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This prospectus is obtained by you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither Dutch Residential Mortgage Portfolio I B.V., ABN AMRO Bank N.V., HSBC Bank plc, The Royal Bank of Scotland plc nor Achmea Bank N.V. nor any person who controls them nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the prospectus distributed to you in electronic format and the hard copy version available to you on request from Dutch Residential Mortgage Portfolio I B.V., Achmea Bank N.V., ABN AMRO Bank N.V., HSBC Bank plc or The Royal Bank of Scotland plc.

**PROSPECTUS DATED 26 May 2015**

**Dutch Residential Mortgage Portfolio I B.V. as Issuer**

*(incorporated with limited liability in the Netherlands)*

	<b>Class A1</b>	<b>Class A2</b>	<b>Class A3</b>	<b>Class B</b>	<b>Class C</b>
<b>Principal Amount</b>	EUR 161,500,000	EUR 505,100,000	EUR 183,400,000	EUR 115,900,000	EUR 16,600,000
<b>Issue Price</b>	100 per cent.	100 per cent.	100 per cent.	100 per cent.	100 per cent.
<b>Interest rate up to (but excluding) the First Optional Redemption Date</b>	Euribor for three months deposit plus 0.20 per cent. per annum with a floor of zero per cent.	Euribor for three months deposit plus 0.27 per cent. per annum with a floor of zero per cent.	0.685 per cent. per annum	0.05 per cent. per annum.	0.05 per cent. per annum
<b>Interest rate from (and including) First Optional Redemption Date</b>	Euribor for three months deposit up to the Euribor Agreed Rate plus 0.20 per cent. per annum with a floor of zero per cent.	Euribor for three months deposit up to the Euribor Agreed Rate plus 0.27 per cent. per annum with a floor of zero per cent.	Euribor for three months deposit up to the Euribor Agreed Rate plus 0.39 per cent. per annum with a floor of zero per cent.	0.05 per cent. per annum	0.05 per cent. per annum
<b>Euribor Agreed Rate</b>	5 per cent. per annum	5 per cent. per annum	5 per cent. per annum	n/a	n/a
<b>Class A Step-up Margin</b>	0.20 per cent. per annum	0.27 per cent. per annum	0.39 per cent. per annum	n/a	n/a
<b>Class A Excess Consideration from the First Optional Redemption Date</b>	a consideration equal to the sum of: (i) the Class A Step-up Consideration, which is a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by the relevant Class A Step-up Margin; and (ii) the Class A Euribor Excess Consideration, which is a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by Euribor for three months deposit for the relevant Interest Period to the extent Euribor exceeds the 5 per cent. per annum (Euribor Agreed Rate)			n/a	n/a
<b>Class A Additional Amount from the First Optional Redemption Date</b>	on a <i>pro rata</i> and <i>pari passu</i> basis within each sub Class of the Class A Notes, an amount equal to the Available Revenue Funds less any amount drawn under or released from the Reserve Account pursuant to item (vi) of the Available Revenue Funds, remaining after the amounts payable under the items (a) up to and including (h) of the Revenue Priority of Payments have been fully satisfied			n/a	n/a

<b>Expected ratings (Fitch / Moody's)</b>	AAAsf/Aaa(sf)	AAAsf/Aaa(sf)	AAAsf/Aaa(sf)	n/a	n/a
<b>First Optional Redemption Date</b>	Notes    Payment Date falling in April 2020				
<b>Final Maturity Date</b>	July 2047				

**Achmea Bank as Seller**

<b>Closing Date</b>	The Issuer will issue the Notes in the classes set out above on 28 May 2015 (or such later date as may be agreed between the Issuer and Achmea Bank) (the " <b>Closing Date</b> ").
<b>Underlying Assets</b>	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 the Seller (including its legal predecessors) and secured over residential properties located in the Netherlands. Legal title to the resulting Mortgage Receivables will be assigned to the Issuer on the Closing Date and, subject to certain conditions being met, during a period from the Closing Date until but excluding the Final Maturity Date. See section 6.2 ( <i>Description of Mortgage Loans</i> ) for more details.
<b>Security for the Notes</b>	The Noteholders will, together with the other Secured Creditors, benefit from security rights created in favour of the Security Trustee over, <i>inter alia</i> , the Mortgage Receivables and the Issuer Rights (see section 4.7 ( <i>Security</i> )).
<b>Denomination</b>	The Notes will have a minimum denomination of EUR 100,000.
<b>Form</b>	The Notes will be represented by Global Notes in bearer form, without coupons attached. Interests in the Global Notes will only in exceptional circumstances be exchangeable for Notes in definitive form in accordance with the Wqe.
<b>Interest</b>	The Class A1 Notes and the Class A2 Notes will carry floating rates of interest. The Class A3 Notes will, prior to the First Optional Redemption Date, carry a fixed rate of interest and, from (and including) the First Optional Redemption Date, carry a floating rate of interest. The Class B Notes and Class C Notes will carry a fixed rate of interest. The interest rates are set out above and are payable quarterly in arrear on each Notes Payment Date. See further Condition 4 ( <i>Interest</i> ).
<b>Redemption Provisions</b>	Payments of principal on the Notes will be made quarterly 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 of the Notes (other than the Class C Notes). See further Condition 6 ( <i>Redemption</i> ).
<b>Subscription and Sale</b>	Each of the Class A Managers (or its affiliates) has agreed to purchase at the Closing Date, subject to certain conditions precedent being satisfied, the Class A Notes. Furthermore, the Class B and C Manager has agreed, subject to certain conditions precedent being satisfied, to purchase at the Closing Date the Notes, other than the Class A Notes.
<b>Credit Rating Agencies</b>	Each of Fitch and Moody's (Fitch together with Moody's, the " <b>Credit Rating Agencies</b> ") 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 the European Securities and Markets Authority (" <b>ESMA</b> ") on its website in accordance with the CRA Regulation.
<b>Ratings</b>	Ratings will be assigned to the Class A Notes as set out above on or before the Closing Date.  The ratings of the Class A Notes addresses the assessment made by Fitch and Moody's of the likelihood of full and timely payment of interest, but for the avoidance of doubt, not the Class A Excess Consideration and the

	<p>Class A Additional Amount, and ultimate payment of principal on or before the Final Maturity Date, but does not provide any certainty nor guarantee.</p> <p>The Class B Notes and the Class C Notes will not be assigned a rating.</p> <p><b>The assignment of ratings to the Class A Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Notes 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.</b></p>
<b>Listing</b>	<p>Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List (the "Official List") and trading on its regulated market. The Notes are expected to be listed on or about the Closing Date.</p> <p>This document constitutes a prospectus within the meaning of and is issued in compliance with the Prospectus Directive and relevant implementing measures in Ireland for the purpose of giving information with regard to the issue of the Notes ("<b>Prospectus</b>"). This Prospectus has been approved by the Central Bank of Ireland (the "<b>Central Bank</b>"), as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to all Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any Member State of the European Economic Area.</p>
<b>Eurosystem Eligibility</b>	<p>The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with Euroclear Netherlands which is a recognised Central Securities Depository. It does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.</p>
<b>Limited recourse obligations</b>	<p>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 2 (<i>Risk Factors</i>).</p>
<b>Subordination</b>	<p>The right of payment of interest and principal on the Classes of Notes, other than the Class A Notes, are subordinated to the other Classes of Notes in reverse alphabetical order. In addition, the right of payment of the Class A Excess Consideration and the Class A Additional Amount are subordinated to certain other payments. See section 5 (<i>Credit Structure</i>).</p> <p>The Class A Notes comprise the Class A1 Notes, the Class A2 Notes and the Class A3 Notes and the Class A1 Notes, the Class A2 Notes and the Class A3 Notes rank <i>pari passu</i> and <i>pro rata</i> without any preference or priority among all Class A Notes in respect of the Security and payments of interest. Provided that no Enforcement Notice has been given, payments of principal on the Class A Notes are applied as follows: on a sequential basis, firstly, towards satisfaction of principal amounts due under the Class A1 Notes until fully redeemed, secondly, towards satisfaction of principal amounts due under the Class A2 Notes until fully redeemed and thirdly, towards satisfaction of principal amounts due under the Class A3 Notes until fully redeemed.</p>
<b>Retention and Information Undertaking</b>	<p>Achmea Bank has undertaken to the Issuer, the Security Trustee and the Managers that, for as long as the Notes are outstanding, it shall retain, on an ongoing basis, a material net economic interest in the securitisation which shall in any event not be less than 5%, in accordance with article 405 of the CRR and article 51 of the AIFMR. As at the Closing Date, such interest is retained in accordance with article 405 of the CRR and article 51 of the AIFMR by the Seller as the originator within the meaning of the CRR or the AIFMR, as the case may be, holding (part of) the Subordinated Notes.</p> <p>In addition, the Seller shall make available to Noteholders all materially relevant information that such Noteholders may require to comply with their obligations under the applicable provisions of article 405, 406 and 409 of the CRR and article 51 and 52 of the AIFMR, including to make appropriate disclosures, or to procure that appropriate disclosures are made, to Noteholders about the retained net economic interest in the securitisation and to ensure that the Noteholders have readily available access to all materially relevant data (see Section 8 (<i>General</i>) for more details). See Section 2 (<i>Risk Factors - Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes</i>) and Section 4.4 (<i>Regulatory and Industry</i></p>

	<i>Compliance</i> ) for more details.
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**For a discussion of some of the risks associated with an investment in the Notes, see section 2 *Risk Factors* herein.**

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

Unless otherwise indicated in this Prospectus or the context otherwise requires, capitalised terms used in this Prospectus have the meaning ascribed thereto in paragraph 1 (*Definitions*) of the Glossary of Defined Terms set out in this Prospectus.

The principles of interpretation set out in paragraph 2 (*Interpretation*) of the Glossary of Defined Terms in this Prospectus shall apply to this Prospectus.

*Arranger*

**ABN AMRO Bank N.V.**

*Class A Managers*

**ABN AMRO Bank N.V.**

**HSBC Bank plc**

**The Royal Bank of Scotland plc**

*Class B and C Manager*

**Achmea Bank N.V.**

## RESPONSIBILITY STATEMENTS

The Issuer is responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Issuer accepts such responsibility accordingly. 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 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', the paragraph 'Average life' in section 1.4 'Transaction Overview' and each paragraph dealing with article 405 of the CRR and article 51 of the AIFMR. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these paragraphs is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Seller accepts responsibility accordingly.

To the fullest extent permitted by law, the Arranger and the Managers accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made, by ABN AMRO Bank N.V., HSBC Bank plc, The Royal Bank of Scotland plc or Achmea Bank N.V. or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Manager accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement.

ABN AMRO Bank N.V. has been engaged by the Issuer solely (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 Reference Agent to perform the duties expressed to be performed by it in Condition 4. ABN AMRO Bank N.V. in its capacity of Paying Agent and Reference 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 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 or 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.

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, the Arranger or any Manager.

This Prospectus is to be read in conjunction with the articles of association of the Issuer which can be obtained at the office of the Issuer (see section 8 (*General*) below). 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.

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* below. No one is authorised by the Issuer or the Seller to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus in accordance with applicable laws and regulations.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this

Prospectus nor any other information supplied in connection with the issue of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Arranger or the Managers to any person to subscribe for or to purchase any Notes.

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 any other party has any obligation to update this Prospectus, after completion of the offer of the Notes.

The Arranger, the Managers and the Seller expressly do 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.

The language of the Prospectus is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of the Prospectus.

The Notes have not been and will not be registered under the Securities Act and include Notes 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 US 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 US 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.

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## **1. TRANSACTION OVERVIEW**

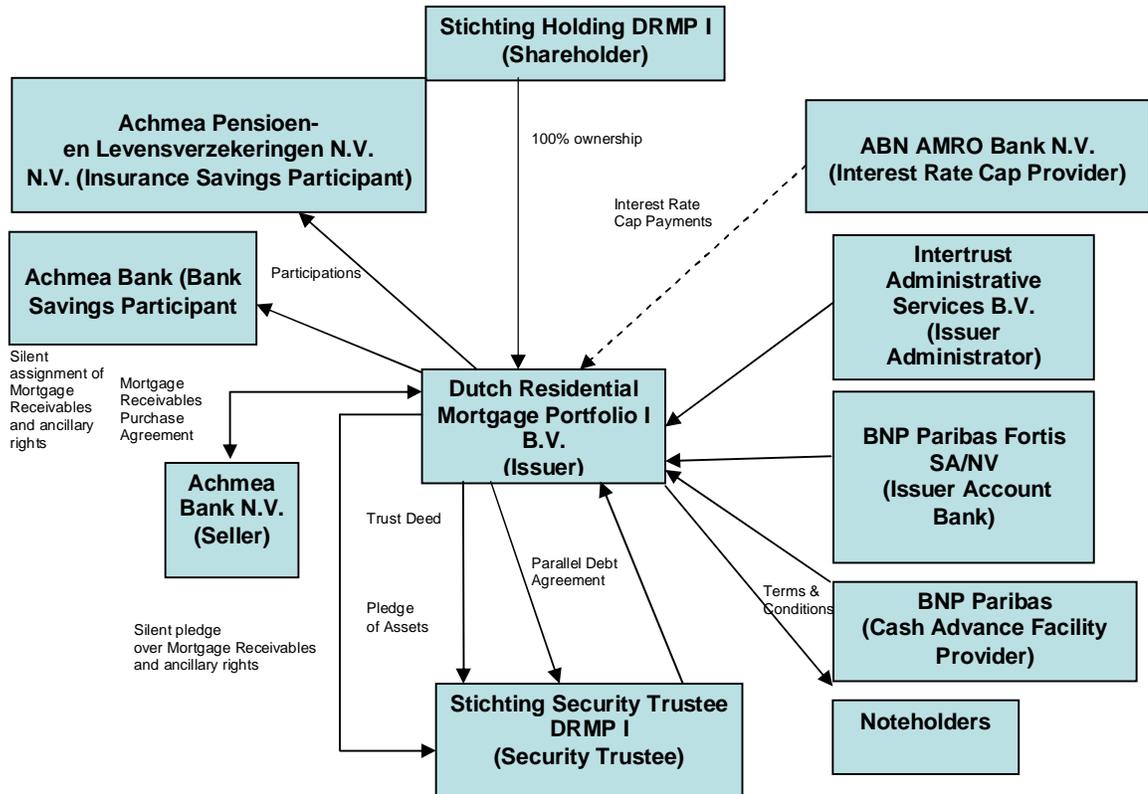
*This overview must be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including any supplement thereto.*

*Unless otherwise indicated in this Prospectus or the context otherwise requires, capitalised terms used in this Prospectus have the meaning ascribed thereto in paragraph 1 (Definitions) of the Glossary of Defined Terms set out in this Prospectus.*

*The principles of interpretation set out in paragraph 2 (Interpretation) of the Glossary of Defined Terms in this Prospectus shall apply to this Prospectus.*

1.1 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.



## 1.2 RISK FACTORS

There are certain factors which prospective Noteholders should take into account. These risk factors relate to, *inter alia*, the Notes. One of these risk factors concerns the fact that the liabilities of the Issuer under the Notes are limited recourse obligations whereby the ability of the Issuer to meet such obligations will be dependent on the receipt by it of funds under the Mortgage Receivables, the proceeds of the sale of any Mortgage Receivables and the receipt by it of other funds. Despite certain facilities, there remains a credit risk, liquidity risk, prepayment risk, maturity risk and interest rate risk relating to the Notes. Moreover, there are certain structural and legal risks relating to the Mortgage Receivables (see section 2 (*Risk Factors*)).

### 1.3 PRINCIPAL PARTIES

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

<b>Issuer:</b>	Dutch Residential Mortgage Portfolio I B.V., incorporated under Dutch law as a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 62805991. The entire issued share capital of the Issuer is held by the Shareholder.
<b>Shareholder:</b>	Stichting Holding DRMP I, established under Dutch law as a foundation ( <i>stichting</i> ) having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 62775251.
<b>Security Trustee:</b>	Stichting Security Trustee DRMP I, established under Dutch law as a foundation ( <i>stichting</i> ), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 62870149.
<b>Seller:</b>	Achmea Bank N.V., incorporated under Dutch law as a public company ( <i>naamloze vennootschap</i> ), having its corporate seat in The Hague, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 27154399.
<b>Servicer:</b>	Achmea Bank N.V.
<b>Issuer Administrator:</b>	Intertrust Administrative Services B.V., incorporated under Dutch law as a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 33210270.
<b>Cash Advance Facility Provider:</b>	BNP Paribas, a <i>société anonyme</i> incorporated under the laws of France, whose registered office is at 16 boulevard des Italiens, 75009 Paris, France.
<b>Issuer Account Bank:</b>	BNP Paribas Fortis SA/NV, Netherlands Branch, a <i>société anonyme</i> incorporated under the laws of Belgium, whose registered office is at Herengracht 595, 1017 CE Amsterdam, the Netherlands.
<b>Interest Rate Cap Provider</b>	ABN AMRO Bank N.V.
<b>Previous Outstanding Transaction Security Trustees:</b>	Stichting Security Trustee SGML II, Stichting Security Trustee DMPL VI, Stichting Security Trustee DMPL VIII, Stichting Security Trustee DMPL IX, Stichting Security Trustee DMPL X, Stichting Security Trustee DMPL XI, Stichting Security Trustee DMPL XII, Stichting Trustee Achmea Covered Bond Company and Stichting Trustee Achmea Hypotheekbank (the " <b>Previous Outstanding Transaction Security Trustees</b> ").
<b>Previous Outstanding Transaction SPVs:</b>	Securitized Guaranteed Mortgage Loans II B.V., Dutch Mortgage Portfolio Loans VI B.V., Dutch Mortgage Portfolio Loans VIII B.V., Dutch Mortgage Portfolio Loans IX B.V., Dutch Mortgage Portfolio Loans X B.V., Dutch Mortgage Portfolio Loans XI B.V., Dutch Mortgage Portfolio Loans XII B.V. and Achmea Covered Bond Company B.V. (the " <b>Previous Outstanding Transaction SPVs</b> ").

<b>Directors:</b>	Intertrust Management B.V., the sole director of the Issuer and the Shareholder and SGG Securitisation Services B.V., the sole director of the Security Trustee, having their corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 33226415 and number 33075510, respectively.
<b>Paying Agent:</b>	ABN AMRO Bank N.V., incorporated under Dutch law as a public company ( <i>naamloze vennootschap</i> ), having its corporate seat in Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 34334259.
<b>Reference Agent:</b>	ABN AMRO Bank N.V.
<b>Listing Agent:</b>	Matheson
<b>Arranger:</b>	ABN AMRO Bank N.V.
<b>Managers:</b>	In respect of the Class A Notes, ABN AMRO Bank N.V., HSBC Bank plc and The Royal Bank of Scotland plc, being the Class A Managers, and in respect of the Subordinated Notes, Achmea Bank N.V., being the Class B and C Manager.
<b>Central Securities Depository</b>	Euroclear Netherlands
<b>Insurance Savings Participant:</b>	Achmea Pensioen- en Levensverzekeringen N.V., incorporated under Dutch law as a public company ( <i>naamloze vennootschap</i> ), having its corporate seat in Apeldoorn, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 08077009.
<b>Bank Savings Participant:</b>	Achmea Bank N.V.

## 1.4 NOTES

Certain features of the Notes are summarised below (see for a further description below):

	Class A1	Class A2	Class A3	Class B	Class C
<b>Principal Amount</b>	EUR 161,500,000	EUR 505,100,000	EUR 183,400,000	EUR 115,900,000	EUR 16,600,000
<b>Issue Price</b>	100 per cent.	100 per cent.	100 per cent.	100 per cent.	100 per cent.
<b>Interest rate up to (but excluding) the First Optional Redemption Date</b>	Euribor for three months deposit plus 0.20 per cent. per annum with a floor of zero per cent.	Euribor for three months deposit plus 0.27 per cent. per annum with a floor of zero per cent.	0.685 per cent. per annum	0.05 per cent. per annum.	0.05 per cent. per annum
<b>Interest rate from (and including) First Optional Redemption Date</b>	Euribor for three months deposit up to the Euribor Agreed Rate plus 0.20 per cent. per annum with a floor of zero per cent.	Euribor for three months deposit up to the Euribor Agreed Rate plus 0.27 per cent. per annum with a floor of zero per cent.	Euribor for three months deposit up to the Euribor Agreed Rate plus 0.39 per cent. per annum with a floor of zero per cent.	0.05 per cent. per annum	0.05 per cent. per annum
<b>Euribor Agreed Rate</b>	5 per cent. per annum	5 per cent. per annum	5 per cent. per annum	n/a	n/a
<b>Class A Step-up Margin</b>	0.20 per cent. per annum	0.27 per cent. per annum	0.39 per cent. per annum	n/a	n/a
<b>Class A Excess Consideration from the First Optional Redemption Date</b>	a consideration equal to the sum of: (i) the Class A Step-up Consideration, which is a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by the relevant Class A Step-up Margin; and (ii) the Class A Euribor Excess Consideration, which is a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by Euribor for three months deposit for the relevant Interest Period to the extent Euribor exceeds the 5 per cent. per annum (Euribor Agreed Rate)			n/a	n/a
<b>Class A Additional Amount from the First Optional Redemption Date</b>	on a <i>pro rata</i> and <i>pari passu</i> basis within each sub Class of the Class A Notes, an amount equal to the Available Revenue Funds less any amount drawn under or released from the Reserve Account pursuant to item (vi) of the Available Revenue Funds, remaining after the amounts payable under the items (a) up to and including (h) of the Revenue Priority of Payments have been fully satisfied			n/a	n/a
<b>Expected ratings (Fitch / Moody's)</b>	AAAsf/Aaa(sf)	AAAsf/Aaa(sf)	AAAsf/Aaa(sf)	n/a	n/a

<b>First</b>	<b>Optional</b>	Notes	Payment								
<b>Redemption Date</b>		Date falling in April									
		2020		2020		2020		2020		2020	
<b>Final Maturity Date</b>		July 2047		July 2047		July 2047		July 2047		July 2047	

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

- (i) the Class A1 Notes;
- (ii) the Class A2 Notes;
- (iii) the Class A3 Notes;
- (iv) the Class B Notes; and
- (v) the Class C Notes.

**Issue Price:** The issue price of the Notes shall be as follows:

- (i) the Class A1 Notes 100 per cent.;
- (ii) the Class A2 Notes 100 per cent.;
- (iii) the Class A3 Notes 100 per cent.;
- (iv) the Class B Notes 100 per cent.; and
- (v) the Class C Notes 100 per cent..

**Form:** The Notes will be represented by Global Notes in bearer form, without coupons attached. Interests in the Global Notes will only in exceptional circumstances be exchangeable for Notes in definitive form in accordance with the Wge.

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

**Status & 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 Conditions 4, 6 and 9 and the Trust Deed, payments of principal and interest on (a) the Class B Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes and, from (and including) the First Optional Redemption Date, the Class A Excess Consideration and the Class A Additional Amount in respect of the Class A Notes and (b) the Class C Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes and the Class B Notes and, from (and including) the First Optional Redemption Date, the Class A Excess Consideration and the Class A Additional Amount in respect of the Class A Notes.

The obligation to pay the Class A Excess Consideration is subordinated to payments of a higher order of priority including, but not limited to, any amount necessary to (i) make good any shortfall reflected in the Class A Principal Deficiency Ledger until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero and (ii) replenish the Reserve Account up to the amount of the Reserve Account Target Level, in accordance with the Revenue Priority of Payments.

The Class A Notes comprise the Class A1 Notes, the Class A2 Notes and the Class A3 Notes and the Class A1 Notes, the Class A2 Notes and the Class A3 Notes rank *pari passu* and *pro rata* without any preference or priority among all Class A Notes in respect of the Security and payments of interest. Provided that no Enforcement Notice has been given, payments of principal on the Class A Notes are applied

firstly to the Class A1 Notes, then to the Class A2 Notes and then to the Class A3 Notes. The Class A2 Notes do not purport to provide credit enhancement to the Class A1 Notes. The Class A3 Notes do not purport to provide credit enhancement to the Class A1 Notes or the Class A2 Notes. If, on any date, the Security is to be enforced and the proceeds of the enforcement would be insufficient to fully redeem the Class A Notes in full, such loss will be borne, *pro rata* and *pari passu*, by the holders of the Class A Notes. If the Class A1 Notes have been redeemed (in part or in full) at such time, this will result in the Class A2 Notes and the Class A3 Notes bearing a greater loss than that borne by the Class A1 Notes. If the Class A1 Notes and the Class A2 Notes have been redeemed (in part or in full) at such time, this will result in the Class A3 Notes bearing a greater loss than that borne by the Class A1 Notes and the Class A2 Notes.

See further section 4.1 (*Terms and Conditions*).

