertaining to the Class A Notes and the interest and principal coupons appertaining to each of the Class B Notes, Class C Notes, Class D Notes and Class E Notes; |
| + | "COVID-19" | means the coronavirus disease 2019; |
| | "CRA Regulation" | means Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No 462/2013 of 21 May 2013; |
| | "CRD" | means Directive 2006/48/EC of the European Parliament and of the Council (as amended by Directive 2009/111/EC); |
| | "CRD IV" | means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC; |
| | "Credit Rating Agency" | means any credit rating agency (including any successor to its rating business) who, at the request of the Issuer, assigns, and for as long as it assigns, one or more credit ratings to the Notes, from time to time, which as at the Closing Date includes each of Fitch and Moody's; |
| * | "Credit Rating Agency Confirmation" | means, with respect to a matter which requires Credit Rating Agency Confirmation under the Transaction Documents and which has been notified to each or, as the case may be, the relevant Credit Rating Agency with a request to provide a confirmation, receipt by the Security Trustee, in form and substance satisfactory to the Security Trustee, of: |
| | | (a) a confirmation from the relevant Credit Rating Agency that its then current ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter (a "confirmation"); |
| | | (b) if no confirmation is forthcoming from a Credit Rating Agency, a written indication, by whatever means of communication, from such Credit Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an "indication"); or |
| | | (c) if no confirmation and no indication is forthcoming from a Credit Rating Agency and such Credit Rating Agency has not communicated that the then current ratings of the Notes will be adversely affected by or withdrawn as a result of the relevant matter or that it has comments in respect of the relevant matter: |
| | | (i) a written communication, by whatever means, from such Credit Rating Agency that it has completed its |

| | | review of the relevant matter and that in the circumstances (x) it does not consider a confirmation required or (y) it is not in line with its policies to provide a confirmation; or (ii) if such Credit Rating Agency has not communicated that it requires more time or information to analyse the relevant matter, evidence that thirty (30) days have passed since such Credit Rating Agency was notified of the relevant matter and that reasonable efforts were made to obtain a confirmation or an indication from such Credit Rating Agency; |
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| | "CRR" | means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012; |
| * | "Current Loan to Original Market Value Ratio" | means the ratio calculated by dividing the Outstanding Principal Amount of a Mortgage Receivable by the Original Market Value of the Mortgaged Asset; |
| | "Cut-Off Date" | means (i) with respect to the Mortgage Receivables purchased on the Signing Date, 31 March 2023 and (ii) with respect to Further Advance Receivables and New Mortgage Receivables purchased on a Notes Payment Date, at opening of business on the first day of the month of the relevant Notes Payment Date; |
| + | "DCC" | means the Dutch Civil Code; |
| * | "Deed of Assignment and Pledge" | means the deed of assignment and pledge of mortgage receivables in the form attached as Schedule 2 to Mortgage Receivables Purchase Agreement; |
| + | "Deed of Purchase, Repurchase and Pledge" | means the deed of purchase, repurchase and pledge of Mortgage Receivables in the form attached as Schedule 3 to the Mortgage Receivables Purchase Agreement; |
| * | "Defaulted Mortgage Loan" | means a Mortgage Loan that is in arrears for a period exceeding ninety (90) days or in respect of which an instruction has been given to the civil-law notary to publicly sell the Mortgaged Assets; |
| | "Deferred Purchase Price" | means part of the purchase price for the Mortgage Receivables equal to the sum of all Deferred Purchase Price Instalments; |
| | "Deferred Purchase Price Instalment" | means, after application of the relevant available amounts in accordance with the relevant Priority of Payments, any amount remaining after all items ranking higher than the item relating to the Deferred Purchase Price have been satisfied; |
| | "Definitive Notes" | means Notes in definitive bearer form in respect of any Class of Notes; |
| * | "Deposit Agreement" | means the deposit agreement between the Seller, the Issuer, the Security Trustee, the Issuer Administrator, the Seller and the deposit agent (as defined therein) dated the Signing Date; |

| | "DGS" | means the deposit guarantee scheme (depositogarantiestelsel) |
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| + | | within the meaning of the Wft; |
| | "Directors" | means the Issuer Director, the Shareholder Director and the Security Trustee Director collectively; |
| | "DNB" | means the Dutch central bank (De Nederlandsche Bank N.V.); |
| | "DSA" | means the Dutch Securitisation Association; |
| | "EBA" | means the European Banking Authority; |
| | "ECB" | means the European Central Bank; |
| + | "EEA" | means the European Economic Area; |
| N/A | "EMIR" | |
| + | "Eligible Collateral" | means, in respect of the Financial Collateral Agreements, euro denominated cash; |
| + | "Employee Mortgage Loan" | means a Mortgage Loan granted to any employee of an entity within the group formed by the Seller and its subsidiaries; |
| + | "Enforcement Available Amount" | means amounts corresponding to the sum of: |
| | | (a) amounts recovered (<i>verhaald</i>) in accordance with article 3:255 of the DCC by the Security Trustee under any of the Pledge Agreements on the Pledged Assets, other than as provided in Clause 7.4 of the Trust Deed, including amounts recovered under or in connection with the Trustee Indemnification, however in respect of Bank Savings Mortgage Receivables only to the extent such amounts exceed the Bank Savings Participation in such Bank Savings Mortgage Receivables; and (b) any amounts received by the Security Trustee in connection with the Parallel Debt, other than in relation to Bank Savings Mortgage Receivables; in each case less the sum of (i) any amounts paid by the Security Trustee to the Secured Creditors, other than the Bank Savings Participant pursuant to the Trust Deed and (ii) minus the of any cost, charges, liabilities and expenses (including, for the avoidance of doubt, any costs of the Credit Rating Agencies and any legal advisor, auditor and accountant appointed by the Security Trustee), incurred by the Security Trustee, in connection with any of the Transaction Documents; |
| | "Enforcement Date" | means the date of an Enforcement Notice; |
| | "Enforcement Notice" | means the notice delivered by the Security Trustee to the Issuer pursuant to Condition 10 (<i>Events of Default</i>); |
| + | "Equivalent Eligible Collateral" | means, in relation to any Eligible Collateral comprised in the Posted Set-Off Collateral or Posted Commingling Collateral, as the case may be, collateral of the same type as Eligible Collateral; |

| + | "Escrow List of Loans" | means, at the Closing Date and at each relevant Notes Payment Date, the list providing the details of the Mortgage Loans provided for in Schedule 1 to the Mortgage Receivables Purchase Agreement, which list includes (i) the name and address of the Borrower and (ii) the address of the Mortgaged Asset, if different from (i), and which list shall be held in escrow by an agent as further set out in Clause 19 of the Mortgage Receivables Purchase Agreement and the Deposit Agreement; |
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| | "ESMA" | means the European Securities and Markets Authority; |
| + | "€STR" | means the euro short-term rate. |
| | "EU" | means the European Union; |
| + | "EU Banking Reforms" | means the banking reform package including amendments to the CRD Directive (Directive (EU) 2019/878), the CRR (Regulation (EU) 2019/876), the BRRD (Directive (EU) 2019/879) and the SRM (Regulation (EU) 2019/877); |
| | "EUR", "euro" or "€" | means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957); |
| | "Euribor" | means the Euro Interbank Offered Rate; |
| | "Euroclear" | means Euroclear Bank SA/NV; |
| | "Euronext Amsterdam" | means Euronext in Amsterdam; |
| | "Eurosystem Eligible Collateral" | means collateral recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem; |
| | "Event of Default" | means any of the events specified as such in Condition 10 (Events of Default); |
| | "Exchange Date" | means the date, not earlier than forty (40) days after the issue date of the Notes on which interests in the Temporary Global Notes will be exchangeable for interests in the Permanent Global Notes; |
| | "Extraordinary Resolution" | means a resolution adopted at a meeting of Noteholders of a Class duly convened and held by the Noteholders of a Class by a majority of not less than two-thirds of the validly cast votes, except that in case of an Extraordinary Resolution approving a Basic Terms Change the majority required shall be at least seventy-five (75) per cent. of the validly cast votes; |
| | "FATCA" | means the United States Foreign Account Tax Compliance Act of 2009; |
| | "FATCA Withholding" | means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code or otherwise imposed pursuant to sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and any other jurisdiction facilitating the implementation |

| | | thereof (or any law implementing such an intergovernmental agreement); |
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| | "Final Maturity Date" | means the Notes Payment Date falling in April 2060; |
| + | "Final Portfolio" | has the meaning ascribed thereto in section 0 (Description of Mortgage Loans); |
| + | "Financial Cash Collateral Ledger" | means a Ledger comprising of the Set-Off Financial Cash Collateral Ledger and the Commingling Financial Cash Collateral Ledger; |
| + | "Financial Collateral Agreement" | means each of the Set-Off Financial Collateral Agreement and the Commingling Financial Collateral Agreement; |
| | "First Optional Redemption Date" | means the Notes Payment Date falling in April 2028; |
| | "Fitch" | means Fitch Ratings Limited and includes any successor to its rating business; |
| + | "Fixed Interest Rate" | means 1.0 per cent; |
| + | "Fixed Rate Interest Amount" | means, on any Interest Determination Date, the amount of interest payable on the Class A Notes for the following Notes Calculation Period; |
| + | "Fixed Rate Mortgage Loan" | means a Mortgage Loan or a Loan Part bearing a fixed rate of interest; |
| + | "Fixed Rate Mortgage Receivable" | means the Mortgage Receivable resulting from a Fixed Rate Mortgage Loan; |
| + | "Floating Rate Mortgage Loan" | means a Mortgage Loan or Loan Part bearing a floating rate of interest; |
| + | "Floating Rate Mortgage Receivable" | means the Mortgage Receivable resulting from a Floating Rate Mortgage Loan; |
| + | "Floating Rate New Mortgage Loan" | means a New Mortgage Loan or Loan Part bearing a floating rate of interest; |
| + | "Floating Rate New Mortgage Receivable" | means the New Mortgage Receivable resulting from a Floating Rate New Mortgage Loan; |
| | "Foreclosure Value" | means the foreclosure value of the Mortgaged Asset; |
| + | "Foundation Account Provider" | means any of de Volksbank, Rabobank or a Collection Foundation Eligible Counterparty, as the context may require; |
| + | "Foundation Administrator" | means de Volksbank in its capacity as foundation administrator to the Collection Foundation; |
| + | "FSMA" | means the Financial Services and Market Authority; |
| * | "Further Advance" | means a loan or a further advance, which may consist of one or more Loan Parts, to be made to a Borrower under a Mortgage Loan, which is secured by the same Mortgage; |

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| + | "Further Advance Purchase Available Amount" | means an amount equal to the sum of items (i) up to and including (x) of the Available Principal Funds; |
| | "Further Advance Receivable" | means the Mortgage Receivable resulting from a Further Advance; |
| | "Global Note" | means any Temporary Global Note or Permanent Global Note; |
| | "Higher Ranking Class" | means, in respect of any Class of Notes, each Class of Notes which has not been previously redeemed or written off in full and which ranks higher in priority to it in the Principal Priority of Payments; |
| + | "ICSD" | means International Central Securities Depositary; |
| | "Initial Bank Savings Participation" | means, (a) with respect to Bank Savings Mortgage Receivables purchased on the Signing Date or (b) thereafter in case of the purchase and assignment by the Issuer of Further Advance Receivables in the form of Bank Savings Mortgage Receivables and New Bank Savings Mortgage Receivables, on the relevant Notes Payment Date or (c) in respect of a switch from any type of Mortgage Loan into a Bank Savings Mortgage Loan, on the next succeeding Notes Payment Date, an amount equal to the balance of the relevant Bank Savings Account with accrued interest up to the relevant Cut-Off Date and in respect of item (c) above, up to the first day of the month immediately preceding the month in which the relevant Notes Payment Date falls; |
| * | "Initial Purchase Price" | means in respect of any relevant Mortgage Receivable, New Mortgage Receivable or a Further Advance Receivable, its Outstanding Principal Amount on the relevant Cut-Off Date; |
| + | "Insolvency Regulation" | means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast); |
| | "Insurance Company" | means any insurance company established in the Netherlands; |
| | "Insurance Policy" | means a Life Insurance Policy and/or a Risk Insurance; |
| | "Interest Determination Date" | means the day that is two Business Days preceding the first day of each Interest Period; |
| N/A | "Interest Period" | |
| N/A | "Interest Rate" | |
| + | "Interest Reconciliation Ledger" | means the Ledger created for the purpose of recording any reconciliation payments in relation to interest in accordance with the Administration Agreement; |
| * | "Interest-Only Mortgage Loan" | means a mortgage loan or part thereof in respect of which the Borrower is required to pay interest on a regular basis during the duration of the loan and repay principal at maturity; |
| | "Interest-Only Mortgage Receivable" | means the Mortgage Receivable resulting from an Interest-Only Mortgage Loan; |
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| + | "Interest Shortfall" | means, on any Notes Calculation Date, an amount equal to the amount by which the Available Revenue Funds, without taking |
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| | | into account any withholding from the Available Principal Funds but including, for the avoidance of doubt, any drawing under the Cash Advance Facility, on the immediately following Notes Payment Date falls short of the amounts required to satisfy items (a) up to and including (e) of the Revenue Priority of Payments; |
| * | "Investment-based Mortgage Loan" | means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity, but undertakes to invest defined amounts through a Borrower Investment Account; |
| * | "Investment Mortgage Receivable" | means the Mortgage Receivable resulting from an Investment-based Mortgage Loan; |
| | "Investor Report" | means any of (i) the Notes and Cash Report and (ii) the Portfolio and Performance Report; |
| * | "Issuer" | means Lowland Mortgage Backed Securities 7 B.V., a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under Dutch law and with its registered office in Amsterdam, the Netherlands; |
| | "Issuer Account Agreement" | means the issuer account agreement between the Issuer, the Security Trustee and the Issuer Account Bank dated the Signing Date; |
| | "Issuer Account Bank" | means de Volksbank; |
| | "Issuer Accounts" | means any of the Issuer Collection Account and the Construction Deposit Account; |
| | "Issuer Administrator" | means de Volksbank; |
| | "Issuer Collection Account" | means the bank account of the Issuer designated as such in the Issuer Account Agreement; |
| | "Issuer Director" | means Intertrust Management B.V.; |
| | "Issuer Management Agreement" | means the issuer management agreement between the Issuer, the Issuer Director and the Security Trustee dated the Signing Date; |
| * | "Issuer Mortgage Receivables Pledge Agreement" | means the mortgage receivables pledge agreement entered into by the Issuer (as pledgor) and the Security Trustee (as pledgee) dated the Signing Date; |
| * | "Issuer Rights" | means any and all transferable rights of the Issuer (a) under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Administration Agreement, (iii) the Servicing Agreement, (iv) the Bank Savings Participation Agreement, (v) the Cash Advance Facility Agreement (vi) the Paying Agency Agreement and (vii) the Issuer Account Agreement and (b) in respect of the Issuer Accounts; |
| | "Issuer Rights Pledge Agreement" | means the issuer rights pledge agreement between, amongst others, the Issuer, the Security Trustee, the Seller and the Servicer dated the Signing Date pursuant to which a right of |