**Interest rate up to (but excluding) the First Optional Redemption Date:**

Interest on the Notes is payable by reference to successive Interest Periods in respect of the Principal Amount Outstanding of each class of Notes on the first day of such Interest Period and will be payable in arrear on the relevant Notes Payment Date.

Interest on the Class A1 Notes and the Class A2 Notes for each Interest Period from the Closing Date up to (but excluding) to the First Optional Redemption Date will accrue at an annual rate equal to the sum of Euribor for three months deposit (determined in accordance with Condition 4 (e)) (or, in respect of the first Interest Period, the rate which represents the linear interpolation of Euribor for 1 and 2 month deposits in euro, rounded if necessary, to the 5th decimal place, with 0.000005 being rounded upwards) plus the margin applicable to the Class A1 Notes and the Class A2 Notes, which will be equal to:

- (i) for the Class A1 Notes 0.20 per cent. per annum; and
- (ii) for the Class A2 Notes 0.27 per cent. per annum.

with a floor of zero per cent.

Interest on the Class A3 Notes, the Class B Notes and the Class C Notes for each Interest Period from the Closing Date up to (but excluding) the First Optional Redemption Date will accrue at a fixed rate equal to:

- (i) for the Class A3 Notes, 0.685 per cent. per annum;
- (ii) for the Class B Notes, 0.05 per cent. per annum; and
- (iii) for the Class C Notes, 0.05 per cent. per annum.

**Interest rate from (and including) the First Optional Redemption Date:**

If on the First Optional Redemption Date the Class A Notes have not been redeemed in full, the rate of interest applicable to each sub Class of the Class A Notes will accrue in the Interest Period commencing on (and including) the First Optional Redemption Date and each Interest Period thereafter at an annual rate equal to Euribor for three months deposit up to the Euribor Agreed Rate plus the margin applicable to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes which will be equal to:

- (i) for the Class A1 Notes, 0.20 per cent. per annum;
- (ii) for the Class A2 Notes, 0.27 per cent. per annum; and
- (iii) for the Class A3 Notes, 0.39 per cent. per annum.

with a floor of zero per cent.

The rate of interest applicable to the Class B Notes and the Class C Notes will not be reset.

**Class A Excess Consideration from the First Optional Redemption Date**

On each Notes Payment Date from the First Optional Redemption Date, the Class A Excess Consideration in respect of the Class A Notes will be due to the Class A Noteholders. The Class A Excess Consideration consist of the sum of the Class A Step-up Consideration and the Class A Euribor Excess Consideration.

The Class A Step-up Consideration is, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each relevant sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by the relevant Class A Step-up Margin.

The Class A Euribor Excess Consideration is, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by Euribor for three months deposit for the relevant Interest Period to the extent Euribor exceeds the 5 per cent. per annum (Euribor Agreed Rate).

The obligation to pay the Class A Excess Consideration is subordinated to payments of a higher order of priority including, but not limited to, any amount necessary to (i) make good any shortfall reflected in the Class A Principal Deficiency Ledger until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero and (ii) replenish the Reserve Account up to the amount of the Reserve Account Target Level, in accordance with the Revenue Priority of Payments.

**Class A Step-up Margin**

The Step-up Margin applicable to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes will be equal to:

- (i) for the Class A1 Notes 0.20 per cent. per annum;
- (ii) for the Class A2 Notes 0.27 per cent. per annum; and
- (iii) for the Class A3 Notes 0.39 per cent. per annum

**Class A Additional Amount**

On each Notes Payment Date from the First Optional Redemption Date up to (and excluding) the Enforcement Date the Class A Additional Amount will be due to the Class A Noteholders in accordance with the Revenue Priority of Payments, until the Class A Notes are redeemed in full. However no guarantee can be given that there will any funds available to pay such Class A Additional Amount on any Notes Payment Date.

The Class A Additional Amount will be paid on a *pro rata* and *pari passu* basis in accordance with the respective amounts outstanding of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes in accordance with the Revenue Priority of Payments and provided that payments of a higher order of priority have been made in full. The Class A Additional Amount is an amount equal to the Available Revenue Funds less any amount drawn under or released from the Reserve Account pursuant to item (vi) of the Available Revenue Funds, remaining after the amounts payable under the items (a) up to and including (h) of the Revenue Priority of Payments have been fully satisfied.

**Mandatory Redemption**

Provided that no Enforcement Notice has been served in accordance

**of the Notes:**

with Condition 10, the Issuer will be obliged to apply Available Principal Funds to redeem or partially redeem the Notes, other than the Class C Notes, on each Notes Payment Date (the first falling in July 2015) at their respective Principal Amount Outstanding, on a *pro rata* and *pari passu* basis within a Class, in the following order:

- (a) firstly, the Class A1 Notes, until fully redeemed and, thereafter, the Class A2 Notes, until fully redeemed and, thereafter, the Class A3 Notes, until fully redeemed; and
- (b) secondly, the Class B Notes, until fully redeemed.

Provided that no Enforcement Notice has been served in accordance with Condition 10, the Issuer will be obliged to apply the Available Revenue Funds, if and to the extent that all payments ranking above item (l) in the Revenue Priority of Payments have been made in full, to redeem or to partially redeem the Class C Notes on a *pro rata* and *pari passu* basis among themselves on each Notes Payment Date (the first falling in July 2015).

**Optional Redemption of the Notes:**

On each Optional Redemption Date the Issuer will have the option to redeem all (but not some only) of the Notes, other than the Class C Notes, at their Principal Amount Outstanding on such date and subject to, in respect of the Class B Notes, a reduction in accordance with Condition 9(b).

Upon the Class A Notes and the Class B Notes being redeemed in full, the balance standing to the credit of the Reserve Account will form part of the Available Revenue Funds and, subject to the Revenue Priority of Payments, be available for redemption of the Class C Notes. On such Notes Payment Date, the Class C Notes will remain subject to redemption in accordance with Condition 6(d).

For the avoidance of doubt, balances standing on the Reserve Account can be used to redeem the Notes as well, provided that all items ranking higher than the repayment of principal on the relevant Class of Notes in the applicable Priority of Payments (including the expenses of the Issuer and interest on the other Classes of Notes) have been paid in full.

**Purchase price of the Mortgage Receivables in case of optional redemption**

In the event of a sale and assignment of Mortgage Receivables on an Optional Redemption Date falling in April 2020 or July 2020, the purchase price of the Mortgage Receivables shall be the higher of (A) an amount which is sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem (i) the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration and (ii) the Class B Notes at their Principal Amount Outstanding less the Principal Shortfall plus accrued interest and costs and (B) the sum of the relevant Outstanding Principal Amount in respect of the Mortgage Receivables, together with accrued interest due but unpaid, if any, except that, with respect to Mortgage Receivables which are 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 start foreclosure proceedings, an amount which shall be at least the lesser of (i) an amount equal to the part to which the Issuer would be entitled in case each such Mortgage Receivable would be foreclosed for (a) the foreclosure value of the Mortgaged Assets or (b), if no valuation report of less than twelve (12) months old is available, the indexed foreclosure value and (c) the amount of any other collateral, including, with respect to the NHG Mortgage Loan Receivables, the amount claimable under the NHG Guarantee (irrespective whether the NHG Conditions have been met)

and (ii) the sum of the Outstanding Principal Amount of the Mortgage Receivable, together with accrued interest due but unpaid, if any, and any other amounts due under the Mortgage Receivable.

In the event of a sale and assignment of Mortgage Receivables on the Optional Redemption Date falling in October 2020 and any Optional Redemption Date thereafter, the purchase price of the Mortgage Receivables shall be an amount which is (i) sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration or (ii) such lower purchase price as acceptable to the Class A Noteholders and sanctioned by a resolution in a Meeting of Class A Noteholders in accordance with Condition 14. The amounts standing to the credit of the Reserve Account shall be applied by the Issuer to compensate the Class A Noteholders on a *pro rata* and *pari passu* basis for any difference between (i) the aggregate Principal Amount Outstanding of the Class A Notes plus accrued interest, costs, any due (but unpaid) Class A Excess Consideration and (ii) the available Class A Redemption Amount (without taking into account any drawing from the Reserve Account set out in item (x) of the Available Principal Funds).

**Final Maturity Date:**

Unless previously redeemed, the Issuer will redeem the Notes, subject to in respect of the Class B Notes and the Class C Notes, Condition 9(b), at their respective Principal Amount Outstanding on the Notes Payment Date falling in July 2047.

**Average life:**

The estimated average life of the Notes, other than the Class C Notes, on the Closing Date based on a CPR of 5 per cent. and the assumption that the Issuer will redeem the Notes on the First Optional Redemption Date will be as follows:

- (i) the Class A1 Notes 1.24 years;
- (ii) the Class A2 Notes 4.64 years;
- (iii) the Class A3 Notes 4.91 years; and
- (iv) the Class B Notes 4.91 years.

The average lives of the Notes given above should be viewed with caution; reference is made to the paragraph *Risk related to prepayments on the Mortgage Loans* in section 2 *Risk Factors*. See section 6.1 (*Stratification Tables*).

**Redemption for tax reasons:**

If the Issuer (a) 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 the Notes as a result of 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 becomes effective on or after the Closing Date and such obligation cannot be avoided by the Issuer taking reasonable measures available to it (a "**Tax Change**") and (b) will have sufficient funds available on such Notes Payment Date to discharge all its liabilities in respect of the Notes, other than the Class C Notes, and any amounts required to be paid in priority to or *pari passu* with the Notes, other than the Class C Notes, in accordance with the Trust Deed, the Issuer has the option to redeem all (but not some only) of the Notes, other than the

Class C Notes, in whole but not in part, on any Notes Payment Date at their Principal Amount Outstanding subject to and in accordance with Condition 6(f).

The Class C Notes will subsequently be redeemed in accordance with and subject to Condition 6(d).

**Regulatory Call Option and Clean-Up Call Option:**

If the Seller exercises its Regulatory Call Option or the Clean-Up Call Option, then the Issuer will redeem all (but not some only) of the Notes, other than the Class C Notes, by applying the proceeds of the sale of the Mortgage Receivables towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(b) and subject to, in respect of the Class B Notes, a reduction in accordance with Condition 9(b).

**Retention and disclosure requirements under the CRR:**

The Seller, has undertaken to the Issuer, the Security Trustee and the Managers that, for as long as the Notes are outstanding, it shall retain, on an ongoing basis, a material net economic interest in the securitisation which shall in any event not be less than 5%, in accordance with article 405 of the CRR and article 51 of the AIFMR. As at the Closing Date, such interest is retained in accordance with article 405 of the CRR and article 51 of the AIFMR by the Seller as the originator within the meaning of the CRR or the AIFMR, as the case may be, holding (part of) the Subordinated Notes.

In addition, the Seller shall make available to Noteholders all materially relevant information that such Noteholders may require to comply with their obligations under the applicable provisions of article 405, 406 and 409 of the CRR and article 51 and 52 of the AIFMR, including to make appropriate disclosures, or to procure that appropriate disclosures are made, to Noteholders about the retained net economic interest in the securitisation and to ensure that the Noteholders have readily available access to all materially relevant data.

The Seller accepts responsibility for the information set out in this paragraph.

**Use of proceeds:**

The Issuer will use the net proceeds from the issue of the Notes, other than the Class C Notes, to pay part of the Initial Purchase Price for the Mortgage Receivables, pursuant to the provisions of the Mortgage Receivables Purchase Agreement and made between the Seller, the Issuer and the Security Trustee and the proceeds of the Class C Notes will partly be deposited on the Reserve Account, partly applied by the Issuer to pay the Initial Interest Rate Cap Payment on the Closing Date and the remainder will be credited to the Issuer Collection Account and will form part of the Available Revenue Funds.

**Withholding Tax:**

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

**FATCA Withholding:**

Payments in respect of the Notes might be subject to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 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). Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid on the Notes with respect to any such withholding or deduction.

**Method of Payment:**

For so long as the Notes are represented by a Global Note, payments of principal and interest on the Notes will be made in euros through Euroclear Netherlands for the credit of the respective accounts of the Noteholders.

**Security for the Notes:**

The Notes will be secured (i) by a first ranking undisclosed pledge by the Issuer to the Security Trustee over (a) the Mortgage Receivables and (b) the Beneficiary Rights; and (ii) by a first ranking disclosed pledge by the Issuer to the Security Trustee over the Issuer's rights (a) against the Seller under or in connection with the Mortgage Receivables Purchase Agreement, (b) against the Interest Rate Cap Provider under or in connection with the Interest Rate Cap Agreement, (c) against the Insurance Savings Participant under or in connection with the Insurance Savings Participation Agreement, (d) against the Bank Savings Participant under or in connection with the Bank Savings Participation Agreement, (e) against the Servicer and the Issuer Administrator under the Administration Agreement, (f) against the Collection Foundation under the Receivables Proceeds Distribution Agreement, (g) against the Issuer Account Bank under or in connection with the Issuer Account Agreement and in respect of the Issuer Accounts, and (h) against the Cash Advance Facility Provider under or in connection with the Cash Advance Facility Agreement.

After the delivery of an Enforcement Notice in accordance with Condition 10, the amount 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 upon enforcement. Payments to the Secured Creditors will be made in accordance with the Post-Enforcement Priority of Payments (see 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 Outstanding Transaction Security Trustees, and a second ranking right of pledge to the Issuer and the Previous Outstanding Transaction SPVs jointly both under the condition that future issuers (and any security trustees) in securitisation transactions and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by the Seller will also have the benefit of such right of pledge. Such rights of pledge have been notified to the Foundation Accounts Provider.

**Parallel Debt**

On the Closing Date, the Issuer and the Security Trustee will – among

<b>Agreement:</b>	others – enter into the Trust Deed for the benefit of the Secured Creditors under which the Issuer shall, by way of parallel debt, undertake to pay to the Security Trustee amounts equal to the amounts 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.
<b>Paying Agency Agreement:</b>	On the Closing Date the Issuer will enter into the Paying Agency Agreement with the Paying Agent and the Reference Agent pursuant to which the Paying Agent undertakes, <i>inter alia</i> , to perform certain payment services on behalf of the Issuer towards the Noteholders.
<b>Listing:</b>	Application has been made to the Irish Stock Exchange for all Notes to be admitted to the Official List and trading on its regulated market.
<b>Ratings:</b>	It is expected at issuance of the Notes that the Class A1 Notes, on issue, be assigned an 'AAAsf' rating by Fitch and an Aaa(sf) rating by Moody's, the Class A2 Notes, on issue, be assigned an 'AAAsf' rating by Fitch and an Aaa(sf) rating by Moody's and the Class A3 Notes, on issue, be assigned an 'AAAsf' rating by Fitch and an Aaa(sf) rating by Moody's. The Class B Notes and the Class C Notes will not be rated. Credit ratings included or referred to in this Prospectus have been issued by Moody's and Fitch, each of which is established in the European Union and is registered under the CRA Regulation. The Notes will not be rated by a credit rating agency with less than 10 per cent of the total market share as set forth in the CRA Regulation.
<b>Settlement:</b>	Euroclear Netherlands.
<b>Governing Law:</b>	The Notes will be governed by and construed in accordance with Dutch law.
<b>Selling Restrictions:</b>	There are selling restrictions in relation to the European Economic Area, France, Italy, Japan, the United Kingdom 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 ( <i>Subscription and Sale</i> ).

## 1.5 CREDIT STRUCTURE

- Available Funds:** The Issuer will use receipts of principal and interest in respect of the Mortgage Receivables together with amounts it receives under the Cash Advance Facility Agreement, the Interest Rate Cap Agreement drawings from the Reserve Account and the Issuer Collection Account (excluding Excess Interest Rate Cap Collateral, any amounts standing to the credit of the Interest Rate Cap Termination Payment Ledger (other than any Available Termination Amount drawn from the Interest Rate Cap Termination Payment Ledger to form part of the Available Revenue Funds) and any Tax Credit), to make payments of, *inter alia*, principal and 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 interest and principal on the Class B Notes and the Class C Notes will be subordinated to payment of interest and principal and from the First Optional Redemption Date, the Class A Excess Consideration and the Class A Additional Amount in respect of the Class A Notes and limited as more fully described herein under section 5 (*Credit Structure*) and section 4.1 (*Terms and Conditions*).
- Interest Rate Cap Agreement:** On or before the Closing Date, the Issuer will enter into an Interest Rate Cap Agreement with the Interest Rate Cap Provider. The Interest Rate Cap Agreement is effective from and including the Closing Date up to (but excluding) the First Optional Redemption Date. Pursuant to the Interest Rate Cap Agreement, the Interest Rate Cap Provider, against payment of the Initial Interest Rate Cap Payment on the Closing Date, shall make payments to the Issuer on a quarterly basis if and to the extent three months Euribor for any Interest Period exceeds the Cap Strike Rate. See section 5 (*Credit Structure*).
- Cash Advance Facility Agreement:** On the Closing Date, the Issuer will enter into the Cash Advance Facility Agreement with a maximum term of 364 days with the Cash Advance Facility Provider under which the Issuer will be entitled to make drawings in order to meet certain shortfalls in its available revenue receipts.
- The drawing under the Cash Advance Facility Agreement will be credited to the Issuer Collection Account (or Cash Advance Stand-by Drawing Account, as the case may be). The purpose of the Cash Advance Facility will be to enable the Issuer, on any Notes Payment Date, until the Class A Notes are redeemed in full, to meet the Issuer's payment obligations under items (a) to (e) inclusive in the Revenue Priority of Payments in the event that the Available Revenue Funds after any drawing from the Reserve Account and without taking into account any drawing from the Cash Advance Facility is not sufficient to meet such payment obligations on such Notes Payment Date.
- The Cash Advance Facility Maximum Amount shall on any Notes Payment Date be equal to (a) until the date mentioned in (b) the greater of (i) 2.00 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes on such date and (ii) 1.00 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes as at the Closing Date and (b) on the date whereon the Class A Notes have been or are to be redeemed in full, zero.

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

- (i) an account to which on or before each Mortgage Collection Payment Date - *inter alia* - all amounts received in respect of the Mortgage Receivables will be transferred by the Servicer in accordance with the Servicing Agreement (the "**Issuer Collection Account**");
- (ii) an account to which, on the Closing Date, the proceeds of the Class C Notes, and on each Notes Payment Date, certain amounts to the extent available in accordance with the Revenue Priority of Payments, will be transferred (the "**Reserve Account**");
- (iii) an account to which the Cash Advance Facility Stand-by Drawing will be transferred (the "**Cash Advance Facility Stand-by Drawing Account**"); and
- (iv) an account to which only collateral pursuant to the Interest Rate Cap Agreement will be transferred (the "**Interest Rate Cap Collateral Account**").

**Collection Foundation Accounts:** All payments made by the Borrowers in respect of the Mortgage Loans will be paid into the Collection Foundation Accounts.

**Issuer Account Agreement:** On the Closing Date the Issuer will enter into the Issuer Account Agreement with the Issuer Account Bank, under which the Issuer Account Bank agrees to pay (i) a guaranteed interest rate determined by reference to EONIA, on the balance standing to the credit of each of the Issuer Accounts from time to time and (ii) EONIA on the balance standing to the credit of the Reserve Account from time to time. See section 5 (*Credit Structure*).

**Reserve Account:** The purpose of the Reserve Account is to enable the Issuer, on any Notes Payment Date, until the Class A Notes are redeemed in full, to meet the Issuer's payment obligations under items (a) up to and including (f) in the Revenue Priority of Payments in the event the Available Revenue Funds is not sufficient to enable the Issuer to meet such payment obligations on such Notes Payment Date. If and to the extent that the Available Revenue Funds on any Notes Payment Date exceeds the aggregate amount applied in satisfaction of items (a) up to and including (f) in the Revenue Priority of Payments, the excess amount will be used to deposit on or, as the case may be, to replenish the Reserve Account by crediting such amount to, the Reserve Account up to the Reserve Account Target Level. The Reserve Account Target Level shall on any Notes Payment Date be equal to:

- (i) until the date mentioned in (ii) below, EUR 14,600,000; or
- (ii) on the date whereon the Class A Notes have been or are to be redeemed in full, zero.

To the extent that the balance standing to the credit of the Reserve Account on any Notes Payment Date exceeds the Reserve Account Target Level, such excess shall be drawn from the Reserve Account on such Notes Payment Date and shall form part of the Available Revenue Funds on that Notes Payment Date and, after all payments of the Revenue Priority of Payments ranking higher in priority have been

made, will be available to redeem or partially redeem, as the case may be, the Class C Notes.

From (and including) the First Optional Redemption Date, after a sale of Mortgage Receivables in accordance with the Trust Deed, the balance standing to the credit of the Reserve Account shall also be applied towards redemption of the Class A Notes at their Principal Amount Outstanding and any due (but unpaid) Class A Excess Consideration in case of a difference on such Optional Redemption Date between (i) the aggregate Principal Amount Outstanding of the Class A Notes and any due (but unpaid) Class A Excess Consideration and (ii) the available Class A Redemption Amount (without taking into account any drawing from the Reserve Account set out in item (x) of the Available Principal Funds), and shall form part of the Available Principal Funds in accordance with item (x) of such definition.

On the Notes Payment Date on which all amounts of principal due in respect of the Class A Notes have been or will be paid, any amount standing to the credit of the Reserve Account will thereafter form part of the Available Revenue Funds and will be applied by the Issuer in or towards satisfaction of all items in the Revenue Priority of Payments in accordance with the priority set out therein, including for redemption of principal of the Class C Notes.

**Administration Agreement:**

Under the Administration Agreement the Issuer Administrator will agree (a) to provide certain administration, calculation and cash management services for the Issuer on a day-to-day basis, including without limitation, all calculations to be made in respect of the Notes pursuant to the Conditions and (b) to submit certain statistical information regarding the Issuer as referred to above to certain governmental authorities if and when requested.

## 1.6 PORTFOLIO INFORMATION

### Key characteristics

#### **Mortgage Loans:**

The Mortgage Receivables to be sold by the Seller pursuant to the Mortgage Receivables Purchase Agreement will result from mortgage loans secured by a Mortgage over Mortgaged Assets which meet the criteria set forth in the Mortgage Receivables Purchase Agreement and which will be selected prior to or on the Closing Date.

The pool of Mortgage Loans (or any Loan Parts (*leningdelen*) comprising a Mortgage Loan) will consist of (a) Life Mortgage Loans (*levenhypotheken*), (b) Savings Mortgage Loans (*spaarhypotheken*), (c) Bank Savings Mortgage Loans (*bankspaarhypotheken*), (d) Investment Mortgage Loans (*beleggingshypotheken*), (e) Interest-only Mortgage Loans (*aflossingsvrije hypotheken*), (f) Annuity Mortgage Loans (*annuïteiten hypotheken*), (g) Linear Mortgage Loans (*lineaire hypotheken*) or (h) a combination of these forms. See further section 6.2 (*Description of the Mortgage Loans*).

All Mortgage Loans are secured by a first ranking or first and sequentially lower ranking mortgage right and were 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. If a Mortgage Loan consists of one or more Loan Parts, 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 at the Closing Date (or at the Relevant Notes Payment Date as the case may be). See section 6.2 (*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.

#### **NHG Guarantee:**

Certain Mortgage Loans are NHG Mortgage Loans. The aggregate Outstanding Principal Amount of the NHG Mortgage Loan Receivables at the Cut-Off Date amounts to EUR 436,057,100, which is 45.1 per cent. of all Mortgage Receivables on such date. See further section 6.1 (*Stratification Tables*), section 6.2 (*Description of the Mortgage Loans*) and section 6.5 (*NHG Guarantee Programme*).

#### **Risk Insurance Policies:**

Each Mortgage Loan shall further have the benefit of a Risk Insurance Policy in the event and to the extent the Mortgage Loan exceeds 100 per cent. of the value of the Mortgaged Asset. In the case of a Mortgage Loan of which one or more loan part includes a Life Mortgage Loan or Savings Mortgage Loan, such Risk Insurance Policy will be included in the relevant Life Insurance Policy, Savings Investment Insurance Policy or Savings Insurance Policy (see below).

#### **Life Mortgage Loans:**

A portion of the Mortgage Loans will be in the form of Life Mortgage Loans, i.e. Mortgage Loans which have the benefit of Life Insurance Policies taken out by Borrowers with an Insurance Company. Under a Life Mortgage Loan, no principal is paid until maturity. The Life Insurance Policies are offered in the following alternatives by the Insurance Companies. The Borrower has the choice between (i) a guaranteed amount to be received when the Life Insurance Policy pays out ("**Traditional Alternative**"), (ii) the Unit-Linked Alternative or (iii) a

combination of (i) and (ii), in which case the Borrower has the option to switch between the Unit-Linked Alternative and the guaranteed amount. "**Unit-Linked Alternative**" means the alternative under which the amount to be received upon pay out of the Life Insurance Policy depends on the performance of certain investment funds chosen by the Borrower. Under the "**Savings Alternative**", a certain pre-agreed amount is to be received upon pay out of the Life Insurance Policy with, in such case, the Insurance Savings Participant, and the Savings Premium is calculated in such a manner that, on an annuity basis, the proceeds of the Savings Alternative are equal to the part of the Life Mortgage Loan to which a Life Insurance Policy with a Savings Alternative is connected (the "**Savings Element**") upon maturity of the Life Mortgage Loan.

See section 2 (*Risk Factors*) and section 6.2 (*Description of the Mortgage Loans*).

**Savings Mortgage Loans:**

A portion of the Mortgage Loans will be in the form of Savings Mortgage Loans, which consist of Mortgage Loans entered into by the Seller and the relevant Borrowers combined with a Savings Insurance Policy with the Insurance Savings Participant. A Savings Insurance Policy is a combined risk insurance policy (i.e. a policy relating to an insurance which pays out upon the death of the insured) and capital insurance policy. Under a Savings Mortgage Loan no principal is paid by the Borrower until the maturity of such Savings Mortgage Loan. Instead, the Borrower pays a premium on a monthly basis to the Insurance Savings Participant, which consists of a risk element and a savings element (the "**Savings Premium**"). The Savings Premium is calculated in such a manner that, on an annuity basis, the final payment under the Savings Insurance Policy due by the Insurance Savings Participant to the relevant Borrower is equal to the amount due by the Borrower to the Seller at the maturity of such Savings Mortgage Loan. See for more detail section 2 (*Risk Factors* and *Description of the Mortgage Loans*).

**Bank Savings Mortgage Loans:**

A portion of the Mortgage Loans will be in the form of Bank Savings Mortgage Loans, which are Mortgage Loans that are combined with the Bank Savings Account. Under a Bank Savings Mortgage Loan, the Borrower is only required to pay interest until maturity and is not required to pay principal until maturity. The Borrower undertakes to pay the Bank Savings Deposit Instalment. The Bank Savings Deposit Instalment 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 Outstanding Principal Amount of the relevant Bank Savings Mortgage Loan. See for more detail section 2 (*Risk Factors*) and section 6.2 (*Description of the Mortgage Loans*).

**Investment Mortgage Loans:**

A portion of the Mortgage Loans will be in the form of Investment Mortgage Loans. An Investment Mortgage Loan is, like an Interest-only Mortgage Loan, a loan on which only interest is due until maturity. The full principal amount is repayable in one instalment at maturity. To secure the Investment Mortgage Loan, the Borrower pledges a securities account it maintains with an investment firm or a bank established in the Netherlands. Under the related securities account agreement, the Borrower pays (on a regular basis) a sum which is invested in a variety of investment funds offered by the investment firm or bank where the securities account is maintained. Upon maturity the investment proceeds are applied towards repayment of the Investment Loan. If the proceeds are insufficient, the relevant Borrower is obliged to

make up any shortfall.

**Interest-only  
Mortgage Loans:**

A portion of the Mortgage Loans will be in the form of Interest-only Mortgage Loans. Under an Interest-only Mortgage Loan, the Borrower is not obliged to pay principal towards redemption of the Mortgage Loan until maturity. Interest is payable monthly and is calculated on the outstanding balance of the Mortgage Loan. Interest-only Mortgage Loans may have been granted up to an amount equal to 100 per cent. of the Foreclosure Value of the Mortgaged Asset at origination, except for NHG Mortgage Loans, for which Interest-only Mortgage Loan Parts may have been granted up to an amount equal to 50 per cent. of the Foreclosure Value of the Mortgaged Asset.

**Annuity  
Mortgage  
Loans:**

A portion of the Mortgage Loans will be in the form of Annuity Mortgage Loans. Under an Annuity Mortgage Loan the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that such Mortgage Loan will be fully redeemed at the maturity of such Annuity Mortgage Loan.

**Linear  
Mortgage  
Loans:**

A portion of the Mortgage Loans will be in the form of Linear Mortgage Loans. Under a Linear Mortgage Loan the Borrower pays a constant monthly principal payment, together with an initially high and subsequently decreasing interest portion, which is calculated in such a manner that the Linear Mortgage Loan will be fully redeemed at the maturity of such Linear Mortgage Loan.

## 1.7 PORTFOLIO DOCUMENTATION

**Mortgage Receivables:** Under the Mortgage Receivables Purchase Agreement, the Issuer will purchase and on the Closing Date accept the assignment of any and all rights of the Seller against the Borrowers under or in connection with the Mortgage Receivables, which include NHG Mortgage Loan Receivables and which may include, after the Closing Date, any New Mortgage Receivables upon the purchase and acceptance of the assignment thereof. The Issuer will be entitled to all interest amounts (including penalty interest) and all principal amounts and prepayment penalties becoming due in respect of the Mortgage Receivables from (and including) the Cut-Off Date. 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, the Seller will assign such Beneficiary Rights to the Issuer and the Issuer will accept such assignment.

**Repurchase of Mortgage Receivables:** In the Mortgage Receivables Purchase Agreement, the Seller will undertake to repurchase and accept re-assignment of a Mortgage Receivable sold and assigned by it:

- (i) on the Mortgage Collection Payment Date immediately following the expiration of the relevant remedy period, if any of the representations and warranties given by the Seller in respect of such Mortgage Receivable or its related Mortgage Loan, including the representation and warranty that such Mortgage Receivable or its related Mortgage Loan meets certain criteria set forth in the Mortgage Receivables Purchase Agreement, is untrue or incorrect in any material respect; or
- (ii) on the Mortgage Collection Payment Date immediately following the date on which the Seller has obtained any Other Claim(s) vis-à-vis any Borrower including resulting from a further advance or a loan under a Mortgage Loan, which is secured by the mortgage right which also secures the Mortgage Receivable; or
- (iii) on the Mortgage Collection Payment Date immediately following the date on which the Seller agrees with a Borrower to amend the terms of the Mortgage Loan, which amendment is not a result of a deterioration of the Borrower's creditworthiness, and as a result thereof such Mortgage Loan no longer meets the representations and warranties set forth in the Mortgage Receivables Purchase Agreement; or
- (iv) on the Mortgage Collection Payment Date immediately following the date on which the Insurance Savings Participant agrees with the Borrower of a Savings Mortgage Loan, a Life Mortgage Loan with the possibility of a Savings Element, as the case may be, to switch whole or part of the premia accumulated in the relevant Savings Insurance Policy or Life Insurance Policy with a Savings Alternative, as the case may be, into a Life Insurance Policy, other than a Life Insurance Policy with a Savings Alternative (each a "**Savings Switch**"); or
- (v) on the Mortgage Collection Payment Date immediately following the date on which a Dutch court has ruled in respect of a Mortgage Receivable resulting from a Mortgage Loan originated by Avéro Hypotheken B.V that, upon an interest rate reset thereof, the Mortgage Loan is novated; or
- (vi) on the Mortgage Collection Payment Date immediately following

- the date on which the relevant Borrower takes the position that the Mortgage Loan has been novated; or
- (vii) on the Mortgage Collection Payment Date immediately following the date on which (a) an NHG Mortgage Loan no longer has the benefit of an NHG Guarantee or (b) in respect of foreclosure of an 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 Servicer.

The purchase price for the Mortgage Receivable in such event will be equal to the Outstanding Principal Amount of the Mortgage Receivable, together with interest accrued up to (but excluding) the date of repurchase and re-assignment of the Mortgage Receivable and reasonable costs, if any (including any costs incurred by the Issuer in effecting and completing such purchase and reassignment), except that in the event of a repurchase set forth in item (vii)(b) above, the purchase price shall be equal to the amount that was not reimbursed under the relevant NHG Guarantee as a result of the terms of the NHG Guarantee not having been met.

**Substitution:**

The Mortgage Receivables Purchase Agreement will provide that the Issuer will on each Notes Payment Date up to (but excluding) the Final Maturity Date purchase from the Seller New Mortgage Receivables subject to fulfilment of certain conditions and to the extent offered by the Seller.

The Issuer will, on each Notes Payment Date, subject to the fulfilment of the Substitution Conditions, apply towards the purchase of New Mortgage Receivables solely (a) amounts received by the Issuer as a result of the mandatory repurchase by the Seller of Mortgage Receivables in accordance with the Mortgage Receivables Purchase Agreement as described under *Repurchase of Mortgage Receivables* above to the extent that such amounts relate to principal (less the relevant Participation, if any) and (b), only if to be applied towards the purchase of a New Mortgage Receivable of which a part has been repurchased by the Seller on the immediately preceding Mortgage Collection Payment Date as a result of (i) a Savings Switch having taken place or (ii) the Seller having obtained an Other Claim in respect of the Mortgage Receivable, increased by an additional amount that is required to pay the purchase price for such New Mortgage Receivable provided and to the extent that the Available Principal Funds (without taking into account the calculation of this additional amount) are sufficient.

In case the proceeds of any such repurchase of Mortgage Receivables are not applied towards the purchase of New Mortgage Receivables on the relevant Notes Payment Date such proceeds will be available for redemption of the Notes. See section 7.4 (*Portfolio Conditions*).

**Substitution in view of the weighted average interest rate:**

The Mortgage Receivables Purchase Agreement will provide that if on any Notes Payment Date after the First Optional Redemption Date, the weighted average interest rate of the Reset Mortgage Receivables falls below the Post-FORD Mortgage Interest Rate, the Seller shall, on the immediately following Notes Payment Date, (i) repurchase and the Issuer will sell and assign such Reset Mortgage Receivables relating thereto having an interest rate lower than the Post-FORD Mortgage Interest Rate at such time and (ii) sell and assign and the Issuer shall purchase New Mortgage Receivables and any Beneficiary Rights

relating thereto having an aggregate outstanding principal amount equal to or not more than 5 per cent. below (but never in excess of) the Outstanding Principal Amount of the Mortgage Receivables repurchased by the Seller at such time, such that following such repurchase and sale the weighted average interest rate of the remaining Reset Mortgage Receivables and New Mortgage Receivables purchased on such date shall be at least the Post-FORD Mortgage Interest Rate.

Any repurchase by the Seller and sale by the Issuer and any sale by the Seller and purchase by the Issuer in view of the weighted average interest rate on the Reset Mortgage Receivables shall be subject to the Substitution Conditions.

**Clean-Up Call Option:**

On each Notes Payment Date the Seller has the option (but not the obligation) to request that the Issuer sells the Mortgage Receivables (but not some only) if on the Notes Calculation Date immediately preceding such Notes Payment Date the aggregate Outstanding Principal Amount in respect of the Mortgage Receivables is not more than 10 per cent. of the aggregate Outstanding Principal Amount in respect of the Mortgage Receivables on the Cut-Off Date (the "**Clean-Up Call Option**").

The Issuer will undertake 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 calculated as set out in *Sale of Mortgage Receivables* below.

If the Seller exercises its Clean-Up Call Option, then the Issuer will redeem the Notes, other than the Class C Notes, by applying the proceeds of the sale of the Mortgage Receivables towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(b) and subject to, in respect of the Class B Notes, Condition 9(b).

**Regulatory Call Option:**

On each Notes Payment Date, the Seller has the option (but not the obligation) to repurchase the Mortgage Receivables (but not some only) upon the occurrence of a Regulatory Change (the "**Regulatory Call Option**").

The Issuer will undertake 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, if the Seller exercises the Regulatory Call Option. The purchase price will be calculated as set out in *Sale of Mortgage Receivables* below.

If the Seller exercises its Regulatory Call Option, then the Issuer will redeem the Notes, other than the Class C Notes, by applying the proceeds of the sale of the Mortgage Receivables towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(b) and subject to, in respect of the Class B Notes, Condition 9(b).

**Sale of Mortgage Receivables:** *General*

The Issuer may not dispose of the Mortgage Receivables, except (a) to comply with its obligations under the Notes in certain circumstances as further provided in the Trust Deed and (b) in accordance with the Mortgage Receivables Purchase Agreement. If the Issuer decides to offer for sale the Mortgage Receivables, or part thereof, it will first offer

such Mortgage Receivables to the Seller. The Seller shall within a period of twenty (20) business days inform the Issuer whether it (or a third party appointed by it) wishes to repurchase the Mortgage Receivables. After such twenty (20) business day period, the Issuer may offer such Mortgage Receivables for sale to any third party.

*Sale of Mortgage Receivables on an Optional Redemption Date falling in April 2020 or July 2020*

In the event of a sale and assignment of Mortgage Receivables on an Optional Redemption Date falling in April 2020 or July 2020, the purchase price of the Mortgage Receivables shall be the higher of (A) an amount which is sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem (i) the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration and (ii) the Class B Notes at their Principal Amount Outstanding less the Principal Shortfall plus accrued interest and costs and (B) the sum of the relevant Outstanding Principal Amount in respect of the Mortgage Receivables, together with accrued interest due but unpaid, if any, except that, with respect to Mortgage Receivables which are 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 start foreclosure proceedings, an amount which shall be at least the lesser of (i) an amount equal to the part to which the Issuer would be entitled in case each such Mortgage Receivable would be foreclosed for (a) the foreclosure value of the Mortgaged Assets or (b), if no valuation report of less than twelve (12) months old is available, the indexed foreclosure value, and (c) the amount of any other collateral, including, with respect to the NHG Mortgage Loan Receivables, the amount claimable under the NHG Guarantee (irrespective whether the NHG Conditions have been met) and (ii) the sum of the Outstanding Principal Amount of the Mortgage Receivable, together with accrued interest due but unpaid, if any, and any other amounts due under the Mortgage Receivable.

*Sale of Mortgage Receivables as from an Optional Redemption Date falling in October 2020*

In the event of a sale and assignment of Mortgage Receivables on the Optional Redemption Date falling in October 2020 and any Optional Redemption Date thereafter, the purchase price of the Mortgage Receivables shall be an amount which is (i) sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration or (ii) such lower purchase price as acceptable to the Class A Noteholders and sanctioned by a resolution in a Meeting of Class A Noteholders in accordance with Condition 14. The amounts standing to the credit of the Reserve Account shall be applied by the Issuer to compensate the Class A Noteholders on a *pro rata* and *pari passu* basis for any difference between (i) the aggregate Principal Amount Outstanding of the Class A Notes plus accrued interest, costs, any due (but unpaid) Class A Excess Consideration and (ii) the available Class A Redemption Amount (without taking into account any drawing from the Reserve Account set out in item (x) of the Available Principal Funds).

*Sale of Mortgage Receivables if the Clean-Up Call Option is exercised*

On each Notes Payment Date, the Seller has the option to exercise the Clean-Up Call Option. If the Seller decides to exercise the Clean-Up Call Option, the Seller or a third party shall repurchase the Mortgage Receivables. In respect of the purchase price, the same as set out

above under *Sale of Mortgage Receivables on an Optional Redemption Date falling in April 2020 or July 2020* applies to the purchase price payable for the sale of Mortgage Receivables if the Seller exercises the Clean-Up Call Option. The proceeds of such sale shall be applied by the Issuer towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(b) and subject to, in respect of the Class B Notes, Condition 9(b).

*Sale of Mortgage Receivables for tax reasons*

If the Issuer exercises its option to redeem the Notes, other than the Class C Notes, upon the occurrence of a Tax Change in accordance with Condition 6(f), the purchase price of such Mortgage Receivables will be calculated in the same manner as described in *Sale of Mortgage Receivables if the Clean-Up Call Option is exercised* above. The proceeds of such sale shall be applied by the Issuer towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(f).

*Sale of Mortgage Receivables if the Regulatory Call Option is exercised*

On each Notes Payment Date, the Seller has the option to exercise the Regulatory Call Option. If the Seller decides to exercise the Regulatory Call Option, the Seller shall repurchase the Mortgage Receivables. In respect of the purchase price, the same as set out above under *Sale of Mortgage Receivables if the Clean-Up Call Option is exercised* applies to the purchase price payable for the sale of Mortgage Receivables if the Seller exercises the Regulatory Call Option. The proceeds of such sale shall be applied by the Issuer towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(b) and subject to, in respect of the Class B Notes, Condition 9(b).

**Insurance Savings  
Participation Agreement:**

On the Closing Date, the Issuer will enter into the Insurance Savings Participation Agreement with, *inter alia*, the Insurance Savings Participant under which the Insurance Savings Participant will acquire Insurance Savings Participations in each of the Savings Mortgage Receivables and the Life Mortgage Loans with the possibility of a Savings Element. In the Insurance Savings Participation Agreement the Insurance Savings Participant will undertake to pay to the Issuer amounts equal to all amounts received as Savings Premium on the Savings Insurance Policies and the Life Insurance Policies with a Savings Alternative. In return, the Insurance Savings Participant is entitled to receive the Insurance Savings Participation Redemption Available Amount from the Issuer. The initial amount of the participation with respect to a Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element will consist of the Initial Insurance Savings Participation at the Closing Date. See further section 7.6 (*Sub-Participation*).

**Bank Savings Participation  
Agreement:**

On the Closing Date, the Issuer will enter into the Bank Savings Participation Agreement with, *inter alia*, the Bank Savings Participant under which the Bank Savings Participant will acquire Bank Savings Participations. In the Bank Savings Participation Agreement the Bank Savings Participant will undertake to pay to the Issuer amounts equal to all amounts received as Bank Savings Deposit Instalment from the relevant Borrowers. In return, the Bank Savings Participant is entitled to receive the Bank Savings Participation Redemption Available Amount from the Issuer. The initial amount of the participation with respect to a Bank Savings Receivable will consist of the Initial Bank Savings Participation at the Closing Date. See further section 7.6 (*Sub-Participation*).

**Administration Agreement:**

Under the Administration Agreement, (i) the Servicer will agree to provide mortgage payment transactions and the other services as agreed in the Administration Agreement in relation to the Mortgage Loans on a day-to-day basis, including, without limitation, the collection of payments of principal, interest and all other amounts in respect of the Mortgage Loans and (ii) the Servicer will agree to provide the implementation of arrears procedures including, if applicable, the enforcement of mortgages (see further section 6.3 (*Origination and Servicing*)).

## 1.8 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. RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risk associated with the Notes are also described below. The Issuer believes that the factors described below represent material risks inherent in 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 not known to the Issuer or not deemed to be material. The Issuer does not represent that the statements below regarding the risks of investing in any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

### RISK FACTORS REGARDING THE ISSUER

#### **The Notes will be solely the obligations of the Issuer**

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 Managers, the Arranger, the Issuer Account Bank, the Insurance Savings Participant, the Bank Savings Participant, the Directors, the Cash Advance Facility Provider, the Issuer Administrator, the Servicer, the Interest Rate Cap Provider, the Paying Agent, the Reference Agent, the Collection Foundation, the Foundation Accounts Provider or the Security Trustee. Furthermore, none of the Seller, the Arranger, the Managers, the Issuer Account Bank, the Insurance Savings Participant, the Bank Savings Participant, the Directors, the Cash Advance Facility Provider, the Issuer Administrator, the Servicer, the Interest Rate Cap Provider, the Paying Agent, the Reference Agent, the Collection Foundation, the Foundation Accounts Provider, 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 Managers, the Arranger, the Issuer Account Bank, the Insurance Savings Participant, the Bank Savings Participant, the Directors, the Cash Advance Facility Provider, the Issuer Administrator, the Servicer, the Interest Rate Cap Provider, the Paying Agent, the Reference Agent, the Collection Foundation, the Foundation Accounts Provider and the Security Trustee will be under any obligation whatsoever to provide additional funds to the Issuer (save in the limited circumstances described herein and as expressly provided for in the Transaction Documents).

#### **The Issuer has limited resources available to meet its obligations**

The ability of the Issuer to meet its obligations in full to pay principal and interest on the Notes will be dependent on the receipt by it of funds in respect of the Mortgage Receivables, the proceeds of the sale of any Mortgage Receivables and receipt by it of payments made under the Participation Agreements, the receipt by it of payments under the Interest Rate Cap Agreement, drawings under the Cash Advance Facility, and the receipt by it of interest in respect of the balance standing to the credit of the Issuer Transaction Accounts. In addition, the Issuer will have available to it the balance standing to the credit of the Reserve Account for certain of its payment obligations (see further section 5 (*Credit Structure*)). The Issuer has no other resources available to meet its obligations under the Notes.

#### **The Issuer has counterparty risk exposure**

Counterparties to the Issuer may not perform their 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.

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

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 of any 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 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 will form part of the

bankruptcy estate of the Issuer, although the Security Trustee has the right to receive such amounts by preference after deduction of certain costs, (ii) a mandatory 'cool-off' period of up to four (4) months may apply in case of bankruptcy or suspension of payments involving the Issuer, which, if applicable would delay the exercise (*uitwinnen*) of the right of pledge on the Mortgage Receivables, but not the collection (*innen*) thereof and (iii) the Security Trustee may be obliged to enforce its right of pledge within a reasonable period following bankruptcy as determined by the judge-commissioner (*rechter-commissaris*) appointed by the court in case of bankruptcy of the Issuer.

To the extent the receivables pledged by the Issuer to the Security Trustee are future receivables, the right of pledge on such future receivables cannot be invoked against the estate of the Issuer if any such future receivable comes into existence after the Issuer has been declared bankrupt or has been granted a suspension of payments. The Issuer has been advised that certain assets pledged to the Security Trustee under the Issuer Rights Pledge Agreement should probably be regarded as future receivables. This would for example apply to amounts paid to the Issuer Collection Account following the Issuer's bankruptcy or suspension of payments. With respect to the effectiveness of the rights of pledge on the Beneficiary Rights reference is made to *Risks relating to Beneficiary Rights under the Insurance Policies* below.

#### **Risks related to the creation of pledges on the basis of the Parallel Debt**

Under Dutch law it is uncertain whether a security right can be validly created in favour of a party which is not the creditor of the claim which the security right purports to secure. Consequently, in order to secure the valid creation of the pledges under the Pledge Agreements in favour of the Security Trustee, the Issuer has in the Trust Deed, 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 (see also section 4.7 (*Security*)). 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 Mortgage Receivables and the Issuer Rights may secure only some or even none of the liabilities of the Issuer to the Secured Creditors.

The Security Trustee is a special purpose vehicle and is 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. The Secured Creditors therefore have a credit risk on the Security Trustee. Should the Security Trustee become insolvent, the Secured Creditors will have an unsecured claim on the bankrupt estate of the Security Trustee.

#### **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, 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. The Issuer has outsourced the servicing and administration of the Mortgage Receivables to the Servicer. The Servicer holds a license as intermediary (*bemiddelaar*) and offeror of credit (*aanbieder van krediet*) under the Wft and the Issuer thus benefits from the exemption. If the Administration 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. In the latter case, the Issuer will have to comply with the applicable requirements under the Wft. If the Administration 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, which could lead to losses under the Notes.

#### **Risk related to interest rate and the termination of the Interest Rate Cap Agreement**

Up to (but excluding) the First Optional Redemption Date, interest on the Class A1 Notes and the Class A2 Notes will accrue at an annual rate equal to the sum of Euribor for three months deposit plus a margin and interest on the Class A3 Notes, the Class B Notes and the Class C Notes will accrue at a fixed rate. From (and including) the First Optional Redemption Date, interest on the Class A1 Notes, the Class A2 Notes and

the Class A3 Notes will accrue at an annual rate equal to the sum of Euribor for three months deposit up to the Euribor Agreed Rate plus the applicable margin and interest on the Class B Notes and the Class C Notes will accrue at a fixed rate.

There is a risk that the interest received in respect of the Mortgage Receivables is not sufficient to pay the interest on the Notes. In respect of the Class A1 Notes and the Class A2 Notes this risk is to a certain extent mitigated, up to (but excluding) the First Optional Redemption Date, by the Interest Rate Cap Agreement (see below). On and after the First Optional Redemption Date the interest rate risk in respect of the Class A1 Notes and the Class A2 Notes is not mitigated.

The interest rate risk in respect of the Class A3 Notes, the Class B Notes and the Class C Notes is not mitigated or hedged.