| | | pledge is created in favour of the Security Trustee over the Issuer Rights; |
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| + | "Issuer Services" | means the services to be provided by the Issuer Administrator to the Issuer and the Security Trustee, pursuant to the Administration Agreement, as set out in Schedule 1 thereto; |
| N/A | "Issuer Transaction Account[s]" | |
| + | "Joint Security Right Arrangements" | means the arrangements made in relation to jointly-held Security Interests together with the arrangements regarding the share (aandeel) set out section 5.1 (Available Funds) under 'Joint Security Right Arrangements'; |
| | "Land Registry" | means the Dutch land registry (het Kadaster); |
| + | "Ledger" | means any of the ledgers referred to in Clause 5 of the Administration Agreement; |
| + | "Life Insurance Company" | means SRLEV N.V.; |
| | "Life Insurance Policy" | means an insurance policy taken out by any Borrower comprised of a risk insurance element and a capital insurance element which pays out a certain amount on an agreed date or, if earlier, upon the death of the insured life; |
| * | "Life Mortgage Loan" | means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity, but instead pays on a monthly basis a premium to the relevant Insurance Company and which has the benefit of a Life Insurance Policy; |
| N/A | "Life Mortgage Receivable" | |
| | "Linear Mortgage Loan" | means a mortgage loan or part thereof in respect of which the Borrower each month pays a fixed amount of principal towards redemption of such mortgage loan (or relevant part thereof) until maturity; |
| N/A | "Linear Mortgage Receivable" | |
| + | "List of Mortgage Loans" | means at the Closing Date and at each Notes Payment Date, the list providing the details regarding the Mortgage Loans as required in Schedule 1 to the Mortgage Receivables Purchase Agreement; |
| | "Listing Agent" | means ABN AMRO Bank; |
| + | "Loan Files" | means the file or files relating to each Mortgage Loan containing, inter alia, (i) all material correspondence relating to that Mortgage Loan and (ii) a certified copy of the mortgage deed; |
| * | "Loan Parts" | means one or more of the loan parts (<i>leningdelen</i>) of which a Mortgage Loan may consist; |
| * | "Loan to Income Ratio" | means in respect of a Mortgage Loan, the ratio calculated by dividing the Net Outstanding Principal Amount on such date by the sum of the gross annual income of the relevant Borrower; |

| + | "LTV" | means loan to value; |
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| | "MAD Regulations" | means the Market Abuse Directive, the Market Abuse Regulation and the Dutch implementation legislation pertaining thereto; |
| | "Management Agreement" | means any of (i) the Issuer Management Agreement, (ii) the Shareholder Management Agreement and (iii) the Security Trustee Management Agreement; |
| | "Manager" | means de Volksbank; |
| | "Market Abuse Directive" | means Directive 2014/57/EU of 16 April 2014; |
| | "Market Abuse Regulation" | means Regulation (EU) No 596/2014 of 16 April 2014; |
| | "Market Value" | means (i) the market value (<i>marktwaarde</i>) of the relevant Mortgaged Asset based on (a) if available, the most recent valuation by an external valuer, or (b) if no valuation is available, the assessment by the Dutch tax authorities on the basis of the WOZ at the time of application by the Borrower or (ii) in respect of a Mortgaged Asset to be constructed or in construction at the time of application by the Borrower, the construction costs of such Mortgaged Asset plus the purchase price of the relevant building lot; |
| | "Master Definitions Agreement" | means the master definitions agreement between, amongst others, the Seller, the Issuer and the Security Trustee dated the Signing Date; |
| + | "Member States" | means the Member States of the European Union from time to time. |
| * | "MiFID II" | means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU; |
| | "Moody's" | means Moody's Investors Service Ltd. and includes any successor to its rating business; |
| | "Mortgage" | means a mortgage right (hypotheekrecht) securing the relevant Mortgage Receivable; |
| | "Mortgage Calculation Date" | means, in respect of a Mortgage Collection Payment Date, the third Business Day prior to such Mortgage Collection Payment Date; |
| * | "Mortgage Calculation Period" | means the period commencing on (and including) the first day of each calendar month and ending on (and including) the last day of such calendar month except for the first mortgage calculation period which commences on (and includes) the relevant Cut-Off Date and ends on (and includes) the last day of April 2023; |
| | "Mortgage Collection Payment Date" | means the 8th Business Day of each calendar month; |
| | "Mortgage Conditions" | means the terms and conditions applicable to a Mortgage Loan, as set forth in the relevant mortgage deed and/or in any loan document, offer document or any other document including any |

| | | applicable general terms and conditions for mortgage loans as amended or supplemented from time to time; |
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| + "Mor | tgage Interest" | means interest (receivable or received) under a Mortgage Loan; |
| "Mor | tgage Interest Rate" | means the rate of interest from time to time chargeable to Borrowers under the Mortgage Loans; |
| "Mor | tgage Loan Criteria" | means the criteria relating to the Mortgage Loans set forth as such in section 7.3 (<i>Mortgage Loan Criteria</i>) of this Prospectus; |
| "Mor | tgage Loan Services" | means the services to be provided by the Servicer to the Issuer and the Security Trustee with respect to the Mortgage Loans, as set out in the Servicing Agreement; |
| * "Mor | tgage Loans" | means the mortgage loans granted by the Seller to the relevant borrowers which may consist of one or more Loan Parts as set forth in the List of Mortgage Loans attached to the Mortgage Receivables Purchase Agreement and, after any purchase and assignment of any New Mortgage Receivables and/or Further Advance Receivables has taken place in accordance with the Mortgage Receivables Purchase Agreement, the relevant New Mortgage Loans and/or Further Advances, to the extent any and all rights under and in connection therewith are not retransferred or otherwise disposed of by the Issuer; |
| "Mor | tgage Receivable" | means any and all rights of the Seller (and after assignment of such rights to the Issuer, of the Issuer) against the Borrower under or in connection with a Mortgage Loan, including any and all claims of the Seller (or the Issuer after assignment) on the Borrower as a result of the Mortgage Loan being terminated, dissolved or declared null and void; |
| | tgage Receivables Purchase ement" | means the mortgage receivables purchase agreement between the Seller, the Issuer and the Security Trustee dated the Signing Date; |
| + "Mor | tgage Report" | has the meaning ascribed to it in Clause 5.1 of the Servicing Agreement; |
| + "Mor | tgage Report Date" | means the 6 th Business Day following the end of each Mortgage Calculation Period; |
| + "Mor | tgaged Asset" | means (i) a real property (onroerende zaak), (ii) an apartment right (appartementsrecht), (iii) a long lease (erfpachtsrecht) or (iv) a right of superficies (opstalrecht) situated in the Netherlands on which a Mortgage is vested; |
| "Mos | et Senior Class" | means such Class of Notes which has not been previously redeemed or written off in full and which ranks higher in priority than any other Class of Notes in the Redemption Priority of Payments; |
| "Net | Foreclosure Proceeds" | means (i) the proceeds of a foreclosure on a Mortgage, (ii) the proceeds of foreclosure on any other collateral securing the relevant Mortgage Receivable, (iii) the proceeds, if any, of collection of any insurance policy in connection with the relevant Mortgage Receivable, including fire insurance policy and Insurance Policy, (iv) the proceeds of the NHG Guarantee and |

| | | any other guarantees or sureties and (v) the proceeds of |
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| | | foreclosure on any other assets of the relevant Borrower, in each case after deduction of foreclosure costs in respect of such Mortgage Receivable; |
| + | "Net Outstanding Principal Amount" | means, in relation to a Mortgage Receivable, at any moment in time, the Outstanding Principal Amount of such Mortgage Receivable less, if it is a Bank Savings Mortgage Receivable, an amount equal to the Bank Savings Participation in respect of such Bank Savings Mortgage Receivable; |
| + | "New Bank Savings Mortgage Loan" | means a New Mortgage Loan or Loan Part thereof which is linked to a Bank Savings Account; |
| + | "New Bank Savings Mortgage Receivable" | means a Bank Savings Mortgage Receivable resulting from a New Bank Savings Mortgage Loan; |
| * | "New Mortgage Loan" | means on any Notes Payment Date a mortgage loan granted by the Seller to the relevant borrower, which may consist of one or more Loan Parts and sold and assigned on such Notes Payment Date as set forth in the List of Mortgage Loans attached to the relevant Deed of Purchase, Repurchase and Pledge; |
| | "New Mortgage Receivable" | means the Mortgage Receivable resulting from a New Mortgage Loan; |
| + | "New Mortgage Receivables Purchase Available Amount" | means on any Notes Payment Date an amount equal to (a) the Further Advance Purchase Available Amount less (b) the aggregate amount applied by the Issuer to purchase Further Advance Receivables on such date; |
| + | "NHG" | means the National Mortgage Guarantee (Nationale Hypotheek Garantie); |
| + | "NHG Advance Right" | has the meaning ascribed thereto in section 6.5 (NHG Guarantee Programme) of this Prospectus; |
| + | "NHG Advance Right Ledger" | means the Ledger created for the purpose of recording any amounts received by the Issuer in connection with the exercise of the NHG Advance Right in respect of a Mortgage Receivable, in accordance with the Administration Agreement; |
| | "NHG Conditions" | means the terms and conditions (voorwaarden en normen) of the NHG Guarantee as set by Stichting WEW and as amended from time to time; |
| | "NHG Guarantee" | means a guarantee (borgtocht) under the NHG Conditions granted by Stichting WEW; |
| * | "NHG Mortgage Loan" | means a Mortgage Loan or Loan Part that has the benefit of an NHG Guarantee and is listed as such in the List of Mortgage Loans; |
| | "NHG Mortgage Loan Receivable" | means the Mortgage Receivable resulting from an NHG Mortgage Loan; |
| + | "NLFI" | means the NL Financial Investments (Stichting administratiekantoor beheer financiële instellingen); |

| | HALan Damaitte Las etc. | |
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| * | "Non-Permitted Mortgage Loan Amendment" | means an amendment by the Seller and the relevant Borrower of the terms of a Mortgage Loan as a result of which (i) such Mortgage Loan no longer meets the Mortgage Loan Criteria and/or (ii) such Mortgage Loan no longer complies with the representations and warranties relating to the Mortgage Receivables and the Mortgage Loans as set out in section 7.2 (Representations and Warranties); |
| | "Noteholders" | means the persons who for the time being are the holders of the Notes; |
| | "Notes" | means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; |
| | "Notes and Cash Report" | means the report which will be published monthly by the Issuer, or the Issuer Administrator on its behalf, and which report will comply with the standard of the DSA; |
| | "Notes Calculation Date" | means, in respect of a Notes Payment Date, the second Business Day prior to such Notes Payment Date; |
| * | "Notes Calculation Period" | means the period from (and including) the Closing Date to (but excluding) the Notes Payment Date falling in May 2023 and each successive period from (and including) a Notes Payment Date to (but excluding) the next succeeding Notes Payment Date; |
| | "Notes Payment Date" | means the 18th day of each calendar month or, if such day is not a Business Day, the immediately succeeding Business Day, unless it would as a result fall in the next calendar month, in which case it will be the Business Day immediately preceding such day; |
| * | "Notes Purchase Agreement" | means the notes purchase agreement relating to the Notes between the Manager, the Issuer and the Seller dated the Signing Date; |
| + | "Notification Event" | means any of the Assignment Notification Events and the Pledge Notification Events; |
| | "Optional Redemption Date" | means any Notes Payment Date from (and including) the First Optional Redemption Date up to (and excluding) the Final Maturity Date; |
| * | "Original Foreclosure Value" | means the Foreclosure Value of the Mortgaged Asset as assessed by the Seller at the time of granting the Mortgage Loan; |
| * | "Original Loan to Original Foreclosure Value Ratio" | means the ratio calculated by dividing the Outstanding Principal Amount of a Mortgage Receivable at the moment it was granted by the Original Foreclosure Value; |
| | "Original Loan to Original Market Value " | means the ratio calculated by dividing the original principal amount of a Mortgage Receivable at the moment of origination by the Original Market Value of the Mortgaged Asset; |
| * | "Original Market Value" | means the Market Value of the Mortgaged Asset as assessed by the Seller at the time of granting the Mortgage Loan; |