Up to (but excluding) the First Optional Redemption Date, the Interest Rate Cap Agreement requires the Interest Rate Cap Provider, against payment of the Initial Interest Rate Cap Payment on the Closing Date, to make payments to the Issuer on a quarterly basis to the extent the relevant Euribor for any Interest Period in respect of the Class A1 Notes and the Class A2 Notes exceeds the Cap Strike Rate, which amounts will form part of the Available Revenue Funds. Accordingly, the Issuer will depend upon payments made by the Interest Rate Cap Provider to assist it in making interest payments on the Class A1 Notes and the Class A2 Notes on each Notes Payment Date on which a net payment is due from the Interest Rate Cap Provider to the Issuer under the Interest Rate Cap Agreement. As a result of a failure of the Interest Rate Cap Provider to make any payment under the Interest Rate Cap Agreement, the Available Revenue Funds may be insufficient to make the required payments of interest on the Class A1 Notes and the Class A2 Notes (and the required payments ranking higher in the Revenue Priority of Payments than the interest on the Class A1 Notes and the Class A2 Notes and the interest on the Class A3 Notes (which ranks equal to the Class A1 Notes and the Class A2 Notes). In these circumstances, the holders of the Notes may experience delays and/or reductions in the interest payments to be received by them. The same applies if the Interest Rate Cap Agreement terminates (see below) and a failure by the Interest Rate Cap Provider to make a termination payment to the Issuer. See also *Interest Rate Risk* below.

The Interest Rate Cap Agreement will be documented under an ISDA master agreement. The Interest Rate Cap Agreement may be terminated in accordance with events of default and termination events commonly found in standard ISDA documentation for swap or cap transactions. The Interest Rate Cap Agreement will be terminable by one party if (i) an applicable event of default or termination event occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the Interest Rate Cap Agreement, or (iii) an Enforcement Notice is served. Events of default under the Interest Rate Cap Agreement in relation to the Issuer will be limited to (i) non-payment under the Interest Rate Cap Agreement, and (ii) certain insolvency events in respect of the Issuer.

In addition, in the event that the relevant rating(s) of the Interest Rate Cap Provider is or are, as applicable, downgraded by a Credit Rating Agency below the Cap Required Ratings, the Issuer may terminate the Interest Rate Cap Agreement if the Interest Rate Cap Provider fails, within a set period of time, to take certain actions intended to mitigate the effects of such downgrade. Such actions may include the Interest Rate Cap Provider collateralising its obligations under the Interest Rate Cap Agreement, transferring its obligations to a new interest rate cap provider with the Cap Required Ratings or procuring that an entity with at least the Cap Required Ratings becomes a co-obligor with, or guarantor of, the Interest Rate Cap Provider. However, in the event the Interest Rate Cap Provider is downgraded there can be no assurance that a co-obligor, guarantor or new interest rate cap provider will be found or that the amount of collateral provided will be sufficient to meet the Interest Rate Cap Provider's obligations.

The Interest Rate Cap Provider will be obliged to make payments under the Interest Rate Cap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Interest Rate Cap Provider will be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required.

#### **Risk related to the intervention powers of DNB and the Minister of Finance**

The Wft contains far-reaching intervention powers for (i) DNB with regard to a bank or insurer and (ii) the Minister of Finance with regard to *inter alia* a bank or insurer, in particular. These powers include (amongst

others) (i) powers for DNB with respect to a bank which it deems to be potentially in financial trouble, to procure that all or part of the deposits held with such bank and/or other assets and liabilities of such bank, are transferred to a third party and (ii) extensive powers for the Minister of Finance to intervene at financial institutions if the Minister of Finance deems this necessary to safeguard the stability of the financial system. In order to increase the efficacy of these intervention powers, the Wft contains provisions restricting the ability of the counterparties of a bank or insurer to invoke (i) certain contractual provisions without prior DNB's consent or (ii) notification events, which are triggered by the bank or insurer being the subject of certain events or measures pursuant to the Wft (*gebeurtenis*) or being the subject of any similar event or measure under foreign law. Therefore 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 Participants, the Cash Advance Facility Provider, the Interest Rate Cap Provider and/or the Issuer Account Bank, may be affected on the basis of the Wft, which may lead to losses under the Notes.

#### **Recovery and Resolution Directive and SRM**

On 15 May 2014 Directive 2014/59/EU of the European Parliament and of the Council established a framework for the recovery and resolution of credit institutions and investment firms (2014/59/EU) ("**BRRD**"). The BRRD gives Member States until 31 December 2014 to transpose the BRRD into national law (except for the bail-in tool which may be implemented by 1 January 2016). On 21 November 2014 a draft legislative proposal to amend, amongst other things, the Wft, was published for consultation, which purports to implement the BRRD and SRM (as defined below). It is, however, at this stage unclear how the BRRD will be implemented in the Netherlands and it remains to be seen if and to what extent the implementation of the BRRD in the Netherlands will set aside the current provisions of the Wft. The BRRD gives regulators powers to write down debt (or to convert such debt into equity) of ailing banks, certain investment firms and their holding companies to strengthen their financial position and allow such institutions to continue as a going concern subject to appropriate restructuring. The exercise of powers under the BRRD could adversely affect the proper performance by the Issuer of its payment and other obligations and enforcement thereof against the same under the terms and conditions of the Transaction Documents

On 10 July 2013, the European Commission proposed a regulation establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms (the "**SRM Regulation**") in a framework of a single resolution mechanism and a single bank resolution fund (such mechanism, the "**SRM**"). The SRM Regulation was adopted on 15 July 2014. The SRM proposes to establish a single resolution authority (consisting of representatives from the European Central Bank ("**ECB**"), the European Commission and the relevant national authorities) that will manage the failing of any bank in the Euro-area and in other EU member states participating in the European Banking Union.

It is possible that, with the implementation of the BRRD and the SRM, the relevant regulator may use its powers under the new regime in a way that may have an adverse impact on the Seller's or other relevant Issuer's counterparties financial position and results of operation and could adversely affect the proper performance by the Issuer of its payment and other obligations and enforcement thereof against the same under the terms and conditions of the Transaction Documents and could result in losses to the Noteholders.

The Issuer is unable to predict what effects, if any, the BRRD and SRM Regulation may have on the financial system generally, the Sellers, the Issuer's other counterparties, or on the Issuer, its operations and/or its financial position or the Notes.

#### **RISK FACTORS REGARDING THE NOTES**

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

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. The following factors might affect an investor's ability to appreciate the risk factors outlined in this Section 2 (*Risk Factors*), placing such investor at a greater risk of receiving a lesser return on his investment:

- if such an investor does not have sufficient knowledge and experience to make a meaningful evaluation of the Notes and the merits of investing in the Notes in light of the risk factors outlined in this Section 2 (*Risk Factors*);

- if such an investor does not have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of his particular financial situation, the significance of these risk factors and the impact the Notes will have on his overall investment portfolio;
- if such an investor does not have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the investor's currency;
- if such an investor does not understand thoroughly the terms of the Notes and is not familiar with the behaviour of any relevant indices in the financial markets (including the risks associated therewith) as such investor is more vulnerable to any fluctuations in the financial markets generally; and
- if such an investor is not able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect his investment and his ability to bear the applicable risks.

Potential investors should consider the tax consequences of investing in the Notes and consult their tax advisor about their own tax situation.

### **Credit Risk**

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 are described 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.

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 which 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.

### **Risk that the Issuer will not exercise its right to redeem the Notes, other than the Class C Notes, at the Optional Redemption Date and that the Notes will suffer a loss**

Notwithstanding the increase in the margin applicable to the Class A Notes and termination of the Interest Rate Cap Agreement on and from the First Optional Redemption Date, no guarantee can be given that the Issuer will actually exercise its right to redeem the Notes, other than the Class C Notes, on any Optional Redemption Date and that, upon exercise of such right, the Notes, other than the Class C Notes, will be redeemed in full.

The exercise by the Issuer of its right to redeem the Notes, other than the Class C Notes, on any Optional Redemption Date will, *inter alia*, depend on the ability of the Issuer to sell the Mortgage Receivables still outstanding at that time. If the Issuer decides to exercise its right to redeem the Notes, other than the Class C Notes, on an Optional Redemption Date, the Issuer shall first offer such Mortgage Receivables for sale to the Seller. The Seller shall within a period of twenty (20) business days inform the Issuer whether it wishes to repurchase the Mortgage Receivables. After such twenty (20) business day period, the Issuer may offer such Mortgage Receivables for sale to any third party. However, there is no guarantee that any such third party will be found to purchase the Mortgage Receivables.

The exercise by the Issuer of its right to redeem the Notes, other than the Class C Notes, in full on any Optional Redemption Date will, *inter alia*, depend on the proceeds of any sale of the Mortgage Receivables still outstanding at that time. The purchase price of the Mortgage Receivables will be calculated as described in the paragraph *Sale of Mortgage Receivables* in section 7.1 (*Purchase, Repurchase and Sale*) and must be an amount which is sufficient to (a) on the Optional Redemption Date falling in April 2020 or

July 2020, taking into account the balance standing to the credit of the Reserve Account, redeem (i) the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration and (ii) the Class B Notes at their Principal Amount Outstanding less the Principal Shortfall plus accrued interest and costs and provided that the purchase price shall be at least equal to the sum of the relevant Outstanding Principal Amount in respect of the Mortgage Receivables, together with accrued interest due but unpaid, if any, except that, with respect to Mortgage Receivables which are 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 start foreclosure proceedings, the purchase price may be less and (b) on the Optional Redemption Date falling in October 2020 or any Optional Redemption Date thereafter (i) taking into account the balance standing to the credit of Reserve Account, redeem the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration or (ii) such lower purchase price as acceptable to the Class A Noteholders and sanctioned by a resolution in a Meeting of Class A Noteholders in accordance with Condition 14. The amounts standing to the credit of the Reserve Account shall be applied by the Issuer to compensate the Class A Noteholders on a *pro rata* and *pari passu* basis for any difference between (i) the aggregate Principal Amount Outstanding of the Class A Notes plus accrued interest, costs, any due (but unpaid) Class A Excess Consideration and (ii) the available Class A Redemption Amount (without taking into account any drawing from the Reserve Account set out in item (x) of the Available Principal Funds). As a consequence hereof, on the Optional Redemption Date falling in October 2020 or any Optional Redemption Date thereafter, there is a significant risk that the Class B Noteholders may receive by way of principal repayment on the Class B Notes an amount less than the Principal Amount Outstanding of their Class B Notes less the Principal Shortfall and thus suffer a loss. A resolution by the Class A Noteholders approving the purchase price of the Mortgage Receivables to be sold and assigned on the Optional Redemption Date falling in October 2020 and any Optional Redemption Date thereafter may be implemented without the consent of and shall not require a resolution by the Class B Noteholders and/or the Class C Noteholders.

In the Trust Deed, the Issuer will undertake vis-à-vis the Security Trustee to use its reasonable efforts to sell and assign the Mortgage Receivables on the First Optional Redemption Date and, as the case may be, each Optional Redemption Date thereafter.

Only the amounts remaining after the Class A Notes have been redeemed in full, shall form part of the Available Revenue Funds and, after all payments of the Revenue Priority of Payments ranking higher in priority have been made, will be available to redeem or partially redeem, as the case may be, the Class C Notes. There is a significant risk that the Class C Noteholders may receive by way of principal repayment on the Class C Notes an amount less than the Principal Amount Outstanding of their Class C Notes less the Principal Shortfall and thus suffer a loss.

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.

**Risk related to the split between the Class A1 Notes, the Class A2 Notes and the Class A3 Notes**

The Class A Notes comprise the Class A1 Notes, the Class A2 Notes and the Class A3 Notes. The Class A1 Notes, the Class A2 Notes and the Class A3 Notes rank *pari passu* and *pro rata* without any preference or priority among all Notes of such Class in respect of the Security and payments of interest. Provided that no Enforcement Notice has been given, payments of principal on the Class A Notes are applied as follows: on a sequential basis, firstly, towards satisfaction of principal amounts due under the Class A1 Notes until fully redeemed, secondly, towards satisfaction of principal amounts due under the Class A2 Notes until fully redeemed and, thirdly, towards satisfaction of principal amounts due under the Class A3 Notes until fully redeemed.

To the extent that the Available Principal Funds are insufficient to redeem the Class A1 Notes and/or the Class A2 Notes and/or the Class A3 Notes in full when due in accordance with the Conditions for a period of fifteen days or more, this will constitute an Event of Default in accordance with Condition 10(a). The Class A2 Notes therefore do not purport to provide credit enhancement to the Class A1 Notes and the Class A3 Notes do not purport to provide credit enhancement to the Class A1 Notes and the Class A2 Notes. If, on any date, the Security is to be enforced and the proceeds of the enforcement would be insufficient to fully redeem the Class A Notes in full, such loss will be borne, *pro rata* and *pari passu*, by the holders of the

Class A Notes. If the Class A1 Notes have been redeemed (in part or in full) at such time, this will result in the Class A2 Notes and the Class A3 Notes bearing a greater loss than that borne by the Class A1 Notes. If the Class A1 Notes and the Class A2 Notes have been redeemed (in part or in full) at such time, this will result in the Class A3 Notes bearing a greater loss than that borne by the Class A1 Notes and the Class A2 Notes. The sequence of redemption of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes may result in the Class A2 Notes bearing a greater loss than the Class A1 Notes and the Class A3 Notes bearing a greater loss than the Class A1 Notes and the Class A2 Notes.

**Subordination of the Class B Notes and the Class C Notes**

To the extent set forth in Conditions 6 and 9, (a) the Class B Notes are subordinated in right of payment of principal and interest to principal, interest and, on and after the First Optional Redemption Date, payment of the Class A Excess Consideration and the Class A Additional Amount payable in respect of the Class A Notes and (b) the Class C Notes are subordinated in right of payment of principal and interest to principal, interest and, on and after the First Optional Redemption Date, payment of the Class A Excess Consideration and the Class A Additional Amount payable in respect of the Class A Notes and to principal and interest payable in respect of the Class B Notes. However, the Class C Notes may be redeemed in full prior to redemption in full of the Class B Notes, in case, after redemption in full of the Class A Notes, the Reserve Account Target Level becomes zero. In such case, the amounts standing to the credit of the Reserve Account will form part of the Available Revenue Funds and will be applied towards satisfaction of all items in the Revenue Priority of Payments, including for redemption of principal of the Class C Notes. See also *Part of the amounts payable in respect of the Class A Notes after the First Optional Redemption Date is subordinated to certain other payments* below.

With respect to any such Class of Notes such subordination is designed to provide credit enhancement to any Class of Notes with a higher payment priority than such Class of 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.

**Part of the amounts payable in respect of the Class A Notes after the First Optional Redemption Date is subordinated to certain other payments**

Interest on the Class A Notes for each Interest Period after the First Optional Redemption Date will accrue at a floating rate equal to the sum of the Euribor for three months deposit up to the Euribor Agreed Rate plus the applicable margin for each Class A Notes.

In addition thereto, the Class A Noteholders will in accordance with the relevant Priority of Payments, on a *pro rata* and *pari passu* basis and in accordance with the respective amounts outstanding of the Class A1 Notes, Class A2 Notes and Class A3 Notes at such time, receive the Class A Excess Consideration and the Class A Additional Amount, if available.

*Class A Excess Consideration*

The obligation to pay the Class A Excess Consideration is subordinated to payments of a higher order of priority including, but not limited to, any amount necessary to (i) make good any shortfall reflected in the Class A Principal Deficiency Ledger until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero and (ii) replenish the Reserve Account up to the amount of the Reserve Account Target Level, in accordance with the Revenue Priority of Payments.

In the event that on any Notes Payment Date, prior to redemption in full of the Class A Notes, the Issuer has insufficient funds available to it to satisfy its obligations in respect of Class A Excess Consideration due on such Notes Payment Date, the amount available (if any) shall be applied towards satisfaction of the Class A Excess Consideration due on such Notes Payment Date to the holders of the Class A Notes on a *pro rata* and *pari passu* basis in accordance with the respective amount of Class A Excess Consideration to be distributed to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes at such time.

In the event that on any Notes Payment Date, after redemption in full of the Class A Notes, an amount equal to the lower of (a) the Available Principal Funds excluding item (xii) of such definition and (b) the Class A Excess Consideration due on the Class A Notes on the immediately succeeding Notes Payment Date after application of the Available Revenue Funds, excluding item (xii) of such definition (a Class A Excess Consideration Shortfall), is higher than zero such amount will be debited from the Available Principal Funds

(if available) and will form part of the Available Revenue Funds and shall be applied by the Issuer towards satisfaction of the Class A Excess Consideration due on such Notes Payment Date to the holders of the Class A Notes on a *pro rata* and *pari passu* basis and be distributed to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes at such time. The Issuer shall debit the relevant Principal Deficiency Ledger with an amount equal to the Class A Excess Consideration Shortfall. See Conditions 6 and 9(b) in *Conditions* and also *Maturity Risk, loss of principal on the Class B Notes and the Class C Notes* below.

Non-payment of Class A Excess Consideration will not cause an Event of Default. The credit ratings assigned by the Credit Rating Agencies do not address the likelihood of any payment of the Class A Excess Consideration and the Class A Additional Amount.

#### *Class A Additional Amount*

On each Notes Payment Date after the First Optional Redemption Date up to (and excluding) the Enforcement Date the Class A Additional Amount will be due to the Class A Noteholders in accordance with the Revenue Priority of Payments, until the Class A Notes are redeemed in full. However no guarantee can be given that there will any funds available to pay such Class A Additional Amount on any Notes Payment Date. The Class A Additional Amount will be paid on a *pro rata* and *pari passu* basis in accordance with the respective amounts outstanding of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes in accordance with the Revenue Priority of Payments and provided that payments of a higher order of priority have been made in full. In the event that on any Notes Payment Date the Issuer has no funds available to pay any Class A Additional Amount there is no obligation to pay such Class A Additional Amount and such Class A Additional Amount will not accrue and/or be payable on the next succeeding Notes Payment Date.

Non-payment of Class A Additional Amount will not cause an Event of Default. The credit ratings assigned by the Credit Rating Agencies do not address the likelihood of any payment of the Class A Additional Amount.

#### **Conflict between the interests of holders of different Classes of Notes and the Secured Creditors in general**

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) but requiring the Security Trustee in any such case to have regard only to the interests of the holders of the Most Senior Class of Notes, if, in the Security Trustee's opinion, there is a conflict between the interests of the holders of the most senior Class of Notes on the one hand and the holders of junior ranking Notes on the other hand. In addition, the Security Trustee shall have regard to the interests of the other Secured Creditors, provided that, in the event of a conflict of interests between the Secured Creditors, the Post-Enforcement Priority of Payments set forth in the Trust Deed determines which interest of which Secured Party prevails.

Considering that Achmea Bank, and/or any of its subsidiaries, has the intention to purchase the Class B and the Class C Notes and other Classes of Notes as a part of the initial issuance of the Notes, it will be able to exercise the voting rights in respect of the Notes purchased by it and, in so doing, may take into account factors specific to it.

#### **Conflict between the interests of holders of different Classes of Notes and the Insurance Savings Participant**

The Security Trustee may give an Enforcement Notice in accordance with Condition 10. Pursuant to Condition 10 the Insurance Savings Participant may reasonably request the Security Trustee to give such Enforcement Notice. If the Security Trustee receives such reasonable request from the Insurance Savings Participant, it may be inclined to honour such request and give an Enforcement Notice before it would otherwise have given an Enforcement Notice. Such request of the Insurance Savings Participant could conflict with the interests of the Noteholders, if honoured, and result in an Enforcement Notice at a time which would be less beneficial to the Noteholders, although the Security Trustee will in honouring such request also address the interests of the Noteholders and the other Secured Parties.

#### **The Security Trustee may without the consent of the Noteholders agree to changes to the Transaction Documents and Conditions**

The Security Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Transaction Documents, and any consent, including to the transfer of the rights and obligations under a Transaction Document by the relevant counterparty to a successor, which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders, provided that the Security Trustee (a) has notified the Credit Rating Agencies and (b) in its reasonable opinion, does not expect that the then current ratings assigned to the Class A Notes will be adversely affected as a consequence of any such modification, authorisation, waiver or consent. Any such changes will be binding on the Noteholders. Therefore Noteholders may be bound by changes to which they have not agreed.

#### **Limited Recourse**

Each of the Noteholders shall only have a claim against the Issuer in accordance with the relevant priority of payments as set forth in this Prospectus. The Noteholders and the other Secured Creditors shall not have recourse on any assets of the Issuer other than (i) the Mortgage Receivables and the Beneficiary Rights relating thereto, (ii) the balance standing to the credit of the Issuer Accounts and (iii) the amounts receivable by the Issuer under the Transaction Documents excluding, for the avoidance of doubt, any amount relating to Excess Interest Rate Cap Collateral, any amounts standing to the credit of the Interest Rate Cap Termination Payment Ledger (other than any Available Termination Amount drawn from the Interest Rate Cap Termination Payment Ledger to form part of the Available Revenue Funds) and any Tax Credit. In the event that the Security in respect of the Notes has been fully enforced and the proceeds of such enforcement, 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 interest and other amounts whatsoever due in respect of such Class of Notes, 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.

If, upon default by the Borrowers and after exercise by the Servicer of all available remedies in respect of the applicable Mortgage Receivables, the Issuer does not receive the full amount due from such Borrowers, Noteholders may receive by way of principal repayment on the Notes an amount less than the face amount of their Notes and the Issuer may be unable to pay in full interest due on the Notes, to the extent set forth in Condition 9. On any Notes Payment Date, any such losses on the Mortgage Loans will be allocated as described in *Credit Structure*.

#### **Clean-Up Call Option, Regulatory Call Option and redemption for tax reasons**

Should the Seller exercise the Clean-Up Call Option or its Regulatory Call Option, the Issuer will sell the Mortgage Receivables to the Seller or, in case of the Clean-Up Call Option, to a third party appointed by the Seller and redeem all the Notes, other than the Class C Notes, by applying the proceeds of the sale of the Mortgage Receivables towards redemption of the Notes in accordance with Condition 6(b) and subject, with respect to the Class B Notes, to Condition 9(b).

The Issuer will have the option to redeem the Notes, other than the Class C Notes, for tax reasons in accordance with Condition 6(f). In such case, the Issuer shall first offer such Mortgage Receivables for sale to the Seller. The Seller shall within a period of twenty (20) business days from the offer inform the Issuer whether it wishes to repurchase the Mortgage Receivables. After such twenty (20) business day period, the Issuer may offer such Mortgage Receivables for sale to any third party. However, there is no guarantee that any such third party will be found to purchase the Mortgage Receivables. This risk may be increased as a result of the minimum purchase price for which the Issuer must sell the Mortgage Receivables. Pursuant to the Trust Deed, the Issuer may only sell the Mortgage Receivables prior to the Final Maturity Date for a purchase price (subject to certain exceptions) sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration and the Class B Notes at their Principal Amount Outstanding less the Principal Shortfall plus accrued interest and cost and equal to the Outstanding Principal Amount of the Mortgage Receivables (other than in case of a sale of the Mortgage Receivables on the Optional Redemption Date falling in October 2020 or any Optional Redemption Date thereafter). For a full description of purchase price of the Mortgage Receivables see *Sale of Mortgage Receivables* under section 5 (*Credit Structure*). See also *Risk that the Issuer will not exercise its right to redeem the Notes, other than the Class C Notes, at the Optional Redemption Date and that the Notes will suffer a loss*.

Furthermore, if the Clean-Up Call Option is exercised or if the Issuer redeems the Notes, other than the Class C Notes, for tax reasons or redeems the Notes, other than the Class C Notes, for regulatory reasons, this may lead to the Notes, other than the Class C Notes, being redeemed prematurely. Noteholders may not be able to invest the amounts received as a result of the redemption of the Notes on conditions that are at least as beneficial as those of the Notes.

**Maturity Risk, loss of principal on the Class B Notes and the Class C Notes**

Noteholders should be aware that on each Optional Redemption Date and the Final Maturity Date the Notes, other than the Class A Notes, may be redeemed by the Issuer at an amount less than their Principal Amount Outstanding in certain cases, which amount may even be zero, including, *inter alia*, in the case that losses under the Mortgage Receivables have occurred (see Conditions 6 and 9(b) in *Conditions* below).

For the avoidance of doubt, balances standing on the Reserve Account can be used to redeem the Notes as well, provided that all items ranking higher than the repayment of principal on the relevant Class of Notes in the applicable Priority of Payments (including the expenses of the Issuer and interest on the other Classes of Notes) have been paid in full.

The ability of the Issuer to redeem all the Notes on each 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, may depend upon whether the proceeds of the Mortgage Receivables is sufficient to redeem the Notes (upon any sale of Mortgage Receivables or otherwise), other than the Class C Notes. Pursuant to the Trust Deed, the Issuer may only sell the Mortgage Receivables prior to the Final Maturity Date for a purchase price (subject to certain exceptions) sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration and the Class B Notes at their Principal Amount Outstanding less the Principal Shortfall plus accrued interest and cost and equal to the Outstanding Principal Amount of the Mortgage Receivables (other than in case of a sale of the Mortgage Receivables on the Optional Redemption Date falling in October 2020 or any Optional Redemption Date thereafter). For a full description of purchase price of the Mortgage Receivables in October 2020 or any Optional Redemption Date thereafter see *Sale of Mortgage Receivables* under section 5 (*Credit Structure*). Pursuant to the Trust Deed, on the Optional Redemption Date falling in October 2020 or any Optional Redemption Date thereafter the Issuer may sell the Mortgage Receivables for a purchase price which is sufficient to (i), taking into account the balance standing to the credit of the Reserve Account, redeem the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration or (ii) such lower purchase price as acceptable to the Class A Noteholders and sanctioned by a resolution in a Meeting of Class A Noteholders in accordance with Condition 14. See also *Risk that the Issuer will not exercise its right to redeem the Notes, other than the Class C Notes, at the Optional Redemption Date and that the Notes will suffer a loss*.

The Notes may therefore not be redeemed on an Optional Redemption Date and/or if the Notes are redeemed on an Optional Redemption Date or the Final Maturity Date, the Class B Notes and the Class C Notes may be redeemed at an amount less than their Principal Amount Outstanding, which may even be zero.

**Risk related to prepayments on the Mortgage Loans**

The maturity of the Notes of each Class will depend on, *inter alia*, the amount and timing of payment of principal on the Mortgage Loans (including as a result of full and partial prepayments, the sale of the Mortgage Receivables by the Issuer and any repurchase by the Seller of certain Mortgage Receivables should any such amount received in connection with the repurchase not be applied towards substitution) and the amount of New Mortgage Receivables offered by the Seller. The average maturity of the Notes may be adversely affected by a higher or lower than anticipated rate of prepayments on the Mortgage Loans. The rate of prepayment of Mortgage Loans is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates, changes in tax law (including but not limited to amendments to potential changes in tax treatment described under *Changes to tax treatment of interest may impose various risks*), local and regional economic conditions and changes in Borrower's behaviour (including but not limited to home-owner mobility). No guarantee can be given as to the level of prepayment that the Mortgage Loans may experience, and variation in the rate of prepayments of principal of the Mortgage Loans may affect each Class of Notes differently.

### **Factors regarding Tax consequences on holding of the Notes**

Potential investors should consider the tax consequences of investing in the Notes and consult their tax advisor about their own tax situation.

#### **U.S. Foreign Account Tax Compliance Act**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and, potentially, a 30% withholding tax with respect to certain payments made to persons that fail to meet certain certification or reporting requirements, including certain investors that do not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "reportable account" (a "Recalcitrant Holder") of the relevant non-U.S. financial institution ("FFI").

Under FATCA, withholding is required with respect to withholdable payments to persons that are not compliant with FATCA or that do not provide the necessary information, consents or documentation made on or after (i) July 1, 2014 in respect of certain U.S. source payments, (ii) January 1, 2017, in respect of payments of gross proceeds (including principal repayments) on certain assets that produce U.S. source interest or dividends and (iii) January 1, 2017 (at the earliest) in respect of "foreign passthru payments" and then, for "obligations" that are not treated as equity for U.S. federal income tax purposes, only on such obligations that are issued or materially modified after the date that is six months after the date on which the final regulations defining the term "foreign passthru payments" are filed with the Federal Register.

The application of FATCA to interest, principal or other amounts paid with respect to Notes and the information reporting obligations of the Issuer and other entities in the payment chain is still developing. In particular, the Netherlands entered into an intergovernmental agreement (an "IGA") with the United States on 18 December 2013 (the "U.S.-Netherlands IGA"), which modifies the way in which FATCA applies to certain entities organized in the Netherlands. The U.S.-Netherlands IGA is based on the "Model 1" IGA. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "FATCA Withholding") from payments it makes. The Model 1 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS, as applicable.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, none of the Issuer, the Paying Agent or any other person would, pursuant to the Conditions be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

The Notes are held within the clearing systems. The entities in the payment chain between the Issuer and the participants in the clearing systems are major financial institutions whose business are dependent on compliance with FATCA. FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. The Issuer's obligations under the Notes are discharged once it has paid the clearing systems, and the Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries. In addition, the documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to withholding under FATCA. However, definitive Notes will only be printed in limited circumstances.

An investor may be able to obtain a credit for or refund of any amounts withheld under these rules, provided certain conditions are met and the required information is timely furnished to the IRS. An investor that is an FFI generally will be able to obtain a refund only to the extent an applicable income tax treaty with the United States entitles such institution to a reduced rate of tax on the payment that was subject to withholding under these rules. Investors generally will not be entitled to interest from the IRS for the period prior to the refund. It is doubtful whether income tax treaty exemptions apply to withholding on payments of principal or gross proceeds recognised on the sale or other disposition of Notes.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAS, ALL OF WHICH ARE SUBJECT TO CHANGE OR MAY BE IMPLEMENTED IN A MATERIALLY DIFFERENT FORM. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISERS ON HOW THESE RULES MAY APPLY TO THE ISSUER AND TO PAYMENTS THEY MAY RECEIVE IN CONNECTION WITH THE NOTES.

**Risk that changes of law will have an effect on the Notes**

The structure of the issue of the relevant Notes is based on Dutch law (or England and Wales in respect of the Interest Rate Cap Agreement) in effect as at the date of this Prospectus and the relevant ratings which are to be assigned to them, other than the Class C Notes, are based thereon. No assurance can be given as to the impact of any possible change to Dutch law (or England and Wales in respect of the Interest Rate Agreement) or administrative practice in the Netherlands (or England and Wales in respect of the Interest Rate Agreement) after the date of this Prospectus.

**Risks related to the limited liquidity of the Notes**

There is not, at present, any active and liquid secondary market for the Notes. Although application has been made to the Irish Stock Exchange for the 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 Achmea Bank B.V., and/or any of its subsidiaries, has the intention to purchase the Class A Notes and other Classes of 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.

The secondary market for the Notes has experienced and is experiencing severe disruptions resulting from reduced investor demand for mortgage loans and mortgage-backed securities and increased investor yield requirements for those loans and securities. As a result, the secondary market for mortgage-backed securities is experiencing extremely limited liquidity. Limited liquidity in the secondary market for mortgage-backed securities has had a severe adverse effect on the market value of mortgage-backed securities. The conditions may continue or worsen in the future.

Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of mortgage-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, an investor in 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 are currently experiencing funding difficulties could adversely affect an investor's ability to sell, and/or the price an investor receives for, the Notes in the secondary market.

In addition, the forced sale into the market of mortgage-backed securities held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that are currently experiencing 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.

**Legal investment considerations may restrict investments in the Notes**

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.

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

In Europe, the United States and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Managers nor the Seller makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the date hereof or at any time in the future.

On 26 June 2013 the Council and the European Parliament adopted the package known as "CRD IV". CRD IV will replace the current CRD with the CRD IV and the CRR which aims to create a sounder and safer financial system. The CRD IV governs amongst other things the access to deposit-taking activities while the CRR establishes the majority of prudential requirements institutions need to respect. The CRR has come into force in all European Member States from 1 January 2014. The CRD IV has been implemented in the Netherlands on 1 August 2014. The application in full of all measures under CRD IV (including any national implementation thereof in the Netherlands) will have to be completed before 1 January 2019.

In particular, in Europe, investors should be aware of articles 405-410 of the CRR which replace in its entirety article 122a of the CRD and have come into force in all European Member States from 1 January 2014.

Articles 405-410 of the CRR restricts an EU regulated credit institution from investing in asset-backed securities unless the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the EU regulated credit institution that it will retain, on an ongoing basis, a net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures as contemplated by article 405-410 of the CRR. Articles 405-410 of the CRR also require an EU regulated credit institution to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, its note position and the underlying exposures and that procedures are established for such activities to be conducted on an on-going basis. Failure to comply with one or more of the requirements set out in articles 405-410 of the CRR will result in the imposition of a penal capital charge on the notes acquired by the relevant investor.

Prospective noteholders should therefore make themselves aware of the requirements of article 405-410 of the CRR, where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes.

With respect to the commitment of the Seller to retain a material net economic interest in the securitisation transaction described in this Prospectus as contemplated by article 405 of the CRR and with respect to the information to be made available by the Seller under articles 405-410 of the CRR, please see the statements set out in the section *Responsibility statements*.

Relevant investors are required to independently assess and determine the sufficiency of the information described in this Prospectus, in any investor report and otherwise, for the purposes of complying with article 405-410 of the CRR and neither the Issuer, the Seller, the Issuer Administrator, the Cash Advance Facility Provider, the Arranger nor the Managers make any representation that the information described in this Prospectus, in any investor report and otherwise in relation to articles 405-410 of the CRR is sufficient in all circumstances for such purposes.

Furthermore, investors should be aware of article 17 of the AIFMD, as supplemented by Section 5 of the AIFMR, which took effect on 22 July 2013. The provisions of Section 5 of Chapter III of the AIFMR provide

for risk retention and due diligence requirements in respect of alternative investment fund managers that are required to become authorised under the AIFMD and which assume exposure to the credit risk of a securitisation on behalf of one or more alternative investment funds. While such requirements are similar to those which apply pursuant to articles 405-410 of the CRR, they are not identical and, in particular, additional due diligence obligations apply to the relevant alternative investment fund managers.

As at the Closing Date, the Seller has undertaken to each of the Managers, the Security Trustee and the Issuer that, for as long as the Notes are outstanding, it shall retain, on an ongoing basis, a material net economic interest in the securitisation which shall in any event not be less than 5%, in accordance with article 405 of the CRR and article 51 of the AIFMR. As at the Closing Date, such interest is retained in accordance with article 405 of the CRR and article 51 of the AIFMR by the Seller as the originator within the meaning of the CRR or the AIFMR, as the case may be, holding (part of) the Subordinated Notes. In addition, the Seller shall make available to Noteholders all materially relevant information that such Noteholders may require to comply with their obligations under the applicable provisions of the CRR and the AIFMR, including to make appropriate disclosures, or to procure that appropriate disclosures are made, to Noteholders about the retained net economic interest in the securitisation and to ensure that the Noteholders have readily available access to all materially relevant data. (see Section 8 (*General*) for more details).

There remains considerable uncertainty with respect to article 405 of the CRR and article 51 of the AIFMR and it is not clear what will be required to demonstrate compliance to national regulators. As regards Part 5 of the CRR, the European Banking Authority has conducted an open public consultation on the draft implementing technical standards on which CRR is based. Following this consultation, the European Banking Authority published the final version of the Draft Regulatory Technical Standards and the Draft Implementing Technical Standards in respect of Part 5 of the CRR on 17 December 2013. The European Commission subsequently published the text of the Regulatory Technical Standards and the Implementing Technical Standards it has adopted on 12 March 2014. The Technical Standards are currently subject to the review of the Council of the EU and the European Parliament. As the final Regulatory Technical Standards have not been published (expected to be published this year), the final Regulatory Technical Standards may differ from the Regulatory Technical Standards adopted by the European Commission.

Article 405 of the CRR, article 51 of the AIFMR and any other 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, have a negative impact on the price and liquidity of the Notes in the secondary market.

#### **Proposed Changes to the Basel Capital Accord and Solvency II**

On 26 June 2004, the Basel Committee on Banking Supervision published the text of the new capital accord, Basel II, which places enhanced emphasis on market discipline and sensitivity to risk, and serves as a basis for national and supra-national rulemaking and approval processes for banking organisations. Basel II has been put into effect for credit institutions in Europe via the recasting of a number of prior directives in a consolidating directive referred to as the CRD. The Basel Committee on Banking Supervision proposed new rules amending the existing Basel II Accord on bank capital requirements, referred to as Basel III. The changes refer to, amongst other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the Liquidity Coverage Ratio and the Net Stable Funding Ratio, respectively). Member countries are required to implement the new capital standards as soon as possible (with provisions for phased implementation, meaning that the measures will not apply in full until January 2019). The Basel Committee is also considering introducing additional capital requirements for systemically important institutions from 2016. The changes approved by the Basel Committee may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

For European banks these requirements are implemented through CRD IV (see above). While the full impact of the Basel III rules will depend on how they are implemented by national regulators, including the extent to which regulators and supervisors can set more stringent limits and additional capital requirements or surcharges, as well as on the economic and financial environment at the time of implementation and beyond, these rules can have a material impact on its operations and financial condition of the Seller and

may require the Seller to seek additional capital. The CRR entered into force on 1 January 2014, with full implementation by January 2019; however, CRD IV allows individual Member States to implement a stricter definition and/or level of capital more quickly than is envisaged under Basel III.

Furthermore, pursuant to rules referred to as Solvency II, more stringent rules will apply for European insurance companies which are expected to become effective as of January 2016 in respect of instruments such as the Notes in order to constitute regulatory capital (*toetsingsvermogen c.q. solvabiliteitsmarge*).

Basel II, as published, and Basel III, will affect risk-weighting of the Notes for investors subject to the new framework following its implementation (whether via the CRD IV or otherwise by non-EU regulators if not amended from its current form when or if implemented by non-EU regulators). 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 the application of Basel II, as implemented by their own regulator or following implementation, and any changes thereto pursuant to Basel III and CRD IV, and the application of Solvency II, to their holding of any Notes. None of the Issuer, the Security Trustee or the Managers are responsible for informing Noteholders of the effects on the changes to risk-weighting or regulatory capital which amongst others may result for investors from the adoption by their own regulator of Basel II, Basel III, CRD IV or Solvency II (whether or not implemented by them in its current form or otherwise).

#### **European Market Infrastructure Regulation (EMIR)**

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**") which entered into force on 16 August 2012 establishes certain requirements for OTC derivatives contracts, including risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty and reporting requirements. If the Issuer is required to comply with certain obligations under EMIR, this may give rise to administrative burdens and higher costs for the Issuer. The Issuer may also need to appoint a third party and/or incur costs and expenses to enable it to comply with the regulatory requirements imposed by EMIR. Additional costs may reduce amounts available to make payments with respect to the Notes. Furthermore, if any party fails to comply with the rules under EMIR it may be liable for a fine. If such a fine is imposed on the Issuer, the Issuer may have insufficient funds to pay its liabilities in full. In view hereof, it should be noted that the Security Trustee may agree, without the consent of the Noteholders, to any modification of any of the provisions of the Transaction Documents which is made to comply with its EMIR obligations (see section 4.1 (*Terms and Conditions*)).

#### **Financial transaction tax**

On February 14, 2013, the European Commission published a proposal for a Directive for a common financial transaction tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution or a person which is not a financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including where the financial instrument which is subject to the transaction is issued in a participating Member State. A financial institution may also be deemed to be "established" in a participating Member State by transacting with a person established in that Member State.

The FTT proposal remains controversial and subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and Member States mentioned above may decide not to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

**Notes in global form**

Each Class of Notes shall be initially represented by a Temporary Global Note in bearer form. Each Temporary Global Note will be deposited with Euroclear Netherlands. Interests in each Temporary Global Note will be exchangeable (provided certification of non-US 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, without coupons, in the principal amount of the Notes of the relevant Class. Each Permanent Global Note will only in very limited circumstances be exchangeable for Notes in definitive form in accordance with the Wge as more fully described in *Form*. Each of the persons shown in the records of Euroclear Netherlands 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 Netherlands. 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 only be transferable in accordance with the rules and procedures for the time being of Euroclear Netherlands.

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 Netherlands 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. Any statement in writing issued by Euroclear Netherlands 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.

**No gross-up for taxes**

As provided in Condition 7, if withholding of, or deduction for, or an account of any present or future taxes, duties or charges of whatsoever nature are imposed by or on behalf of the Netherlands or any other jurisdiction or any political subdivision or any authority therein or thereof having power to tax (or on the basis of the FATCA), the Issuer or the Paying Agent (as applicable) will make the required withholding or deduction of such taxes, duties or charges for the account of the Noteholders as the case may be, and shall not be obliged to pay any additional amounts to the Noteholders.

**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, then the Issuer (or the Issuer Administrator on its behalf) may use the three most recent Mortgage Reports for the purposes of the calculation of the amounts of principal and interest, respectively, available to the Issuer to make payments, as further set out in the Administration Agreement. When the Issuer Administrator 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 by drawing amounts to the extent relating to interest from the Interest Reconciliation Ledger and by drawing amounts to the extent relating to principal from the Principal Reconciliation Ledger as set out in the Administration Agreement. Any (i) calculations properly done on the basis of such estimates in accordance with the Administration Agreement, and (ii) payments made and 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 itself not lead to an Event of Default or any other default under any of the Transaction Documents or breach of any triggers included therein (including but not limited to Assignment Notification Events or Pledge Notification Events). If, after the Issuer Administrator has received the Mortgage Reports relating to the Mortgage Calculation Period for which such calculations have been made, the Issuer would not have sufficient assets available to make, or procure that the Issuer Administrator makes, such reconciliation payments, either (a) the Noteholders may receive by way of principal repayment on the Notes an amount less than the amount which should have been paid in accordance with the Conditions (save for such

payments made in accordance with the Administration Agreement in such period) or, as the case may be, (b) the Issuer may be unable to pay in full the amount of interest due on the Notes, in the case of both (a) and (b) subject to the terms of the Conditions. Therefore there is a risk that the Issuer pays out less or more interest, if any, and, respectively, less or more principal on the Notes than would have been payable if accurate Mortgage Reports were available.

**Class A Notes may not be recognised as eligible Eurosystem collateral**

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. The Class A Notes will upon issue be deposited with Euroclear Netherlands which is a recognised Central Securities Depository but this does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as amended from time to time, which criteria will include the requirement that loan-by-loan information be made available to investors in accordance with the template which is available on the website of the European Central Bank. It has been agreed in the Administration Agreement 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 quarterly basis which information can be obtained at the website of the European DataWarehouse <http://www.eurodw.eu/edwin.html> within one month after the Notes Payment Date, for as long as such requirement is effective, to the extent it has such information available. Should such loan-by-loan information not comply with the European Central Bank's requirements or not be available at such time, the Class A Notes may not be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem. The Notes other than the Class A Notes are not intended to be held in a manner which allows Eurosystem eligibility.

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

Certain counterparties of the Issuer are required to have a certain minimum rating pursuant to the Transaction Documents and if the rating of such counterparty falls below such 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. Moreover, 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 Class A Notes.

**Risk related to unsolicited 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 ratings in respect of the Notes may differ from the ratings expected to be assigned by Fitch and Moody's and may not be reflected in this Prospectus. Issuance of an unsolicited rating which is lower than the ratings assigned by Fitch and Moody's in respect of the Notes may adversely affect the market value and/or the liquidity of the Notes.

**Credit ratings may not reflect all risks**

The ratings of the Class A Notes addresses the assessment made by Fitch and Moody's of the likelihood of full and timely payment of interest, but for the avoidance of doubt, not the Class A Excess Consideration and the Class A Additional Amount, and ultimate payment of principal on or before the Final Maturity Date, but does not provide any certainty nor guarantee.

Any decline in the credit ratings of the Class A Notes or changes in rating methodologies may affect the market value of the Class A Notes. Furthermore, the credit ratings may not reflect the potential impact of all rights related to the structure, market, additional factors discussed above and other factors that may affect the value of the Class A Notes.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation if in its judgement, the circumstances (including a reduction in the credit rating of the Issuer Account Bank, the Cash Advance Facility Provider,

the Insurance Savings Participant, the Bank Savings Participant or the Interest Rate Cap Provider) in the future so require.

The Class B Notes and the Class C Notes will not be rated.

**Risk that the ratings of the Class A Notes change**

The ratings to be assigned to the Class A Notes by the Credit Rating Agencies are based - *inter alia* - on the value and cash flow generating ability of the Mortgage Receivables and other relevant structural features of the transaction, and reflect only the view of each of the Credit Rating Agencies. There is no assurance that any such 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. Any downgrade of the ratings may have a negative effect on the value of the Notes.

**No Recourse against the Credit Rating Agencies**

Notwithstanding that none of the Security Trustee and the Noteholders may have any right of recourse against the Credit Rating Agencies in respect of any confirmation given by them and relied upon by the Security Trustee, the Security Trustee shall be entitled to assume, for the purposes of exercising any power, trust, authority, duty or discretion under or in relation to the Conditions or any of the Transaction Documents, that such exercise will not be materially prejudicial to the interests of the Noteholders if the Credit Rating Agencies have confirmed that the then current rating of the applicable Class or Classes of Notes would not be adversely affected by such exercise.

By investing in the Notes, Noteholders acknowledge that, notwithstanding the foregoing a credit rating is an assessment of credit risk and does not address other matters that may be of relevance to the Noteholders. 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 the 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. It should be noted that, depending for example on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Credit Rating Agency cannot provide a confirmation in the time available or at all, and the relevant Credit Rating Agency shall not be responsible for the consequences thereof. Confirmation, if given by the relevant Credit Rating Agency, will be given on the basis of the facts and circumstances prevailing at the relevant time and/or in the context of changes to the transaction of which the securities form part since the Closing Date.

A confirmation from the relevant Credit Rating Agency represents only a restatement or confirmation of the opinions given as at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction.

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 ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter (a "confirmation"), but also includes:

- if no confirmation is forthcoming from any Credit Rating Agency, a written indication, by whatever means of communication, from such Credit Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an "indication"), or
- if no confirmation and no indication is forthcoming from any Credit Rating Agency and such Credit

Rating Agency has not communicated that the then current ratings of the Notes will be adversely affected by or withdrawn as a result of the relevant matter or that it has comments in respect of the relevant matter: (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 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 (see *Glossary of defined terms* below).

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 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 Class A Notes, which could lead to losses under the Notes.

The Credit Rating Agencies may change their criteria and methodologies and it may therefore be required that the Transaction Documents be restructured in connection therewith to prevent a downgrade of the credit ratings assigned to the Notes. There is, however, no obligation for any party to the Transaction Documents, including the Issuer, to cooperate with or to initiate or propose such a restructuring. A failure to restructure the transaction may lead to a downgrade of the credit ratings assigned to the Notes.

Due to the dependency on the performance of the relevant counterparties of their obligations in connection with this transaction, a deterioration of the credit quality of any of these counterparties (including a reduction in the credit rating of Achmea Bank, the Cash Advance Facility Provider, the Issuer Account Bank or the Interest Rate Cap Provider) may have an adverse effect on the rating of one or all classes of Notes. Any downgrade of the ratings may have a negative effect on the value of the Notes.

#### **Forecasts and estimates**

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.

#### **RISK FACTORS REGARDING THE MORTGAGE RECEIVABLES**

##### **Risk related to payments received by the Seller prior to notification to the Borrowers of the assignment of the Mortgage Receivables to the Issuer**

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 private deed of assignment and registration thereof with the appropriate tax authorities, without notification of the assignment to the debtors being required (*stille cessie*). The legal title of the Mortgage Receivables will be assigned on the Closing Date and, in respect of the New Mortgage Receivables on the Notes Payment Date whereon the New Mortgage Receivables are purchased, by the Seller to the Issuer through a Deed of Assignment and Pledge 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 if any of the Assignment Notification Events occur. For a description of these notification events reference is made to *Portfolio Conditions in Portfolio Information*.

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. On each Mortgage Collection Payment Date, the Seller or the Servicer, in accordance with the Administration Agreement, will procure the transfer to the Issuer Collection Account of any amounts received in respect of the Mortgage Receivables during the immediately preceding Mortgage Calculation Period. However, receipt of such amounts by the Issuer is subject to the Seller actually making such payments. If the Seller is declared bankrupt or subject to emergency regulations prior

to making such payments, the Issuer has no right of any preference in respect of such amounts (for mitigation of this risk see below).

Payments made by Borrowers to the Seller prior to notification of the assignment to the Issuer but after bankruptcy, (preliminary) suspension of payments or emergency regulations 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.

The risks set out in the preceding two paragraphs, are mitigated by the following structural features. Each Borrower has given a power of attorney to the Seller or any sub agent of the Seller respectively to collect amounts from his account due under the Mortgage Loan by direct debit. Under the Receivables Proceeds Distribution Agreement the Seller undertakes to direct all amounts of principal and interest to the Collection Foundation Accounts maintained by the Collection Foundation that is a bankruptcy remote foundation (*stichting*). The Collection Foundation Accounts are held with ABN AMRO Bank N.V. As a consequence, the Collection Foundation has a claim against ABN AMRO Bank N.V. as foundation accounts provider (or its successor) as the bank where such account is held, in respect of the balances standing to credit of the Collection Foundation Accounts.

The Issuer has been advised that in the event of a bankruptcy of the Seller any amounts standing to the credit of the Collection Foundation Accounts relating to the Mortgage Receivables will not form part of the bankruptcy estate of the Seller. The Collection Foundation is set up as a special purpose bankruptcy remote entity. The objectives 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 relevant Receivables Proceeds Distribution Agreement, the Seller and after an insolvency event relating to the Seller, a new administrator appointed for such purpose, respectively, will perform such payment transaction services on behalf of the Collection Foundation (see for a description of the cash collection arrangements section 5 *Credit Structure*).