| | "Other Claim" | means any claim the Seller has against the Borrower, other than a Mortgage Receivable, which is secured by the Mortgage and/or Borrower Pledge; |
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| | "Outstanding Principal Amount" | means, at any moment in time, (i) the outstanding principal amount of a Mortgage Receivable at such time and (ii), after a Realised Loss of type (a) and (b) of the definition in respect of such Mortgage Receivable has been debited to the Principal Deficiency Ledger, zero; |
| | "Parallel Debt" | means an amount equal to the aggregate amount from time to time due (<i>verschuldigd</i>) by the Issuer (i) to the Noteholders under the Notes, (ii) as fees or other remuneration to the Directors under the Management Agreements, (iii) as fees and expenses to the Servicer under the Servicing Agreement, (iv) as fees and expenses to the Issuer Administrator under the Administration Agreement, (v) as fees and expenses to the Paying Agent under the Paying Agency Agreement, (vi) to the Cash Advance Facility Provider under the Cash Advance Facility Agreement, (vii) to the Seller under the Mortgage Receivables Purchase Agreement, (viii) to the Bank Savings Participant under the Bank Savings Participation Agreement (ix) to the Issuer Account Bank under the Issuer Account Agreement and (x) any other party designated by the Security Trustee as a Secured Creditor under the Transaction Documents; |
| | "Parallel Debt Agreement" | means the parallel debt agreement between, amongst others, the Issuer, the Security Trustee and the Secured Creditors (other than the Noteholders) dated the Signing Date; |
| | "Paying Agency Agreement" | means the paying agency agreement between the Issuer, the Paying Agent and the Security Trustee dated the Signing Date; |
| | "Paying Agent" | means ABN AMRO Bank; |
| * | "Permanent Global Note" | means a permanent global note in respect of a Class of Notes; |
| * | "Pledge Agreements" | means the Issuer Mortgage Receivables Pledge Agreement and the Issuer Rights Pledge Agreement; |
| * | "Pledged Assets" | means the Mortgage Receivables, the Beneficiary Rights and the Issuer Rights; |
| | "Pledge Notification Event" | means any of the events specified in Clause 5.1 of the Issuer Rights Pledge Agreement; |
| | "Portfolio and Performance Report" | means the report which will be published monthly by the Issuer, or the Issuer Administrator on its behalf, and which report will comply with the standard of the DSA; |
| + | "Portfolio Conditions" | means the conditions listed in section 7.4 (Portfolio Conditions); |
| + | "Posted Commingling Collateral" | means, on the relevant Notes Payment Date, the aggregate Eligible Collateral that has been transferred by the Seller and received by the Issuer pursuant to the Commingling Financial Collateral Agreement, together with any Commingling Financial Collateral Interest, and which is standing to the credit of the Commingling Financial Cash Collateral Ledger at opening of business of such day; |

| + | "Posted Commingling Collateral Value" | means, on any day, the balance standing to the credit of the Commingling Financial Cash Collateral Ledger with accrued interest at close of business of such day; |
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| + | "Posted Set-Off Collateral" | means, on the relevant Notes Payment Date, the aggregate Eligible Collateral that has been transferred by the Seller and received by the Issuer pursuant to the Set-Off Financial Collateral Agreement, together with any Set-Off Financial Collateral Interest, and which is standing to the credit of the Set-Off Financial Cash Collateral Ledger at opening of business of such day; |
| + | "Posted Set-Off Collateral Value" | means, on any day, the balance standing to the credit of the Set- Off Financial Cash Collateral Ledger with accrued interest at close of business of such day; |
| | "Post-Enforcement Priority of Payments" | means the priority of payments set out as such in section 5.2 (<i>Priorities of Payments</i>) of this Prospectus; |
| + | "Post-Foreclosure Proceeds" | means any amounts received, recovered or collected from a Borrower in respect of a Mortgage Receivable in addition to Net Foreclosure Proceeds, whether in relation to interest, principal or otherwise, following completion of foreclosure on the Mortgage, the Borrower Pledges and other collateral securing the Mortgage Receivable; |
| + | "Potential Commingling Required Amount" | means on each Notes Payment Date an amount equal to the amount of principal and interest received by the Collection Foundation in connection with the Mortgage Receivables on average per calendar month in the immediately preceding 6 calendar months or, if shorter, in the period as of the initial Cut-Off Date; |
| + | "Potential Set-Off Amount" | has the meaning ascribed thereto in section 5.1 (Available Funds); |
| + | "Potential Set-Off Required Amount" | has the meaning ascribed thereto in section 5.1 (Available Funds); |
| | "Prepayment Penalties" | means any prepayment penalties (<i>boeterente</i>) to be paid by a Borrower under a Mortgage Loan as a result of the Mortgage Receivable being repaid (in whole or in part) prior to the maturity date of such Mortgage Loan other than (i) on a date whereon the interest rate is reset or (ii) as otherwise permitted pursuant to the Mortgage Conditions; |
| + | "Previous Transaction Security Trustees" | means Stichting Security Trustee PEARL Mortgage Backed Securities 1, Stichting Security Trustee Lowland Mortgage Backed Securities 5, Stichting Security Trustee Lowland Mortgage Backed Securities 6 and Stichting Security Trustee Volks Covered Bond Company; |
| + | "Previous Transaction SPV's" | means PEARL Mortgage Backed Securities 1 B.V., Lowland Mortgage Backed Securities 5 B.V., Lowland Mortgage Backed Securities 6 B.V. and Volks Covered Bond Company B.V.; |
| | "PRIIPs Regulation" | means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key |

| Principal Amount Outstanding' Redemption Amounts that have become due and payable prior to such date, provided that for the purpose of Condition 4 (Interest), Condition 6 (Redemption Amounts that have become due and payable prior to such date, provided that for the purpose of Condition 4 (Interest), Condition 6 (Redemption Amounts that have become due and not been paid shall not be so deducted; "Principal Deficiency" "Principal Deficiency Ledger" "Principal Deficiency Ledger" "Principal Ledger" "Reans the Ledger to record Realised Losses comprising subledgers for each such Class of Notes; "Principal Ledger" "Reans a Ledger created for the purpose of recording any amounts received by the Issuer in connection with the Mortgage Receivables identified as principal in accordance with the Administration Agreement; "Principal Shortfall" "Principal Shortfall" "Principal Shortfall' "Ass the meaning ascribed to it in Condition 9(a) (Principal) in respect of the relevant Class of Notes; "Priority of Payments" "Prospectus" "Prospectus" "Prospectus" "Prospectus Regulation" "Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments are offered to the public or admitted to tr | | | information documents for packaged retail and insurance-based investment products (PRIIPs); |
|--|---|-----------------------------------|--|
| Principal Deficiency Ledger' "Principal Deficiency Ledger' means the Ledger to record Realised Losses comprising subledgers for each such Class of Notes; means a Ledger created for the purpose of recording any amounts received by the Issuer in connection with the Mortgage Receivables identified as principal in accordance with the Administration Agreement; "Principal Reconciliation Ledger" "Principal Shortfall" "Principal Short | * | "Principal Amount Outstanding" | amount of that Note upon issue less the aggregate amount of all Redemption Amounts that have become due and payable prior to such date, provided that for the purpose of Condition 4 (Interest), Condition 6 (Redemption) and Condition 10 (Events of Default) all Redemption Amounts that have become due and |
| * Principal Ledger" | | "Principal Deficiency" | • |
| amounts received by the Issuer in connection with the Mortgage Receivables identified as principal in accordance with the Administration Agreement; "Principal Reconciliation Ledger" means the Ledger created for the purpose of recording any reconciliation payments in relation to principal in accordance with the Administration Agreement; "Principal Shortfall" has the meaning ascribed to it in Condition 9(a) (<i>Principal</i>) in respect of the relevant Class of Notes, other than the Class A Notes; "Priority of Payments" means any of the Revenue Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments; "Prospectus" means this prospectus dated 12 April 2023 relating to the issue of the Notes; "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC; "Provisional Pool" means a provisional pool of mortgage loans which forms the basis for the Final Portfolio; "Public" the public as interpreted under CRD IV Directive and CRR by the relevant authority or authorities; "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | * | "Principal Deficiency Ledger" | · · · |
| reconciliation payments in relation to principal in accordance with the Administration Agreement; "Principal Shortfall" has the meaning ascribed to it in Condition 9(a) (Principal) in respect of the relevant Class of Notes, other than the Class A Notes; "Priority of Payments" means any of the Revenue Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments; "Prospectus" means this prospectus dated 12 April 2023 relating to the issue of the Notes; "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC; "Provisional Pool" means a provisional pool of mortgage loans which forms the basis for the Final Portfolio; "Public" the public as interpreted under CRD IV Directive and CRR by the relevant authority or authorities; "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | + | "Principal Ledger" | amounts received by the Issuer in connection with the Mortgage Receivables identified as principal in accordance with the |
| respect of the relevant Class of Notes, other than the Class A Notes; "Priority of Payments" means any of the Revenue Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments; "Prospectus" means this prospectus dated 12 April 2023 relating to the issue of the Notes; "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC; "Provisional Pool" means a provisional pool of mortgage loans which forms the basis for the Final Portfolio; "Public" the public as interpreted under CRD IV Directive and CRR by the relevant authority or authorities; "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | + | "Principal Reconciliation Ledger" | reconciliation payments in relation to principal in accordance |
| Redemption Priority of Payments and the Post-Enforcement Priority of Payments; "Prospectus" means this prospectus dated 12 April 2023 relating to the issue of the Notes; "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC; "Provisional Pool" means a provisional pool of mortgage loans which forms the basis for the Final Portfolio; the public as interpreted under CRD IV Directive and CRR by the relevant authority or authorities; "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; + "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | * | "Principal Shortfall" | respect of the relevant Class of Notes, other than the Class A |
| "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC; "Provisional Pool" means a provisional pool of mortgage loans which forms the basis for the Final Portfolio; "Public" the public as interpreted under CRD IV Directive and CRR by the relevant authority or authorities; "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | | "Priority of Payments" | Redemption Priority of Payments and the Post-Enforcement |
| and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC; # "Provisional Pool" means a provisional pool of mortgage loans which forms the basis for the Final Portfolio; # "Public" the public as interpreted under CRD IV Directive and CRR by the relevant authority or authorities; # "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; # "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; # "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | | "Prospectus" | 1 |
| + "Public" the public as interpreted under CRD IV Directive and CRR by the relevant authority or authorities; "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; + "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | | "Prospectus Regulation" | and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive |
| the relevant authority or authorities; "Purchase Ledger" means a Ledger created for the purpose of recording any amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; + "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | + | "Provisional Pool" | 1 7 7 |
| + amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance with the Administration Agreement; + "Purchase Price" means the Initial Purchase Price and the Deferred Purchase Price; "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | + | "Public" | _ · · · · · · · · · · · · · · · · · · · |
| "Qualifying Interest" has the meaning ascribed thereto in section 4.6 of this | + | "Purchase Ledger" | amounts reserved by the Issuer for purchasing New Mortgage Receivables and Further Advance Receivables in accordance |
| | + | "Purchase Price" | means the Initial Purchase Price and the Deferred Purchase Price; |
| | + | "Qualifying Interest" | |

| + | "Rabobank" | means Coöperatieve Rabobank U.A., a cooperation with excluded liability (coöperatie met uitgesloten aansprakelijkheid) organised under Dutch law and with its registered office in Amsterdam, the Netherlands; |
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| + | "Rabobank Existing Account" | means the bank account with Rabobank in its capacity as Foundation Account Provider; |
| | "Realised Loss" | has the meaning ascribed thereto in section 5.3 (Loss Allocation) of this Prospectus; |
| * | "Receivables Proceeds Distribution Agreement" | means the receivables proceeds distribution agreement between the Seller, the Collection Foundation and the Foundation Account Provider dated 19 December 2011, as amended and restated on 10 July 2013; |
| + | "Reconciliation Ledger" | means each of the Principal Reconciliation Ledger and Interest Reconciliation Ledger; |
| | "Redemption Amount" | means the principal amount redeemable in respect of a Note as described in Condition 6 (<i>Redemption</i>); |
| | "Redemption Priority of Payments" | means the priority of payments set out as such in section 5.2 (<i>Priorities of Payments</i>) of this Prospectus; |
| N/A | "Reference Agent" | |
| | "Regulation S" | means Regulation S of the Securities Act; |
| | "Relevant Class" | has the meaning ascribed thereto in Condition 10 (Events of Default); |
| + | "Relevant Member State" | means each member state of the European Economic Area which has implemented the Prospectus Regulation; |
| N/A | Reporting Entity | |
| | "Requisite Credit Rating" | means the rating of (i) in respect of Moody's, 'Prime-1' (short-term) by Moody's and (ii) in respect of Fitch, (a) in respect of the Cash Advance Facility Provider and third parties providing a guarantee on the obligations of the Cash Advance Facility Provider, 'F-1' (short-term issuer default rating) or 'A' (long-term issuer default rating) by Fitch and (b) in respect of the Issuer Account Bank, 'F1' (short-term deposit rating) or 'A' (long-term deposit rating) by Fitch, or if no deposit rating is assigned, 'F1' (short-term issuer default rating) or 'A' (long-term issuer default rating) by Fitch and, in respect of third parties providing a guarantee on the obligations of the Issuer Account Bank, 'F-1' (short-term issuer default rating) or 'A' (long-term issuer default rating) by Fitch; |
| + | "Reserved Amount" | means on any Notes Payment Date up to (but excluding) the First Optional Redemption Date an amount equal to the balance standing to the credit of the Purchase Ledger, at the opening of business on such date Notes Payment Date; |
| + | "Revenue Ledger" | means the Ledger created for the purpose of recording any amounts received by the Issuer in connection with the Mortgage Receivables identified as interest in accordance with the |