There is a risk that the Seller (prior to notification of the assignment) or its liquidator (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 (*bevrjndend*). This risk is, however, mitigated by the following. Firstly, the Seller has under the Receivables Proceeds Distribution Agreement undertaken towards the Issuer and the Security Trustee not to amend the payment instructions and not to redirect cash flows to the Collection Foundation Accounts in respect of the Mortgage Receivables to another account, without prior approval of the Issuer and the Security Trustee. In addition, Achmea Bank in its capacity as administrator for the Collection Foundation has undertaken in the Receivables Proceeds Distribution Agreement to disregard any instructions or orders from the Seller to cause the transfer of amounts in respect of the Mortgage Receivables to be made to another account than the Collection Foundation Account without prior approval of the Issuer and the Security Trustee. Notwithstanding the above, the Seller is obliged to pay to the Issuer any amounts which were not paid on the Collection Foundation Accounts but to the Seller directly.

The balance standing to the credit of the Collection Foundation Accounts will be pledged to the Security Trustee, the Issuer, the Previous Outstanding Transaction SPVs and the Previous Outstanding Transaction Security Trustees by the Collection Foundation as security for (*inter alia*) any and all liabilities of the Collection Foundation to, respectively, the Security Trustee, the Issuer, the Previous Outstanding Transaction SPVs and the Previous Outstanding Transaction Security Trustees in view of the (remote) bankruptcy risk of the Collection Foundation. The pledge is shared with between the Security Trustee and the Previous Outstanding Transaction Security Trustees and the Issuer and the Previous Outstanding Transaction SPVs, most of which are set up as bankruptcy remote securitisation special purpose vehicles. Each Previous Outstanding Transaction Security Trustee and the Security Trustee will have a certain *pari passu* ranking undivided interest, or "share" (*aandeeel*) in the co-owned pledge, entitling it to part of the

foreclosure proceeds of the pledge over the Collection Foundation Accounts. As a consequence, the rules applicable to co-ownership (*gemeenschap*) apply to the joint right of pledge. The share of the Security Trustee will be determined on the basis of the amounts in the Collection Foundation Accounts relating to the Mortgage Receivables owned by the Issuer. Section 3:166 of the Dutch Civil Code 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 section 3:166 of the Dutch Civil Code (*aandee*) 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 co-owned 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 Outstanding Transaction Security Trustee's and the Security Trustee share. It is uncertain whether this sharing arrangement constitutes a sharing arrangement within the meaning of section 3:166 of the Dutch Civil Code and thus whether it is enforceable in the event of bankruptcy or suspension of payments of one of the pledgees. The same applies to the pledge for the Issuer and the Previous Outstanding Transaction SPVs. However, the Issuer has been advised that the insolvency of the Collection Foundation would not affect this arrangement. 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. The Collection Foundation Accounts Pledge Agreement provides that future issuers (and any security trustees) in securitisation transactions and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by the Seller will also have the benefit of the right of pledge on the balance standing to the credit of the Collection Foundation Accounts.

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

Under Dutch law and unless such right has been validly waived a debtor has a right of set-off if it has a claim that is due and payable which corresponds to its debt to the same counterparty and 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 by a Borrower. Also such claim of a Borrower could, *inter alia*, result from (investment) services rendered by the Seller or for which it is 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 lead to losses under the Notes.

The Seller will represent and warrant in the Mortgage Receivables Purchase Agreement that according to the conditions applicable to the Mortgage Loans originated by (i) Avéro Hypotheken B.V. and FBTO Hypotheken B.V. and (ii) by the Seller after 1 January 2003, payments by the Borrowers should be made without set-off. Considering the wording of this provision, it is uncertain whether this clause is intended as a waiver by the relevant Borrowers of their set-off rights vis-à-vis the Seller. Moreover, under Dutch law it is uncertain whether such waiver will be valid. Should the waiver be invalid and in respect of any of the other Mortgage Loans, 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 Mortgage Receivable, or (ii) the counterclaim of the Borrower has been originated and 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 relevant 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 (*opgekomen*) and become due and payable (*opeisbaar*) 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. With respect to deposits it will depend on the terms of the deposit whether the balance thereof will be due and payable (*opeisbaar*) at the moment of notification of the assignment. The Seller may have a savings relationship, current accounts or other account relationships with the Borrower or may have such relationship in the future.

In respect of Mortgage Loans granted by the Seller to any employees within the group within the meaning of article 2:24b of the Dutch Civil Code of Achmea B.V. (the "**Achmea Group**"), 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 the conditions for set-off after notification of assignment, 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 Achmea Group have the right to a reduced interest on a mortgage loan taken out with the Seller as part of their employment conditions. On this basis it could be argued that the Employee Mortgage Loan is part of the employment relationship and could on this basis be regarded as resulting from the same legal relationship. However, the Issuer has been advised that the better view is that the Employee Mortgage Loan and the employment relationship should not be regarded as the same legal relationship, since the Issuer has been informed by the Seller that (i) the only connection between the Employee Mortgage Loan and the employment relationship is the right to reduced interest on the Employee Mortgage Loan and (ii) no actual set-off of amounts due under the Employee Mortgage Loan with salary payments is agreed or actually effectuated. There is no case law or literature supporting this view. In this respect, the Seller will represent and warrant in the Mortgage Receivables Purchase Agreement that it has no employees. If an Employee Mortgage Loan is granted by the Seller to a Borrower which is also an employee of an entity within the Achmea Group, other than the Seller, the requirement for set-off that the debtor has a claim and a corresponding debt to the same counterparty is not met. There may be circumstances, however, which could lead to set-off or other defences being successful in such circumstances. 10.28 per cent. of the Mortgage Loans in the Provisional Pool are Employee Mortgage Loans (see section 6.1 (*Stratification tables*)). The risk described in this paragraph could, therefore, be more substantial compared to securitisation transactions in which such percentage is lower.

If notification of the assignment of the Mortgage Receivables is made after the bankruptcy or emergency regulations 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 Dutch 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 became 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 or emergency regulations.

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 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. If the Seller would not meet its obligations under the Mortgage Receivables Purchase Agreement, set-off by Borrowers could lead to losses under the Notes.

For specific set-off issues relating to the Life Mortgage Loans, Savings Mortgage Loans and/or, as the case may be, Bank Savings Mortgage Loans, reference is made to *Risk of set-off or defences by Borrowers in the event of an insolvency of Insurance Companies* and *Risks related to offering of Life Insurance Policies*.

#### **Risk relating to Further Advances**

Part of the Mortgage Receivables sold and assigned to the Issuer relates to Mortgage Loans which have been originated by Avéro Hypotheken B.V., Centraal Beheer Hypotheken B.V., Centraal Beheer Woninghypotheken B.V., FBTO Hypotheken B.V., Woonfonds Nederland B.V., Interpolis Schade Hypotheken B.V. or Interpolis BTL Hypotheken B.V. which have subsequently merged into the Seller.

The Issuer has been advised that in the event of any such merger, it is not certain whether any Further Advances granted, or to be granted, by the Seller after any such merger are validly secured by the mortgage right and borrower pledges vested in favour of the original lender (which has ceased to exist as a result of the merger). For this question it is relevant, *inter alia*, whether the Further Advance resulted from the same legal relationship as the Mortgage Loan or whether it constitutes a new legal relationship. The Seller considers the claim resulting from such a Further Advance to be secured by the Mortgage and the Borrower Pledges and the Seller will represent and warrant that all Mortgage Receivables are fully secured by a Mortgage and, to the extent applicable, Borrower Pledge(s). If a Further Advance is not validly secured by a mortgage right, or, to the extent applicable, a right of pledge, this constitutes a breach of such representation and warranty, resulting in an obligation of the Seller to repurchase the Mortgage Receivable.

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

Most of the Mortgage Deeds relating to the Mortgage Receivables to be sold to the Issuer provide that the mortgage rights created pursuant to such Mortgage Deeds are All Moneys Mortgages and a part of the Mortgage Deeds only secure the relevant Mortgage Loan and Further Advances ("**Fixed Mortgage Loans**"). Such Mortgage Loans also provide for rights of pledge granted in favour of the Seller, which are All Moneys Pledges or fixed pledges.

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.

The prevailing view of Dutch legal commentators has been for a long time that upon the assignment of a receivable secured by an all moneys security right, such security right does not pass to the assignee as an accessory and ancillary right in view of its non-accessory or personal nature. It was assumed that an all moneys security right only follows a receivable which it secures, if the relationship between the bank and the borrower has been terminated in such a manner that following the assignment the bank cannot create or obtain further receivables from the relevant borrower secured by the security right. These commentators claim that this view is supported by case law.

There is a trend in legal literature to dispute the view set out in the preceding paragraph. Legal commentators following such trend argue that in case of assignment of a receivable secured by an all moneys security right, the security right will in principle (partially) pass to the assignee as an accessory right. In this argument the transfer does not conflict with the nature of an all moneys security right, which is -in this argument- supported by the same case law. Any further claims of the assignor will also continue to be secured and as a consequence the all moneys security right will be jointly-held by the assignor and the assignee after the assignment. In this view an all moneys security right only continues to secure exclusively claims of the original holder of the security right and will not pass to the assignee, if this has been explicitly stipulated in the deed creating the security right.

Although the view prevailing in the past, to the effect that given its nature 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 money 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 Seller will represent and warrant that neither the mortgage deeds nor any other agreements between the Seller and the relevant Borrower in respect of the Mortgage Receivables contain any explicit provision on the issue whether the mortgage right or rights of pledge follows the receivable upon its assignment or a confirmation that the All Moneys Security Rights follow in part or in full the Mortgage Receivable upon assignment and as a consequence thereof there is either no clear indication of the intention of the parties or a clear indication of the intention of the parties in this respect. The Issuer has been advised that even in such case the All Moneys Security Right should (partially) follow the receivable as an 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 Netherlands courts would decide if this matter were to be submitted

to them, particularly taking into account the prevailing view of Dutch commentators on all moneys security rights in the past, which view continues to be defended by some legal authors.

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. If an All Moneys Mortgage has not (partially) followed the Mortgage Receivable upon its assignment, the Issuer and/or the Security Trustee will not have the benefit of such security right. This will materially affect the ability of the Issuer to take recourse on the Mortgaged Asset and the Borrower in case the Borrower defaults under the Mortgage Loans and may affect the ability of the Issuer to meet its payment obligations under the Notes.

The preceding paragraph applies *mutatis mutandis* with respect to the pledge of the Mortgage Receivables by the Issuer to the Security Trustee under the Issuer Mortgage Receivables Pledge Agreement and the Deed of Assignment and Pledge.

#### **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, 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.

Where All Moneys Security Rights are jointly-held by both the Issuer or the Security Trustee and the Seller and/or a third party, the rules applicable to joint estate (*gemeenschap*) apply. The Dutch Civil Code 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) have agreed that in case of an Other Claim the Issuer and/or the Security Trustee (as applicable) will manage and administer such jointly-held rights. 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 All Moneys Security Rights will be considered as day-to-day management, and consequently it is uncertain whether the consent of the Seller, or the Seller's bankruptcy trustee (in the event of a bankruptcy) or administrator (in the event of emergency regulations), as the case may be, may be required for such foreclosure.

The Seller, the Issuer and/or the Security Trustee (as applicable) will agree in the Mortgage Receivables Purchase Agreement that in the event of a foreclosure in respect of the Mortgage Receivables, the share (*aandeel*) in each jointly-held All Moneys Security Right of the Security Trustee and/or the Issuer will be equal to the lesser of (i) the Net Foreclosure Proceeds and (ii) the Outstanding Principal Amount of the Mortgage Receivable increased by interest and costs, if any, and the Seller's share will be equal to the Net Foreclosure Proceeds less the Outstanding Principal Amount of the Mortgage Receivable, increased by interest and costs, if any.

It is not certain that this arrangement will be enforceable against the Seller or, in the event of its bankruptcy or emergency regulations, its bankruptcy trustee (*curator*) or administrator (*bewindvoerder*) and in such case the cooperation of the Seller or its bankruptcy trustee might be required to enforce and the proceeds might be shared *pro rata*. Furthermore it is noted that these arrangements may not be effective against the Borrower.

If (a bankruptcy trustee or administrator of) the Seller would, notwithstanding the arrangement set out above, enforce the jointly-held All Moneys Security Rights securing the Mortgage Receivables, 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. In view of the protection of the interests of the Issuer it is furthermore agreed in the Mortgage Receivables Purchase Agreement that in the event of a breach by the Seller of its obligations under these arrangements or if any of such arrangement is dissolved, void, nullified or ineffective for any reason in respect of the Seller, the Seller shall compensate the Issuer and/or the Security Trustee (as applicable) for any and all loss, cost, claim, damage and expense whatsoever which the Issuer and/or the Security Trustee (as applicable) incurs as a result thereof during any Notes Calculation Period. Such

compensation will be payable by the Seller forthwith. Receipt of such amount by the Issuer and/or the Security Trustee is subject to the ability of the Seller to actually make such payments. If the Seller would not make such payments, this could result in losses under the Notes.

In view hereof, the Seller will represent and warrant in the Mortgage Receivables Purchase Agreement that on the Cut-Off Date it had no Other Claims and it will undertake in the Mortgage Receivables Purchase Agreement that, until the Notes have been redeemed in accordance with the Conditions and the Issuer has no further obligations under any of the other Transaction Documents, it will repurchase and accept re-assignment of a Mortgage Receivable, if it obtains an Other Claim, including resulting from a Further Advance.

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

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

A long lease will, *inter alia*, end as a result of expiration of the long lease term (in respect of a lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease in the event the leaseholder has not paid the remuneration due for a period exceeding two consecutive years or seriously breaches (*in ernstige mate tekortschieten*) other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the mortgage right will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder on the landowner for such compensation. 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.

When underwriting a Mortgage Loan to be secured by a mortgage right on a long lease, the Seller (and each of its legal predecessors) has taken into consideration the conditions, including the term of the long lease. The Seller will represent and warrant in the Mortgage Receivables Purchase Agreement that the acceptance conditions used from time to time provide that in such event the Mortgage Loan shall have a maturity that is shorter than or equal to the term of the long lease. Furthermore, the Seller will represent and warrant in the Mortgage Receivables Purchase Agreement that the general terms and conditions of the Mortgage Loans provide that the Mortgage Loan becomes immediately due and payable in the event that, *inter alia*, (i) the long leaseholder has not paid the long lease rental, (ii) the conditions of the long lease are changed, (iii) the long leaseholder breaches any obligation under the long lease, or (iv) the long lease is dissolved or terminated.

**Risk that the Borrower Insurance Pledge 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 Netherlands court as a future right. The pledge of a future right is, under Netherlands law, not effective if the pledgor is declared bankrupt, granted a suspension of payments or a debt restructuring scheme pursuant to the Dutch Bankruptcy Code or is subject to emergency regulations, prior to the moment such right comes into existence. This means that it is uncertain whether such pledges will be effective. Furthermore, as the Borrower Insurance Pledges qualify as All Moneys Security Rights Pledges, reference is made to *Risk that the All Moneys Security Rights will not follow the Mortgage Receivables upon assignment to the Issuer* above.

**Risks related to Beneficiary Rights under the Insurance Policies**

With respect to each Mortgage Loan, the relevant Originator or the Seller has appointed itself as beneficiary of the proceeds under the Insurance Policies either (i) for all amounts owed by the Borrower to the relevant Originator or the Seller or (ii) up to the amount provided for in the mortgage deed, except where any other beneficiary is appointed ranking ahead of the relevant Originator or the Seller, provided that, *inter alia*, the relevant Insurance Company is irrevocably authorised by such beneficiary to pay the proceeds of the Insurance Policy to the Seller. The Issuer has been advised that it is unlikely that the appointment of the Seller as beneficiary will be regarded as an ancillary right which will follow the Mortgage Receivables upon assignment or pledge thereof to the Issuer or the Security Trustee. Therefore, the Seller will separately assign, and the Issuer will accept the assignment of, the Beneficiary Rights, to the extent necessary and legally possible. In addition, the Issuer will grant a first-ranking undisclosed right of pledge over these

Beneficiary Rights to the Security Trustee (see section 4.7 (*Security*)). However, the Issuer has been advised that it is uncertain whether this assignment and subsequent pledge will be effective.

For the situation that no such Borrower Insurance Proceeds Instruction exists and/or the assignment and/or pledge of the Beneficiary Rights is not effective, the Issuer will enter into the Beneficiary Waiver Agreement with the Security Trustee, the Insurance Savings Participant and the Seller, 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 Insurance Policies with the Insurance Savings Participant and appoints as first beneficiary up to the Outstanding Principal Amount of the Mortgage Receivable (i) the Issuer subject to the dissolving condition (*ontbindende voorwaarde*) of the occurrence of a Pledge Notification Event and (ii) the Security Trustee under the condition precedent (*opschortende voorwaarde*) of the occurrence of a Pledge Notification Event. It is, however, uncertain whether such waiver, and unlikely that such appointment will be effective. For the event that such waiver and appointment are (indeed) not effective in respect of the Insurance Policies with the Insurance Savings Participant and, furthermore, in respect of the Life Insurance Policies with any of the Life Insurance Companies, the Seller and the Insurance Savings Participant (but only in respect of any Insurance Policies with it) will undertake in the Beneficiary Waiver Agreement that upon the occurrence of an Assignment Notification Event, they will use their best efforts to obtain the co-operation from all relevant parties to waive its rights as beneficiary under the Insurance Policies with the Insurance Savings Participant and appoints as first beneficiary up to the Outstanding Principal Amount of the Mortgage Receivable (i) the Issuer subject to the dissolving condition (*ontbindende voorwaarde*) of the occurrence of a Pledge Notification Event and (ii) the Security Trustee under the condition precedent (*opschortende voorwaarde*) of the occurrence of a Pledge Notification Event. For the event that a Borrower Insurance Proceeds Instruction has been given, in the Beneficiary Waiver Agreement the Seller and, in respect of the Insurance Policies with the Insurance Savings Participant only, the Insurance Savings Participant will undertake, following an Assignment Notification Event, to use its best efforts 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 (*ontbindende voorwaarde*) of the occurrence of a Pledge Notification Event and (ii) the Security Trustee under the condition precedent (*opschortende voorwaarde*) of the occurrence of a Pledge Notification Event, up to the Outstanding Principal Amount of the Mortgage Receivable. 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, including the Life Insurance Companies. It is uncertain whether such co-operation will be forthcoming.

If the Issuer or the Security Trustee, as the case may be, has not become beneficiary of the Insurance Policies or the assignment and pledge of the Beneficiary Rights is not effective, any proceeds under the Insurance Policies will be payable to the Seller or to another beneficiary rather than to the Issuer or the Security Trustee, as the case may be, up to the amount of any claims the Seller may have on the relevant Borrower. 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 the event of a bankruptcy of or emergency regulations 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 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. However, the Issuer has been advised that payments by the Insurance Companies into the Collection Foundation Account would fall outside the estate of the Seller. The Collection Foundation would be obliged to forward such amounts to the Issuer, as agreed between the Issuer and the Seller. In case of insolvency of the Seller, a bankruptcy trustee would be bound by such agreement.

#### **Risk of set-off or defences by Borrowers in the event of an insolvency of Insurance Companies**

The Savings Mortgage Loans have the benefit of Saving Insurance Policies with the Insurance Savings Participant, the Life Mortgage Loans with the possibility of a Savings Element have the benefit of a Life Insurance Policy with a Savings Alternative with the Insurance Savings Participant and the Life Mortgage Loans have the benefit of Life Insurance Policies with any of the Insurance Companies. 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 emergency regulations, this could result in amounts

payable under the Insurance Policies not or only partly being available for payment of the relevant Mortgage Receivables. This may again lead to the Borrower trying to invoke set-off rights and defences as further discussed below which may have the result that the Mortgage Receivables will be, fully or partially, extinguished (*tenietgaan*) or cannot be recovered for other reasons which could lead to losses under the Notes.

If the amounts payable under the Insurance Policy are not applied towards redemption of the Mortgage Receivable, the Borrower may try to invoke a right of set-off of the amount due under the Mortgage Receivable with amounts payable under or in connection with the relevant Insurance Policy. As set out in *Set-off by Borrowers may affect the proceeds under the Mortgage Receivables* above some of the Borrowers have waived their set-off rights, but it is uncertain whether such waiver is effective. If the waiver is not effective or the relevant Borrower has not waived its set-off rights, the Borrowers will 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, Borrowers would have to establish that the Seller and the relevant Insurance Company should be regarded as one legal entity or that possibly set-off is allowed, despite the Seller and the Insurance Company not forming a single legal entity, since, based upon interpretation of case law, the Insurance Policies and the Mortgage Loans are to be regarded as one inter-related relationship or one legal relationship.

Another requirement is that the Borrowers should have a counterclaim that is due and payable. If the relevant Insurance Company is declared bankrupt or has become subject to emergency regulations, the Borrower will have the right to unilaterally terminate the Insurance Policy and to receive a commutation payment (*afkoopsom*). These rights are subject to the Borrower Pledge, subject, however, to what is stated above under *Risk that Borrower Pledge will not be effective*. In principle, if a receivable is pledged, the pledgor will not be entitled to invoke a right of set-off of a debt to the same counterparty with such receivable. However, despite this pledge it may be argued that the Borrower will be entitled to invoke a right of set-off for the commutation payment. 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 premia paid, deposits made and/or supplementary damages. It is uncertain whether such claim is subject to the Borrower Pledge. If not, the Borrower Pledge would not obstruct a right of set-off with such claim by Borrowers.

Set-off vis-à-vis the Issuer and/or the Security Trustee after notification of the assignment and pledge would be subject to the additional requirements for set-off after assignment and/or pledge being met (see risk factor *Set-off by Borrowers may affect the proceeds under the Mortgage Receivables* above).

With respect to the Savings Mortgage Loans and the Life Mortgage Loans with the possibility of a Savings Element (one of) these additional requirements is likely to be met, since it is likely that the Savings Mortgage Loans and the Savings Insurance Policies, the Life Mortgage Loans with the possibility of a Savings Element and the Life Insurance Policies with a Savings Alternative are to be regarded as one legal relationship. If the Savings Mortgage Loans and the Savings Insurance Policies, the Life Mortgage Loans with the possibility of a Savings Element and the Life Insurance Policies with a Savings Alternative are regarded as one legal relationship, the assignment will not obstruct the set-off. With respect to the Life Mortgage Loans, other than the Life Mortgage Loans with the possibility of a Savings Element, the fact that the Life Mortgage Receivables are assigned to the Issuer is likely to obstruct such set-off, after notification of the assignment, since it is unlikely that one of the requirements for set-off following assignment or pledge is met (see risk factor *Set-off by Borrowers may affect the proceeds under the Mortgage Receivables* above).

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 naturally 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 terms and conditions applicable to the Mortgage Loan, as set forth in the Mortgage Deed and/or in any loan document, offer document or any other document and/or in any applicable general terms and conditions for mortgages of the Seller as from time to time in effect 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. The Borrowers

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" (*dwalig*), i.e. that the Mortgage Loans and the Insurance Policy were entered into as a result of "error". If this defence were successful, this could lead to annulment of the Mortgage Loan, which would result in the Issuer no longer holding a Mortgage Receivable.

*Life Mortgage Loans with Life Insurance Policies with any of the Insurance Companies (other than the Insurance Savings Participant) connected thereto, other than Life Mortgage Loans with Life Insurance Policies with N.V. Interpolis BTL connected thereto originated by Interpolis Schade Hypotheken B.V. or Interpolis BTL Hypotheken B.V.*

In respect of the risk of such set-off or defence being successful, as described above, if in the event of a bankruptcy or emergency regulations of any of the Life Insurance Companies, the Borrower/insured will not be able to recover their claims under Life Insurance Policies taken out by any of the Life Insurance Companies, the Issuer has been advised that, taking into account that the Seller will represent that with respect to such Life Mortgage Loans other than Life Mortgage Loans originated by Interpolis Schade Hypotheken B.V. or Interpolis BLT Hypotheken B.V. with Life Insurance Policies with N.V. Interpolis BTL connected thereto (i) there is no connection, whether from a legal or a commercial point of view, between the Life Mortgage Loan and the relevant Life Insurance Policy other than the relevant Borrower Insurance Pledge and the relevant Beneficiary Rights, (ii) such Life Mortgage Loans and the Life Insurance Policies are not marketed as one product or under one name, (iii) the Borrowers were free to choose the relevant Insurance Company and (iv) the Insurance Company is not a group company of the Seller, it is unlikely that a court would honour set-off or defences of the Borrowers, as described above.

*Life Mortgage Loans with Life Insurance Policies with the Insurance Savings Participant connected thereto, other than Life Mortgage Loans with the possibility of a Savings Element*

In respect of Life Mortgage Loans between the Seller and a Borrower with a Life Insurance Policy between the Insurance Savings Participant and such Borrower, the Issuer has been advised that the possibility cannot be disregarded (*kan niet worden uitgesloten*) that the Dutch courts will honour set-off or defences of Borrowers. This advice is based on the preceding paragraphs and the factual circumstances involved, *inter alia*, that both the Seller and the Insurance Savings Participant have carried Achmea in their legal names (but different promotional names) since September 2000 and that both the Seller and the Insurance Savings Participant belong to the same group of companies and notwithstanding the representation of the Seller that, besides the fact that an insurance policy is a condition precedent for granting a Life Mortgage Loan, (i) there is no connection, whether from a legal or a commercial point of view, between the relevant Life Mortgage Loan and any Life Insurance Policy, other than (a) the right of pledge securing the Life Mortgage Receivable and (b) the Beneficiary Rights, (ii) the Life Mortgage Loan and the relevant Life Insurance Policies were not marketed as one product and (iii) the Borrower was free to choose the relevant Insurance Company.

An arrangement as is provided for in the Participation Agreements as described below under *Savings Mortgage Loans, Life Mortgage Loans with the possibility of a Savings Element* and *Bank Savings Mortgage Loans* or any similar arrangement does not apply to Life Mortgage Loans other than Life Mortgage Loans with the possibility of a Savings Element.

*Life Mortgage Loans originated by Interpolis Schade Hypotheken B.V. or Interpolis BTL Hypotheken B.V. with Life Insurance Policies with N.V. Interpolis BTL connected thereto*

In respect of Life Mortgage Loans originated by Interpolis Schade Hypotheken B.V. or Interpolis BTL Hypotheken B.V. to a Borrower with a Life Insurance Policy between N.V. Interpolis BTL and such Borrower, the Issuer has been advised that, given the close link of these Life Mortgage Loans and Life Insurance Policies, there is a considerable risk (*een aannemelijk risico*) that in the event that the Borrowers cannot recover their claims under the associated Life Insurance Policies from the relevant Life Insurance Companies, the courts will honour set-off or defences invoked by the Borrowers, as described above.

An arrangement as is provided for in the Participation Agreements as described below under *Savings Mortgage Loans, Life Mortgage Loans with the possibility of a Savings Element* and *Bank Savings Mortgage Loans* or any similar arrangement does not apply to Life Mortgage Loans originated by Interpolis Schade Hypotheken B.V. or Interpolis BTL Hypotheken B.V. with Life Insurance Policies with N.V. Interpolis BTL connected thereto.

*Savings Mortgage Loans, Life Mortgage Loans with the possibility of a Savings Element*

In respect of Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Element, the Issuer has been advised that there is a considerable risk (*een aanmerkelijk risico*) that such a set-off or defence would be successful in view - *inter alia* - of the close connection between (i)(a) the Savings Mortgage Loan and the Savings Insurance Policy and (b) the Life Mortgage Loan with the possibility of a Savings Element and the Life Insurance Policy with the possibility of a Savings Alternative and (ii) the wording of the mortgage documentation used by the Seller and the other Originators.

The Insurance Savings Participation Agreement will - *inter alia* - provide that if a Borrower invokes a defence, including but not limited to a right of set-off or counterclaim in respect of such Savings Mortgage Loan or Life Mortgage Loan with the possibility of a Savings Element, as the case may be, based upon a default in the performance, in whole or in part, by the Insurance Savings Participant or if, for whatever reason, the Insurance Savings Participant does not pay the insurance proceeds, when due and payable, whether in full or in part, under the relevant Savings Insurance Policy or the Life Insurance Policy with a Savings Alternative or, as the case may be, and, as a consequence thereof, the Issuer will not have received any amount outstanding prior to such event, the Insurance Savings Participation of the Insurance Savings Participant, as the case may be, in respect of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element, as the case may be, will be reduced by an amount equal to the amount which the Issuer has failed to receive.

The amount of the Insurance Savings Participation is equal to the amount of Savings Premium received by the Issuer plus the accrued yield on such amount (see further section 7.6 (*Sub-Participation*)) provided that the Insurance Savings Participant will have paid (at least) an amount equal to all Savings Premium received from the relevant Borrower to the Issuer. Therefore, normally the Issuer would not suffer any damages if the Borrower would invoke any such right of set-off or defence, if and to the extent that the amount for which the Borrower would invoke set-off or defences does not exceed the amount of the Insurance Savings Participation. However, the amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Insurance Savings Participation.

An arrangement as is provided for in the Insurance Savings Participation Agreements as described above or any similar arrangement does not apply to Life Mortgage Loans (other than Life Mortgage Loans with a Savings Alternative) including Life Mortgage Loans with an Investment Alternative.

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

The Bank Savings Mortgage Loans have the benefit of the amounts standing to the credit of the Bank Savings Accounts held with the Bank Savings Participant. If the Bank Savings Participant is no longer able to meet its obligations in respect of the Bank Savings Accounts, for example as a result of bankruptcy or having become subject to emergency regulations, this could result in amounts payable in connection with the Bank Savings Accounts not or only partly being available for payment of the relevant Mortgage Receivables. This may again lead to the Borrower trying to invoke set-off rights and defences as further discussed below which may have the result that the Mortgage Receivables will be, fully or partially, extinguished (*tenietgaan*) or cannot be recovered for other reasons which could lead to losses under the Notes.

In respect of Bank Savings Mortgage Loans it is noted that from 1 January 2014 a Bank Savings Deposit will, by operation of law, be set-off against the Bank Savings Mortgage Loan, irrespective of any rights of third parties, such as Achmea Bank or the Issuer, with respect to the Bank Savings Mortgage Loan, if (i) DNB has put into effect the deposit guarantee scheme (*depositogarantieregeling*) in respect of the entity which holds the Bank Savings Deposit, (ii) such entity has been subjected to emergency regulations (*noodregeling*) or (iii) such entity has been declared bankrupt (*faillissement*).

If the amounts payable in connection with Bank Savings Accounts are not applied towards redemption of the Mortgage Receivable, the Borrower may try to invoke a right of set-off of the amount due under the

Mortgage Receivable with amounts payable under or in connection with the relevant Bank Savings Account. As set out in *Set-off by Borrowers may affect the proceeds under the Mortgage Receivables* above some of the Borrowers have waived their set-off rights, but it is uncertain whether such waiver is effective. If the waiver is not effective or the relevant Borrower has not waived its set-off rights, the Borrowers will need to comply with the applicable legal requirements for set-off. The Issuer has been advised that as the Seller and the Bank Savings Participant are one legal entity, the first condition for set-off that the counterclaim of the Borrower must result from the same legal relationship as the relevant Mortgage Receivable will in any case be met and that, provided that all other conditions for set-off by Borrowers have been met, the Borrower will be entitled to set off amounts due by the Seller under the Bank Savings Deposit with the relevant Bank Savings Mortgage Receivable.

The Bank Savings Participation Agreement will - *inter alia* - provide that if a Borrower invokes a defence, including but not limited to a right of set-off or counterclaim in respect of a Bank Savings Mortgage Loan, based upon a default in the performance, in whole or in part, by the Bank Savings Participant or if, for whatever reason, the Bank Savings Participant does not pay the balance on the Bank Savings Account (as a result of set-off or otherwise), when due and payable, whether in full or in part, under the relevant Bank Savings Mortgage Loan and, as a consequence thereof, the Issuer will not have received any amount outstanding prior to such event, 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 receive as a result of such defence or failure to pay accordingly.

The amount of the Bank Savings Participation is equal to the amount of Bank Savings Deposit Instalments received by the Issuer plus the accrued yield on such amount (see further section 7.6 (*Sub-Participation*)) provided that the Bank Savings Participant will have paid (at least) an amount equal to all Bank Savings Deposit Instalments received from the relevant Borrower to the Issuer. Therefore, normally the Issuer would not suffer any damages if the Borrower would invoke any such right of set-off or defence, if and to the extent that the amount for which the Borrower would invoke set-off or defences does not exceed the amount of the Bank Savings Participation. However, the amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Bank Savings Participation.

#### **Risks in respect of interest rate reset rights**

The interest rate of each of the Mortgage Loans is to be reset from time to time. The Issuer has been advised that a good argument can be made 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, but that in the absence of case law or legal literature this is not certain. If the interest reset right remains with the Seller, the co-operation of the bankruptcy trustee (in bankruptcy) or administrator (in emergency regulations) 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) and regulations. To the extent that 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) and regulations.

Furthermore, in the Mortgage Conditions of Avéro Hypotheken B.V., relating to Mortgage Loans originated prior to 1 January 2003 it is provided that three (3) months or one (1) month prior to the interest rate reset date the Mortgage Loan (the Mortgage Conditions refer to the mortgage, but probably the Mortgage Loan is meant and not the mortgage right) will be terminated. This wording could be interpreted to mean that at the interest rate reset date the Mortgage Loan is novated (*schuldvernieuwing*), although a more likely interpretation is that the Mortgage Loan will terminate, unless extended by the Seller and the Borrower. If novation would take place, this would mean that a new receivable would be created and the Mortgage Loan should be considered to be prepaid, but the relevant All Moneys Mortgage would then secure the new receivable (which, for the avoidance of doubt, is not held by the Issuer). The Seller has advised the Issuer that the approach adopted by the Seller in practice when administering these Mortgage Loans is (i) to treat each Mortgage Loan (and related mortgage security) as being extended (and not novated or terminated) on an interest rate reset date and to only treat a Mortgage Loan (but not the related mortgage security) as being terminated on an interest reset date where a Borrower has not agreed to the rate offered by the Seller and (ii) to require each Borrower to accept the new interest rate and period in writing prior to the interest rate reset date. The Seller has been advised by its internal legal counsel that this approach is consistent with the

proper and reasonable interpretation of the Mortgage Conditions of the Seller (including Avéro Hypotheken B.V. as its legal predecessor). In addition, the Seller has advised the Issuer that in practice the Seller has not encountered any claim by any Borrower which conflicts with the approach described above. In view hereof, the Seller will represent and warrant that, in the event of an interest rate reset of a Mortgage Receivable resulting from a Mortgage Loan originated by Avéro Hypotheken B.V., the Seller considers such Mortgage Loan to be extended and not novated. Furthermore, in the Mortgage Receivables Purchase Agreement the Seller will undertake to repurchase and accept reassignment of (i) all Mortgage Receivables resulting from Mortgage Loans originated by Avéro Hypotheken B.V. on the Mortgage Collection Payment Date immediately following the date on which a Dutch court has ruled in respect of such a Mortgage Receivable that, upon an interest rate reset thereof, the Mortgage Loan is novated and/or (ii) a Mortgage Receivable in case the relevant Borrower takes the position that the Mortgage Loan has been novated on the immediately succeeding Mortgage Collection Payment Date.

Pursuant to the Mortgage Receivables Purchase Agreement the Seller will determine and set the interest rates of the Mortgage Loans in accordance with the Mortgage Conditions. The Issuer, the Security Trustee, the Seller and the Servicer have agreed in the Administration Agreement that in case the appointment of the Seller to determine and set the interest rates is terminated, the Servicer will determine and set the interest rates of the Mortgage Loans in accordance with the Mortgage Conditions.

**Risk that the weighted average interest rate of the Reset Mortgage Receivables falls below the Post-FORD Mortgage Interest Rate**

The Mortgage Receivables Purchase Agreement and the Servicing Agreement provide that, after the First Optional Redemption Date, the Seller and the Servicer will use its best efforts, subject to applicable law and regulations, including, without limitation, principles of reasonableness and fairness, to offer Borrowers in respect of Reset Mortgage Receivables an interest rate for the next succeeding interest rate period (*rentevastperiode*) which is at least the Post-FORD Mortgage Interest Rate. There is a risk that the Seller or Servicer does not comply with its obligation to set the interest rates not below the Post-FORD Mortgage Interest Rate and that after the First Optional Redemption Date, the interest received by the Issuer may not be sufficient to pay the interest payable on the Notes. To mitigate this risk, the Mortgage Receivables Purchase Agreement provides that if, after the First Option Redemption Date, the weighted average interest rate of the Reset Mortgage Receivables falls below the Post-FORD Mortgage Interest Rate, the Seller shall, on the immediately following Notes Payment Date, (i) repurchase and the Issuer will sell and assign such Reset Mortgage Receivables having an interest rate lower than the Post-FORD Mortgage Interest Rate at such time and (ii) sell and assign and the Issuer shall purchase New Mortgage Receivables and any Beneficiary Rights relating thereto having an aggregate outstanding principal amount equal to or not more than 5 per cent. below (but never in excess of) the Outstanding Principal Amount of the Mortgage Receivables repurchased by the Seller at such time, such that following such repurchase and sale the weighted average interest rate of the remaining Reset Mortgage Receivables and the New Mortgage Receivables purchased on such date shall be at least the Post-FORD Mortgage Interest Rate. The remaining risk is that the Seller does not comply with its repurchase obligation under the Mortgage Receivables Purchase Agreement. See *The Issuer has counterparty risk exposure* above.

**Risk of set-off or defences in respect of investments under Investment Mortgage Loans**

The Seller has represented that under the Investment Mortgage Loans (*beleggingshypotheken*), the securities are purchased for the account of the Borrowers by a bankruptcy remote securities giro (*effectengiro*), a bank or an investment firm (*beleggingsonderneming*), which is by law obliged to ensure that these securities are held in custody by an admitted institution for Euroclear Netherlands if these securities qualify as securities as defined in the Wge or, if they do not qualify as such, by a separate depository vehicle. 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 the securities are not held in such manner 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 of set-off or defences by Borrowers in the event of an insolvency of Insurance Companies or the Bank Savings Participant*.

**Reduced value of investments may affect the proceeds under certain types of Mortgage Loans**

The value of investments made under the Investment Mortgage Loans or by the Insurance Companies in connection with the Life Insurance Policies may not be sufficient for the Borrower to fully redeem the related

Mortgage Receivables 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 Realised Loss in respect of such Mortgage Receivables.

### **Risks related to offering of Life Insurance Policies and Investment Mortgage Loans**

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 Mortgage Loans to which Life Insurance Policies are connected and the Investment Mortgage Loans. 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. These requirements have become more strict over time. 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 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 materials provided to the Borrower. Also, 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 the Investment Mortgage Loans or Life Insurance Policies is not sufficient to redeem the Mortgage Loans.

After market downturn in 2001, in many cases the development of value in investment linked insurances (*beleggingsverzekeringen*), such as Life Insurance Policies, was less than customers had hoped for and less than the value forecast at the time the investment-linked insurances were concluded. This had led to a public attention of these products, particularly since 2006, commonly known as the *woekerpolisaffaire* (usury insurance policy affair). There was a particular focus by the general public on the lack of information provided in some cases on investment-linked insurances regarding costs, and/or risk premiums and/or investment risks. Public attention was further triggered by (i) a finding by the AFM in 2006 that insurers were in some cases providing customers with incomplete and incorrect information about such insurances, and (ii) reports published by the AFM in 2008. In 2008, the Kifid ombudsman of the Complaint Institute for Financial Services (*Klachteninstituut Financiële Dienstverlening*) issued a recommendation in which he proposes to limit the cost level of investment-linked insurances and to compensate customers of investment-linked insurances for costs exceeding a certain level.

On the base of this recommendation, consumer organisations representing policyholders have engaged with various large insurers to come to a farther-reaching settlement with each of these insurers. For all large insurance companies, this led to the conclusion of a compensation agreement with some of these consumer organisations regarding a refund of costs above a certain percentage specified in the compensation agreement and a refund for the leverage risk and the capital consumption risk if materialised. Compensation was not only provided to policyholders who were specifically represented, but to all holders of such policies of such insurance company. Other smaller insurers offer similar compensation. The compensation agreements are not conclusive as the agreements were entered into with consumer organisations and not with individual policyholders and the agreements do not provide for discharge (*kwijting*) of the insurers. It is, therefore, open to policyholders to claim additional or other compensation. A number of individual policyholders are actively pursuing claims, some of whom are assisted by a number of claim organisations. Rulings of courts, including the Netherlands Supreme Court (*Hoge Raad der Nederlanden*), and the Complaint Institute for Financial Services have been published, some of which are still subject to appeal, which were generally favourable for consumers. On 29 April 2015, a decision of the Court of Justice EU was rendered on this subject. The exact meaning and consequences of this decision are subject to further decisions to be given by the courts in the Netherlands.

On 15 September 2010, the Insurance Savings Participant concluded an agreement with Stichting Woekerpolis Claim and Stichting Verliespolis with regard to a financial compensation arrangement for clients with unit-linked policies. This agreement is fully in line with the recommendations of the Ombudsman and applies to all policies taken out before 1 January 2008 under the Achmea labels Avéro Achmea, Centraal Beheer Achmea, FBTO and Interpolis and their predecessors. The total sum payable in compensation will be approximately euro 315 million, which amount is fully reserved for in the accounts of 2008, 2009 and 2010. In this respect, also see risk factor *The Issuer has counterparty risk exposure*.

In March 2014, a class action organisation has stated in the media that it will start a lawsuit against (certain predecessors of) Achmea Pensioen- en Levensverzekeringen N.V. based on a ruling of the Financial

Services Complaints Tribunal (*KiFid*) in an individual case. Up to the date of this Prospectus Achmea has not yet received a notice of liability from or been served with a writ of summons by this class action organisation.

If Life Mortgage Loans to which Life Insurance Policies are connected would for the reasons described in this paragraph be dissolved or nullified, this will affect the collateral granted to secure these Mortgage Loans (e.g. the Borrower Insurance Pledge and the Beneficiary Rights would cease to exist). The Issuer has been advised that in such case the Mortgage Loans connected thereto can possibly also be dissolved or nullified, but that this will be different depending on the particular circumstances involved. Even if the Mortgage Loan is not affected, the Borrower/insured may invoke set-off or other defences against the Issuer. The analysis in that situation is similar to the situation in the event of an insolvency of the insurer (see risk factor *Risk of set-off or defences by Borrowers in the event of an insolvency of Insurance Companies*), except if the Seller itself is liable, whether jointly with the insurer or separately, vis-à-vis the Borrower/insured. 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 may lead to losses under the Notes.

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

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

#### **Risks of losses associated with declining values of Mortgaged Assets**

The security for the Notes created under the Issuer Mortgage Receivables Pledge Agreement and the Deed of Assignment and Pledge may be affected by, among other things, a decline in the value of the Mortgaged Assets. No assurance can be given that values of the Mortgaged Assets have remained or will remain at the level at which they were on the date of origination of the related Mortgage Loans. A decline in value may result in losses to the Noteholders if the relevant security rights on the Mortgaged Assets are required to be enforced. Investors should be aware that Dutch house prices have declined since 2008. See section 6.2 (Description of Mortgage Loans) and section 6.4 (Dutch Residential Mortgage Market). In addition, as of 1 January 2013 in the Dutch housing market only the market value (*marktwarde*) is reported and the Foreclosure Value is no longer reported in the valuation report of the mortgaged assets. As a result thereof Mortgaged Assets had to be calculated to the Market Value in cases where the Market Value was missing, which calculation has been based on the Foreclosure Value reported prior to 1 January 2013 in respect of such Mortgaged Assets. Consequently, a deviation from the valuation report might have occurred in respect of such Mortgaged Assets. See section 6.3 (Origination and Servicing).

#### **Risks related to NHG Guarantee**

NHG Mortgage Loans will have the benefit of an NHG Guarantee. Pursuant to the terms and conditions (*voorwaarden en normen*) applicable to the NHG Guarantee, the 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 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 the Stichting WEW, enforceable in accordance with their terms, (ii) all terms and conditions (*voorwaarden en normen*) applicable to the NHG Guarantee at the time of origination of the NHG Mortgage Loans were complied with and (iii) it is not aware of any reason why any claim made in accordance with the requirements pertaining thereto under any NHG Guarantee in respect of the NHG Mortgage Loan should not be met in full and in a timely manner. The Seller will undertake in the Mortgage Receivables Purchase Agreement to repurchase and accept reassignment of the relevant Mortgage Receivables subject to certain conditions in case any such representation or warranty is breached. The remaining risk is that the Seller will not repurchase or will not be able to repurchase the relevant Mortgage Receivables for whatever reason.

Furthermore, 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 year annuity basis. The actual redemption structure of a Mortgage Loan can be different (see section 6.2 (*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 30 years. In addition, in respect of mortgage loans originated after 1 January 2014, a deductible has been introduced which is applicable to claims under the NHG Guarantees. On any claim vis-à-vis Stichting WEW for a loss incurred, a deduction of 10% will be applied. This may result in the Issuer not being able to fully recover a loss incurred with the Stichting WEW under the NHG Guarantee and may lead to a Realised Loss in respect of such 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*).

#### **Risk that the credit rating of the State of the Netherlands will be lowered**

The credit ratings assigned to the Class A Notes by the Credit Rating Agencies take into account the NHG Guarantee granted in connection with certain of the Mortgage Receivables. The NHG Guarantee is backed by the State of the Netherlands (see section 6.5 (*NHG Guarantee Programme*)) which is currently rated 'AAA' by Fitch and 'Aaa' by Moody's (negative outlook). Moreover, Stichting WEW is rated 'AAA' by Fitch and 'Aaa' by Moody's. In the event that (i) the State of the Netherlands ceases to be rated 'AAA' by Fitch and 'Aaa' by Moody's, respectively, or (ii) the Stichting WEW ceases to be rated 'AAA' by Fitch and 'Aaa' by Moody's, this may result in a review by the Credit Rating Agencies of the credit ratings assigned to the Class A Notes and could potentially result in a corresponding downgrade of the Class A Notes.

#### **Changes to tax treatment of interest may impose various risks**

The Dutch tax system allows borrowers to deduct, subject to certain limitations, mortgage interest payments for owner-occupied residences from their taxable income. The period allowed for is restricted to a term of 30 years. Since 2004, the tax deductibility of mortgage interest payments has been restricted under the so-called additional borrowing regulation (*Bijleenregeling*). On the basis of this regulation, if a home owner acquires a new home and realises a surplus value on the sale of his old home in respect of which interest payments were deducted from taxable income, the interest deductibility is limited to the interest that relates to an amount equal to the purchase price of the new home less the net surplus value realised in the sale of the old home. Special rules apply to moving home owners that do not or cannot (immediately) sell their previous home.

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

In addition to these changes further restrictions on the interest deductibility have entered into force as of 1 January 2014. The tax rate against which the mortgage interest may be deducted will be gradually reduced as of 1 January 2014. For taxpayers in the highest income tax rate bracket the interest deductibility will be reduced by 0.5% per year as of 2014 (i.e. 51 % in 2015) until the rate is equal to the 38 % in 2042.

These changes and any other or further changes in the tax treatment could ultimately have an adverse impact on the ability of Borrowers to pay interest and principal on their Mortgage Loans. In addition, changes in tax treatment may lead to different prepayment behaviour by Borrowers on their Mortgage Loans resulting in higher or lower prepayment rates of such Mortgage Loans. Finally, changes in tax treatment may have an adverse effect on the value of the Mortgaged Assets, see Risks of Losses associated with declining values of Mortgaged Assets. (see risk factor *Risks of Losses associated with Declining Values of Mortgaged Assets*).

#### **Maturity risk of certain Mortgage Loans**

The Mortgage Loans which have been originated by Avéro Hypotheken B.V. prior to 1 January 2003 provide that if the loan is not repaid on its legal maturity date, the loan is automatically extended. However, the mortgage conditions relating to these Mortgage Loans contain a provision that grants Avéro Hypotheken B.V. and the Borrowers the right to terminate such Mortgage Loans by giving three months' notice. In view of the above, it is possible that at the Final Maturity Date one or more Mortgage Receivables would still be outstanding. In the Mortgage Receivables Purchase Agreement the Seller will undertake to terminate such

Mortgage Loans at their legal maturity date. If, notwithstanding this covenant, a Mortgage Receivable is extended beyond the Final Maturity Date and the Issuer is unable to sell such Mortgage Receivable prior to or ultimately on the Final Maturity Date, the Issuer may not have sufficient funds available to fully redeem all Notes. Also see risk factor *Maturity Risk, loss of principal on the Class B Notes and the Class C Notes*.

### 3. PRINCIPAL PARTIES

#### 3.1 ISSUER

Dutch Residential Mortgage Portfolio I B.V. (the "**Issuer**") a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) was incorporated under Dutch law in the Dutch Civil Code on 5 March 2015.

The statutory seat (*statutaire zetel*) of the Issuer is in Amsterdam, the Netherlands and its registered office is at Prins Bernardplein 200, 1097 JB Amsterdam and its telephone number is +31 20 521 4777. The Issuer operates on a cross-border basis when offering the Notes in certain countries. The Issuer is registered with the Commercial Register of the Chamber of Commerce under number 62805991.