| | | Administration Agreement; |
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| | "Revenue Priority of Payments" | means the priority of payments set out as such in section 5.2 (<i>Priorities of Payments</i>) of this Prospectus; |
| | "Risk Insurance Policy" | means the risk insurance (risicoverzekering) which pays out upon the death of the life insured, taken out by a Borrower with any of the Insurance Companies; |
| | "RMBS Standard" | means the residential mortgage-backed securities standard created by the DSA, as amended from time to time; |
| * | "S&P" | means Standard & Poor's Credit Market Services Europe Limited; |
| | "Secured Creditors" | means: (a) the Noteholders; (b) the Directors; (c) the Seller; (d) the Issuer Administrator; (e) the Servicer; (f) the Paying Agent; (g) the Bank Savings Participant; (h) the Cash Advance Facility Provider; and (i) the Issuer Account Bank. |
| | "Securities Act" | means the United States Securities Act of 1933 (as amended); |
| | "Securitisation Regulation" | means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012; |
| + | "Securitisation Repository" | means European DataWarehouse GmbH, a securitisation repository registered under article 10 of the Securitisation Regulation and appointed by the Seller for the securitisation transaction as described in this Prospectus; |
| + | "Securitisation Repository Operational Standards" | means Commission Delegated Regulation (EU) 2020/1229 (the 2020/1229 RTS) including any relevant guidance and policy statements relating to the application of the 2020/1229 RTS published by the ESMA (or its successor); |
| | "Security" | means any and all security interest created pursuant to the Pledge Agreements; |
| + | "Security Interests" | means any of the Mortgages and/or Borrower Pledges; |
| | "Security Trustee" | means Stichting Security Trustee Lowland Mortgage Backed Securities 7, a foundation (<i>stichting</i>) organised under Dutch law and established in Amsterdam, the Netherlands; |
| | "Security Trustee Director" | means IQ EQ Structured Finance B.V., a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) organised under Dutch law and with its registered office in Amsterdam, the Netherlands; |

| | "Security Trustee Management Agreement" | means the security trustee management agreement between the Security Trustee, the Security Trustee Director and the Issuer dated the Signing Date; |
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| + | "Security Trustee Secured Liabilities" | means any and all liabilities (whether actual or contingent), whether principal, interest or otherwise, to the extent such liabilities result in a claim for payment of money (<i>geldvordering</i>), which are now or may at any time hereafter be due, owing or payable (i) from or by the Issuer to the Security Trustee resulting from or in connection with the Parallel Debt Agreement and the Trust Deed and (ii) from or by the Issuer to the Security Trustee resulting from or in connection with any of the other Transaction Documents; |
| | "Seller" | means de Volksbank; |
| | "Servicer" | means de Volksbank; |
| | "Servicing Agreement" | means the servicing agreement between the Servicer, the Issuer and the Security Trustee dated the Signing Date; |
| + | "Set-Off Amount" | means, in respect of any Mortgage Receivable on any Notes Payment Date, an amount equal to the full amount due but unpaid in respect of such Mortgage Receivable during the Mortgage Calculation Period immediately preceding such Notes Payment Date if and to the extent the Issuer has not received such amount, as a result of the fact that a Borrower has invoked a right of set-off for amounts due by the Seller to it and the Issuer has not otherwise received such amount during the Mortgage Calculation Period immediately preceding such Notes Payment Date; |
| + | "Set-Off Delivery Amount" | means, on any Notes Payment Date, the higher of (i) the Potential Set-Off Required Amount minus the Posted Set-Off Collateral Value and (ii) zero; |
| + | "Set-Off Financial Cash Collateral Funds" | means, on any day, the Posted Set-Off Collateral standing to the credit of the Set-Off Financial Cash Collateral Ledger at opening of business of such day; |
| + | "Set-Off Financial Cash Collateral Ledger" | means the Ledger created for the purpose of recording any Eligible Collateral transferred by the Seller to the Issuer Collection Account under the Set-Off Financial Collateral Agreement in accordance with the Administration Agreement; |
| + | "Set-Off Financial Collateral Agreement" | means the set-off financial collateral agreement between the Issuer, the Seller and the Security Trustee dated the Signing Date; |
| + | "Set-Off Financial Collateral Interest" | means, with respect to a Mortgage Calculation Period, any amount of interest calculated for each day in that Mortgage Calculation Period on the Set-Off Financial Cash Collateral Funds and received by the Issuer in accordance with the Issuer Account Agreement; |
| + | "Set-Off Return Amount" | means, on any Notes Payment Date, the higher of (i) the Posted Set-Off Collateral Value minus the Potential Set-Off Required Amount and (ii) zero; |

| | "Shareholder" | means Stichting Holland Euro-Denominated Mortgage Backed Series (Hermes) Holding, a foundation (<i>stichting</i>) organised under Dutch law and established in Amsterdam, the Netherlands; |
|-----|---------------------------------------|---|
| | "Shareholder Director" | means Intertrust (Netherlands) B.V.; |
| * | "Shareholder Management Agreement" | means the shareholder management agreement between the Shareholder and Shareholder Director dated 26 June 2001, as of which the Security Trustee has the benefit as a result of the letter signed for acceptance by the Shareholder Director and the Security Trustee dated the Signing Date; |
| | "Signing Date" | means 12 April, or such later date as may be agreed between the Issuer, the Seller and the Manager; |
| + | "Solvency II" | means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of Insurance and Reinsurance; |
| | "Solvency II Regulation" | means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance; |
| + | "SPVs" | means the Issuer and the Previous Transaction SPVs; |
| N/A | "SR Repository" | |
| | "SRM Regulation" | means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 and the rules and regulations related thereto; |
| | "SSPE" | means securitisation special purpose entity within the meaning of article 2(2) of the Securitisation Regulation; |
| | "Stichting WEW" | means Stichting Waarborgfonds Eigen Woningen; |
| | "TARGET 2" | means the Trans-European Automated Real-Time Gross Settlement Express Transfer 2 System; |
| | "TARGET 2 Settlement Day" | means any day on which TARGET 2 is open for the settlement of payments in euro; |
| * | "Tax Call Option" | means the option of the Issuer to redeem the Notes for certain tax reasons as provided in Condition 6(e) (Redemption for tax reasons); |
| + | "Tax Change" | means any change in, or amendment to, the application of the laws or regulations of the Netherlands or any other jurisdiction or any political sub-division or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by |

| | | a court of competent jurisdiction), which change or amendment becomes effective on or after the Closing Date and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; |
|---|---------------------------|--|
| * | "Temporary Global Note" | means a temporary global note in respect of a Class of Notes of Notes; |
| | "Transaction Documents" | means the Master Definitions Agreement, the Mortgage Receivables Purchase Agreement, the Administration Agreement, the Financial Collateral Agreements, the Cash Advance Facility Agreement, the Issuer Account Agreement, the Servicing Agreement, the Pledge Agreements, the Parallel Debt Agreement, the Notes Purchase Agreement, the Bank Savings Participation Agreement, the Beneficiary Waiver Agreement, the Notes, the Paying Agency Agreement, the Management Agreements, the Deed of Assignment and Pledge, any Deed of Purchase, Repurchase and Pledge, the Receivables Proceeds Distribution Agreement, the Collection Foundation Account Pledge Agreement, the Deposit Agreement and the Trust Deed and any further documents relating to the transaction envisaged in the above mentioned documents and any other such documents as may be designated by the Security Trustee as such; |
| + | "Transaction Party" | means any party to the Transaction Documents or any counterparty of the Issuer; |
| | "Trust Deed" | means the trust deed entered into by, the Issuer, the Shareholder and the Security Trustee dated the Signing Date; |
| + | "Trustee Indemnification" | has the meaning ascribed to it in Clause 13.2 of the Mortgage Receivables Purchase Agreement; |
| + | "UK" | means the United Kingdom; |
| + | "U.S." | means the United States of America; |
| + | "de Volksbank" | means de Volksbank N.V., a public company (naamloze vennootschap) organised under Dutch law, and with its registered office in Utrecht, the Netherlands; |
| * | "Wft" | means the Dutch Financial Supervision Act (Wet op het financieel toezicht) and its subordinate and implementing decrees and regulations; |
| * | "Wge" | means the Dutch Securities Giro Transfer Act (Wet giraal effectenverkeer); |
| + | "WHOA" | means the Act on Confirmation of Extrajudicial Restructuring Plans (Wet Homologatie Onderhands Akkoord); |
| + | "Withheld Amount" | means the amount withheld as item (xiii) of the Available Revenue Funds; and |
| * | "WOZ" | means the Valuation of Immovable Property Act (Wet waardering onroerende zaken). |

9.2 INTERPRETATION

- 9.2.1 The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed thereto under applicable law.
- 9.2.2 Any reference in this Prospectus to:
 - a "Class" of Notes shall be construed as a reference to the Class A Notes, the Class B notes, the Class C Notes, the Class D Notes or the Class E Notes, as applicable;
 - a "Class A", "Class A", "Class B", "Class C", "Class D" or "Class E" Noteholder, Principal Deficiency, Principal Deficiency Ledger, Principal Shortfall or Redemption Amount shall be construed as a reference to a Noteholder of, or a Principal Deficiency, the Principal Deficiency Ledger or a Redemption Amount pertaining to, as applicable, the relevant Class of Notes;
 - a "**Code**" shall be construed as a reference to such code as the same may have been, or may from time to time be, amended:
 - "foreclosure" includes any lawful manner of generating proceeds from collateral whether by public auction, by private sale or otherwise;
 - "holder" means the bearer of a Note and related expressions shall (where appropriate) be construed accordingly;
 - "including" or "include" shall be construed as a reference to "including without limitation" or "include without limitation", respectively;
 - "indebtedness" shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - a "law" or "directive" or "regulation" shall be construed as any law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court and shall be construed as a reference to such law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court as the same may have been, or may from time to time be, amended;
 - a "month" means a period beginning in one calendar month and ending in the next calendar month on the day numerically corresponding to the day of the calendar month on which it commences or, where there is no date in the next calendar month numerically corresponding as aforesaid, the last day of such calendar month, and "months" and "monthly" shall be construed accordingly;
 - the "Agreement", "Deed", "Notes", the "Conditions", any "Transaction Document" or any other agreement or document shall be construed as a reference to the Agreement, Deed, Notes, the Conditions, such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, restated, varied, novated, supplemented or replaced;
 - a "person" shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing or any successor or successors of such party;

a reference to "suspension of payments" or "moratorium of payments" shall, where applicable, be deemed to include a reference to the suspension of payments (surseance van betaling) as meant in the Dutch Bankruptcy Act (Faillissementswet); and, in respect of a private individual, any debt restructuring scheme (schuldsanering natuurlijke personen);

"principal" shall be construed as the English translation of "hoofdsom" or, if the context so requires, "pro resto hoofdsom" and, where applicable, shall include premium;

"repay", "redeem" and "pay" shall each include both of the others and "repaid", "repayable" and "repayment", "redeemed", "redeemable" and "redemption" and "paid", "payable" and "payment" shall be construed accordingly;

a "statute" or "treaty" or an "Act" shall be construed as a reference to such statute or treaty or Act as the same may have been, or may from time to time be, amended or, in the case of a statute or an Act, re-enacted;

a "successor" of any party shall be construed so as to include an assignee, transferee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party or otherwise replaced such party (by way of novation or otherwise), under or in connection with a Transaction Document or to which, under such laws, such rights and obligations have been transferred; and

any "Transaction Party" or "party" or a party to any Transaction Document (however referred to or defined) shall be construed so as to include its successors and any subsequent successors in accordance with their respective interests.

- 9.2.3 In this Prospectus, save where the context otherwise requires, words importing the singular number include the plural and vice versa.
- 9.2.4 Headings used in this Prospectus are for ease of reference only and do not affect the interpretation of this Prospectus.

10. REGISTERED OFFICES

ISSUER

Lowland Mortgage Backed Securities 7 B.V.

Basisweg 10 1043 AP Amsterdam The Netherlands

MANAGER AND ARRANGER

de Volksbank N.V.

Croeselaan 1 3521 BJ Utrecht The Netherlands

SELLER, SERVICER, ISSUER ADMINISTRATOR AND ISSUER ACCOUNT BANK de Volksbank N.V.

Croeselaan 1 3521 BJ Utrecht The Netherlands

SECURITY TRUSTEE

Stichting Security Trustee Lowland Mortgage Backed Securities 7

Hoogoorddreef 15 1101 BA Amsterdam The Netherlands

LEGAL AND TAX ADVISERS TO THE SELLER AND THE ISSUER

(as to Dutch law) NautaDutilh N.V.

Beethovenstraat 400 1082 PR Amsterdam The Netherlands

AUDITORS

Ernst & Young Accountants LLP

Antonio Vivaldistraat 150 1083 HP Amsterdam The Netherlands

PAYING AGENT AND LISTING AGENT ABN AMRO Bank N.V.

Gustav Mahlerlaan 10 1082 PP Amsterdam The Netherlands

COMMON SAFEKEEPER

In respect of the Class A Notes Euroclear Bank SA/NV 1 Boulevard du Roi Albert II 1210 Brussels Belgium

SECURITISATION REPOSITORY

European DataWarehouse GmbH Walther-von-Cronberg-Platz 2 605954 Frankfurt am Main Germany http://eurodw.eu