The Issuer is a special purpose vehicle, whose objectives are (a) to acquire, purchase, conduct the management of, dispose of and to encumber assets and to exercise any rights connected to these assets, (b) to acquire monies to finance the acquisition of the assets mentioned under (a), by way of issuing notes, 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 and options, (e) in connection with the foregoing: (i) to borrow funds by way of issuing notes or by way of entering into loan agreements, amongst others to repay the obligations under the securities mentioned under (b), and (ii) to grant and 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 objectives.

The Issuer has an authorised share capital of euro 1,00, of which euro 1,00 has been issued and is fully paid. All shares of the Issuer are held by Stichting Holding DRMP I.

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

Since its incorporation there has been no material adverse change in the financial position or prospects of the Issuer and the Issuer has not (i) commenced operations, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions and no financial statements have been drawn up, save for the activities related to its establishment and the securitisation transaction included in this Prospectus, (ii) been involved in any legal, arbitration or governmental proceedings or is aware of any such proceedings which may have, or have had, significant effects on the Issuer's financial position or profitability nor, so far as the Issuer is aware, are any such proceedings pending or threatened against the Issuer and (iii) 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 (see section 4.1 (*Terms and Conditions*) of the Notes below).

#### **The Issuer Director**

The sole managing director of the Issuer is Intertrust Management B.V. The managing directors of Intertrust Management B.V. are Ronald Posthumus, Allard Reinier van der Veen, Derk Jan Cornelis Niezing, Peter de Langen and Otgerus Joseph Anton van der Nap. The managing directors of Intertrust Management B.V. have chosen domicile at the office address of Intertrust Management B.V., being Prins Bernardplein 200, 1097 JB Amsterdam. Intertrust Management B.V. belongs to the same group of companies as Intertrust Administrative Services B.V., being the Issuer Administrator.

The objectives of Intertrust Management B.V. are (a) advising on and mediation by financial and related transactions, (b) acting as a finance company, and (c) managing of legal entities.

Each of the Directors of Stichting Holding DRMP I and the Issuer has entered into a management agreement with the entity of which it has been appointed as managing director. In these management agreements each of the Directors 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 held for its own account or for the account of third parties and (ii) refrain from any action detrimental to any of the Issuer's obligations under any of the

Transaction Documents. In addition each of the Directors agrees in the relevant management agreement that it will not enter into any agreement in relation to the Issuer other than the Transaction Documents to which it is a party, without the prior written consent of the Security Trustee and provided that the Security Trustee has notified the Credit Rating Agencies thereof and that the Security Trustee, in its reasonable opinion, does not expect that the then current ratings assigned to the Class A Notes will be adversely affected as a consequence thereof.

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

The 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 in respect of each Credit Rating Agency 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 in respect of each Credit Rating Agency is available in respect of such appointment.

There are no potential conflicts of interest between any duties to the Issuer of the Issuer Director and private interests or other duties of the managing director. The Seller does not hold an interest in any group company of the Directors.

The auditor of the Issuer is PriceWaterHouseCoopers Accountants N.V. The accountants at PriceWaterhouseCoopers Accountants N.V. are registered accountants (*registeraccountants*) and are a member of the Netherlands Institute for Registered Accountants ("*NIVRA*"). The address of PriceWaterHouseCoopers Accountants N.V. is Thomas R. Malthusstraat 5, 1066 JR, P.O. Box 90357, 1006 BJ, Amsterdam, the Netherlands.

The financial year of the Issuer coincides with the calendar year, except for the first financial year which ends on 31 December 2015.

### Capitalisation

The following table shows the capitalisation of the Issuer as of the Closing Date as adjusted to give effect to the issue of the Notes.

#### Share Capital

Authorised Share Capital	EUR	1
Issuer Share Capital	EUR	1

#### Borrowings

Class A1 Notes	EUR	161,500,000
Class A2 Notes	EUR	505,100,000
Class A3 Notes	EUR	183,400,000
Class B Notes	EUR	115,900,000
Class C Notes	EUR	16,600,000
Initial Insurance Savings Participation	EUR	59,728,416
Initial Bank Savings Participation	EUR	2,936,902

### 3.2 SHAREHOLDER

Stichting Holding DRMP I (the "**Shareholder**") is a foundation (*stichting*) incorporated under Dutch law on 2 March 2015. The statutory seat (*statutaire zetel*) of the Shareholder is in Amsterdam, the Netherlands and its registered office is at Prins Bernardplein 200, 1097 JB Amsterdam and its telephone number is +31 20 521 4777. The Shareholder is registered with the Commercial Register of the Chamber of Commerce under number 62775251.

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

The sole managing director of the Shareholder is Intertrust Management B.V. Intertrust Management B.V. is also the Issuer Director. Intertrust Management B.V. belongs to the same group of companies as Intertrust Administrative Services B.V., which is the Issuer Administrator. The sole shareholder of Intertrust Management B.V. and Intertrust Administrative Services B.V. is Intertrust (Netherlands) B.V.

The objectives of Intertrust Management B.V. are (a) advising of and mediation by financial and related transactions, (b) acting as finance company, and (c) to conduct the management of legal entities.

The Director of the Shareholder has entered into the Shareholder Management Agreement pursuant to which the Director agrees and undertakes, *inter alia*, that it shall (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 practice with the same care that it exercises or would exercise in connection with the administration of similar matters held for its own account or for the account of third parties and in such manner as to not adversely affect the then current ratings assigned to the Class A Notes, and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition, the Shareholder's Director agrees in the Shareholder Management Agreement that it will not enter into any agreement in relation to the Issuer other than the Transaction Documents to which it is a party, without Credit Rating Agency Confirmation.

### 3.3 SECURITY TRUSTEE

Stichting Security Trustee DRMPL I (the "**Security Trustee**") is a foundation (*stichting*) incorporated under Dutch law on 13 March 2015. It has its registered office at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands.

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 the 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 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 above mentioned security rights, (c) to borrow money, (d) to make donations, and (e) to do anything which, in the widest sense of the words, is connected and/or may be conducive to the attainment of the above.

The sole director of the Security Trustee is SGG Securitisation Services B.V. having its registered office at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands. The managing directors of SGG Securitisation Services B.V. are Andreas Gerardus Maria Nagelmaker and Hieronymus Maria van Dijk.

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 or the Collection Foundation Accounts Pledge Agreement 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 to 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 any other Transaction Document to which it is a party, except in the event of its wilful misconduct (*opzet*), gross negligence (*grove nalatigheid*), fraud or bad faith and it shall not be responsible for any act or negligence of persons or institutions selected by it in good faith and with due care.

Without prejudice to any right of indemnity by law given to it, the Security Trustee and every attorney, manager, agent, delegate or other person appointed by it under the Trust Deed shall be indemnified by the Issuer against, and shall on first demand be reimbursed in respect of all liabilities and expenses properly incurred by it in the execution or purported execution of its powers under the Trust Deed or of any powers, authorities or discretions vested in it or him pursuant to the Trust Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Trust Deed or otherwise.

The Security Trustee Director has entered into a management agreement with the Security Trustee and the Issuer. In this management agreement 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 Netherlands business practice and in accordance with the requirements of Dutch law and accounting practice with the same care that it exercises or would exercise in connection with the administration of similar matters held for its own account or for the account of third parties and (ii) refrain from taking any action detrimental to the obligations of the Security Trustee under any of the Transaction Documents. In addition the Security Trustee Director agrees in the relevant 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 can resolve to dismiss the director of the Security Trustee as the director of the Security Trustee by an Extraordinary Resolution, on the basis of the Trust Deed and Clause 4.4 of the deed of incorporation including the articles of association of the Security Trustee. The director of the Security Trustee 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, 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 ratings assigned to the Class A Notes will be adversely affected as a consequence thereof, has been contracted to act as director of the Security Trustee.

The Security Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error or is made in order for the Issuer to comply with its EMIR obligations, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Transaction Documents, and any consent, to the transfer of the rights and obligations under a Transaction Document by the relevant counterparty to a successor, which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders, provided that the Security Trustee (a) has notified the Credit Rating Agencies and (b) in its reasonable opinion, does not expect that the then current ratings assigned to the Class A Notes will be adversely affected as a consequence of any such modification, authorisation, waiver or consent (see section 4.1 (*Terms and Conditions*)).

### 3.4 SELLER

#### General Information

Achmea Bank N.V. (in this chapter hereinafter referred to as the "**Bank**") is a fully owned subsidiary of Achmea B.V. (Achmea B.V. and its subsidiaries ("*dochtermaatschappijen*") (together, the "**Achmea Group**"). Achmea B.V. is the holding company of all operations of the Achmea Group.

#### Incorporation

The Bank was incorporated on 16 June 1995 as a public limited liability company ("*naamloze vennootschap*") incorporated under Dutch law. The Bank has its corporate seat in The Hague, the Netherlands. The deed of incorporation includes the current articles of association. The statement of no-objection of the Minister of Justice in respect of the articles of association was issued by the Ministry of Justice under number N.V. 532.216. The Bank is registered in the Commercial Register under number 27154399 and has its registered office at Spoorlaan 298, 5017 JZ Tilburg. At its incorporation, the Bank was named "Achmea Hypotheekbank N.V."

#### legal mergers

As per 31 May, 2014, the Bank legally merged ("*juridische fusie*") with Achmea Bank Holding N.V. and Achmea Retail Bank N.V. and subsequently changed its name to its current name. Pursuant to the legal merger the Bank is the surviving entity (*verkrijgende vennootschap*) and Achmea Bank Holding N.V. and Achmea Retail Bank N.V. the disappearing entities (*verdwijvende vennootschappen*). As a result of the legal merger the Bank assumed all of the rights and obligations of the disappearing entities by operation of law under universal title (*onder algemene titel*). The financial figures for 31 December 2014 in this chapter concern the consolidated figures of Achmea Bank Holding N.V.

As per 1 September 2000, Avero Hypotheken BV, Centraal Beheer Hypotheken B.V, Centraal Beheer Woninghypotheken B.V., FBTO Hypotheken B.V., Zilveren Kruis Hypotheken B.V. and Woonfonds Nederland B.V., all direct subsidiaries of the Bank, merged into the Bank.

As per 1 January of 2004, Woonfonds Holland B.V. a subsidiary of the Bank, merged into the Bank.

As per 5 April 2007, Interpolis Schade Hypotheken B.V. and Interpolis BTL Hypotheken B.V., subsidiaries of the Bank, merged into the Bank.

#### Objects

The objects of the Bank (to be found in article 2 of the Bank's articles of association) are amongst others:

- To exercise banking business as a credit institution, to provide investment services, to manage assets (incl. savings) of third parties, to provide payment services, to broker insurance and to provide other financial services, all this in the broadest sense of the word;
- To perform any and all such acts as may be directly or indirectly related or conducive to the foregoing.

#### Profile

The Bank was incorporated with the purpose of collectively attracting funding on the capital and money markets to fund the mortgage portfolios of its subsidiary mortgage companies, each of which granted mortgage loans to private individuals in the Netherlands under its own name. Since the legal merger of these mortgage companies with the Bank in 2000 (2004 in relation to Woonfonds Holland B.V.) and the acquisition of Interpolis Schade Hypotheken B.V. and Interpolis BTL Hypotheken B.V. in 2006, mortgage loans are granted directly by the Bank, under different brand names used earlier by the mortgage companies.

#### Mortgage lending market approach.

Three methods of market approach are used: (i) direct writing (Centraal Beheer Achmea, FBTO, Zilveren Kruis Achmea), (ii) through an intermediary (Avero Achmea, Woonfonds Hypotheken) and (iii) through the home owners association 'Vereniging Eigen Huis' (FBTO). The mortgage business of the Bank contributes to the other activities of the Achmea Group, especially the life insurance business. In principle, mortgage loans are provided for residential property only.

The total mortgage portfolio of the Bank equals euro 11.6 billion nominal value as at 31 December 2014. The total portfolio includes euro 2.7 billion of mortgage loans which have the benefit of a mortgage guarantee (NHG). Apart from that, the portfolio consists of (i) euro 7.8 billion of mortgage loans with a principal amount less than or equal to 80 per cent of the market value of the property, indexed from origination of the mortgage loan and (ii) euro 1.1 billion of other mortgage loans.

#### **Funding, financing and collateral**

The Bank funds its lending business partly by raising loans in euros and other global currencies on the international money and capital markets. As at 31 December 2014 an amount of euro 5.8 billion of the total mortgage portfolio have been pledged in connection with funding programmes (in millions of euros).

	as at 31 December 2014	as at 31 December 2013
Trustee guaranteed loans	333	365
Covered bond	300	2,416
Securitisations	5,141	5,409
	<u>5,774</u>	<u>8,190</u>

#### *Stichting Trustee Achmea Hypotheekbank*

Under the Trust agreement the Bank periodically pledges mortgage receivables to Stichting Trustee Achmea Hypotheekbank as collateral for the Bank's specific liabilities such as private placements, derivatives and the Secured Medium Term Note Programme (the 'Secured EMTN Programme', see below). In the event of default by the Bank, investors can recover their investments from the pledged mortgage receivables.

#### *Covered bond programme*

Under its covered bond programme the Bank has issued eight covered bonds, seven of these transactions have been redeemed before 31 December 2014. The Bank acts as originator and issuer under the programme and consequently has the primary obligation to pay interest and principal payable on the covered bonds issued under the programme.

The Achmea Covered Bond Company ('ACBC'), a bankruptcy remote special purpose vehicle under this programme, provides the covered bond investors a guarantee for full payment of interest and principal on the outstanding bonds under the programme. Achmea a parallel debt agreement with the Security Trustee. The outstanding amount of these transferred mortgage receivables must at this moment be at least 33% higher than the outstanding amount of the bonds issued under the programme. The obligations of ACBC under the guarantee will be secured (indirectly, through a parallel debt) by a pledge of the mortgage receivables to a security trustee.

#### *Securitisations*

The Bank also uses securitisation as a funding source. Since 2000, fifteen securitisation transactions (including the securitisation transaction described herein) have been undertaken; seven of these transactions have been called at the first optional redemption date before 31 December 2014.

In all these securitisation transactions, the Bank assigns a portfolio of mortgage receivables to a special-purpose vehicle (SPV) which issues Notes on the capital markets. With the proceeds of the Notes the SPV can finance the assigned mortgage receivables and with the received interest on the mortgage receivables the SPV can pay the interest on the Notes. These companies are managed by Intertrust Management B.V.

The Bank manages the assigned portfolio of mortgage receivables. Securitisation does not only provide funding to the Bank but may also reduce its capital requirements.

#### *Secured EMTN Programme*

The Secured EMTN Programme, launched in 1996, was used to fund a substantial portion of the mortgage portfolio. As at 31 December 2014, a total of EUR 61 million was outstanding (2013: EUR 76 million).

#### *Unsecured EMTN Programme*

In October 2012, the Bank set up a EUR 2.5 billion Unsecured Medium Term Note Programme. The Bank increased the programme up to 5 billion in 2014 and up to 10 billion in 2015. In 2014 the Bank successfully completed 6 more issuances with a total amount of EUR 842 million of unsecured notes. As at 31 December 2014 a total of 17 placements were outstanding, with a total outstanding amount of EUR 2.3 billion.

#### *French commercial paper programme*

In 2013 the Bank set up a French commercial paper programme of EUR 1.5 billion. With this programme the Bank is able to access the international money markets to further diversify its funding mix. There have been several transactions in 2014, resulting in a total outstanding amount of EUR 309 million at 31 December 2014.

#### **Savings**

Retail savings are generated under the Centraal Beheer Achmea and FBTO labels. A substantial part of this savings capital is used to fund the Bank's mortgage portfolio. As at 31 December 2014, EUR 4.8 billion of savings was used as funding of the mortgage loans (2013: EUR 4.3 billion).

#### **Results (based on IFRS)**

The pre-tax operational result (excluding fair value) for 2014 equals a profit of euro 26 million (2013: a pre-tax loss of euro 9 million). The Total Capital Ratio as at 31 December 2014 was 17.2 % (2013: 15.2%), based on IFRS; calculated on the basis of Basel III CRD IV.

#### **Capitalisation and indebtedness**

The following table sets out the capitalisation of the Bank and its subsidiaries:

	as at 31 December, 2014 (in millions of EUR)	as at 31 December, 2013 (in millions of EUR)
<b>Total equity</b>	<b>602</b>	<b>580</b>
Share Capital	18	18
Authorised 200,000 ordinary shares Issued 40,001 ordinary shares (Euro 453.78 par value)		
Share premium	302	302
Other reserves	254	237
Retained earnings	24	17
Fair value reserve	4	6
<b>Total long term subordinated debt:</b>	<b>15</b>	<b>15</b>
<b>Total capitalisation</b>	<b>617</b>	<b>595</b>

The following table sets out the redemption schedule of indebtedness of the Bank and its subsidiaries as at 31 December:

Year	(in millions of EUR)
2015	6.3
2020	7.1
2024	1.2
	<b>14.6</b>

### Corporate Governance

The Bank is largely in compliance with the Banking Code. In 2014, the Bank has not yet fully applied one norm from the Banking Code, being principle 3.2.2 (customer interest (*klantbelang centraal*)). The Bank took important steps in 2014 to improve its customer interest; several client surveys have been conducted and improvement measures are now in progress. We further refer to [www.achmeabank.com](http://www.achmeabank.com) for a description of the Bank's internal procedures on the financial reporting process.

### Executive and Supervisory Boards

As of the date of this Prospectus, the Executive Board and the Supervisory Board of the Bank are composed as follows, and their members perform the following principal activities:

#### Executive Board

M.G. van Ee  
R.G. Buwalda  
V.J. Teekens

#### Supervisory Board

E.A.J. van de Merwe (Chairman)  
J.B.J.M. Molenaar  
B.E.M. Tetteroo

#### Principal activity outside the Bank

Independent Consultant  
Director Finance Rabobank Nederland  
Director Pension & Life Achmea Group

No potential conflict of interests exists between the duties of members of the Executive Board and the Supervisory Board of the Bank and their private interest or other duties.

All the members of the Executive Board and the Supervisory Board have elected domicile at the registered office of the Bank.

#### Changes in the Executive Board

As per 1 December 2014, Mr. Vincent Teekens has been appointed Chief Operations Officer of the Bank.

#### Changes in the Supervisory Board

As per 2 June 2014, Mrs Bianca Tetteroo has been appointed as member of the Supervisory Board.

As per 31 December 2014, Mr. Bert Lugtigheid has resigned from the Supervisory Board.

#### Audit Committee

The Audit Committee of the Bank consist of E.A.J. van de Merwe, member of the Supervisory Board of the Bank. The Audit Committee has obtained a mandate from the Supervisory Board to prepare together with the Executive Board the meetings of the Supervisory Board. In addition, the Audit Committee has the mandate to supervise the main developments in the field of financial reporting, tax, funding and finance, risk management and to monitor the relationship with the external accountants of the Bank.

#### Asset and Liability Committee (ALCO)

The Bank also established an Asset and Liability Committee, a risk-management committee of the Bank that comprises the board members and senior management of the Bank. The ALCO's primary goal is to evaluate, monitor and approve practices relating to the risk due to imbalances in the capital structure.

#### *Pricing Committee*

In the Bank's Pricing Committee, consisting of the Bank's board members and the relevant senior management members, all decisions are taken with regard to pricing of existing and new products of the Bank, including any changes in the interest rate on the offered mortgage loans.

#### **Supervision by the Dutch Central Bank**

On 1 November 1995, the Dutch Central Bank issued a general banking licence to the Bank pursuant to the provisions of the Act on the supervision of the former Act on the Supervision of Credit Institutions 1992 ("*Wet toezicht kredietwezen 1992*") and, as of 1 January 2007, pursuant to the provisions of the Wft. The Bank is registered as a bank without special restrictions. As a result thereof, the Bank is under the permanent supervision of the Dutch Central Bank pursuant to which it is obliged to provide the Dutch Central Bank with all information required on banking developments, such as cash position and solvency.

#### **Competitive position**

There continues to be substantial competition in the Netherlands for the types of mortgages and other products and services the Bank provides. The Bank faces competition from companies such as Rabobank, ABN AMRO Bank N.V., SNS Bank and many others.

#### **Rating**

Following the announcement of the merger with Achmea Bank Holding N.V. and Achmea Retail Bank N.V., the current rating of the Bank has been reaffirmed by Standard & Poor's (A) and Fitch ('A-/F2'). The Bank maintained its negative outlook from S&P and its stable outlook from Fitch.

#### **Annual figures 2014**

On 11 March 2015 the Bank published its annual figures over 2014. The annual report is available on the website [www.achmeabank.com](http://www.achmeabank.com) in April 2015.

### **3.5     SERVICER**

The Issuer has appointed Achmea Bank to act as its Servicer in accordance with the terms of the Administration Agreement.

For further information regarding Achmea Bank see section 3.4 (*Seller*) above.

### 3.6 ISSUER ADMINISTRATOR

The Issuer has appointed Intertrust Administrative Services B.V. to act as its Issuer Administrator in accordance with the terms of the Administration Agreement.

For further information regarding Intertrust Administrative Services B.V. see section 5.7 (*Administration Agreement*).

The objects of the Issuer Administrator are (a) to represent financial, economic and administrative interests in the Netherlands and other countries, (b) to act as trust office, as well as to participate in, manage and administer other enterprises, companies and legal entities and (c) to participate in, to finance, to collaborate with, to conduct the management of companies and other enterprises and provide advice and other services, (d) to acquire, use and/or assign industrial and intellectual property rights and real property, (e) to invest funds, (f) to provide security for the debts of legal persons, of other companies with which the company is affiliated in a group or for the debts of third parties, (g) to undertake all that which is connected to the foregoing or in furtherance thereof, all in the widest sense of the words. The managing directors of the Issuer Administrator are Johannes Hendricus Scholts, Ronald Posthumus, Martin Pereboom, Derk Jan Cornelis Niezing, Peter de Langen and Otgerus Joseph Anton van der Nap. The sole shareholder of the Issuer Administrator is Intertrust (Netherlands) B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law and having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands, which entity is also the sole shareholder of Intertrust Management B.V.

Intertrust Administrative Services B.V. is under supervision of and licensed by the Dutch Central Bank as a *trustkantoor* (trust office). Intertrust Administrative Services B.V. belongs to the same group of companies as Intertrust Management B.V., which is the Issuer Director and the Shareholder Director. The sole shareholder of Intertrust Management B.V. and Intertrust Administrative Services B.V. is Intertrust (Netherlands) B.V.

### 3.7 OTHER PARTIES

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

<b>Directors:</b>	Intertrust Management B.V., the sole director of the Issuer and the Shareholder and SGG Securitisation Services B.V., the sole director of the Security Trustee.
<b>Interest Rate Cap Provider:</b>	ABN AMRO Bank N.V.
<b>Cash Advance Facility Provider:</b>	BNP Paribas, a <i>société anonyme</i> incorporated under the laws of France, whose registered office is at 16 boulevard des Italiens, 75009 Paris, France.
<b>Issuer Account Bank:</b>	BNP Paribas Fortis SA/NV, Netherlands Branch, a <i>société anonyme</i> incorporated under the laws of Belgium, whose registered office is at Herengracht 595, 1017 CE Amsterdam, the Netherlands.
<b>Paying Agent:</b>	ABN AMRO Bank N.V.
<b>Reference Agent:</b>	ABN AMRO Bank N.V.
<b>Listing Agent:</b>	Matheson
<b>Insurance Savings Participant:</b>	Achmea Pensioen- en Levensverzekeringen N.V.
<b>Bank Savings Participant:</b>	Achmea Bank
<b>Arranger:</b>	ABN AMRO Bank N.V.
<b>Class A Managers</b>	ABN AMRO Bank N.V. HSBC Bank plc The Royal Bank of Scotland plc
<b>Class B and C Manager:</b>	Achmea Bank.
<b>Managers:</b>	Each of the Class A Managers and the Class B and C Manager.
<b>Previous Transaction Trustees:</b>	<b>Outstanding Security</b> Stichting Security Trustee SGML II, Stichting Security Trustee DMPL VI, Stichting Security Trustee DMPL VIII, Stichting Security Trustee DMPL IX, Stichting Security Trustee DMPL X, Stichting Security Trustee DMPL XI, Stichting Security Trustee DMPL XII, Stichting Trustee Achmea Covered Bond Company and Stichting Trustee Achmea Hypotheekbank (the " <b>Previous Outstanding Transaction Security Trustees</b> ").
<b>Previous Transaction SPVs:</b>	<b>Outstanding</b> Securitized Guaranteed Securitized Guaranteed Mortgage Loans I B.V., Securitized Guaranteed Mortgage Loans II B.V., Dutch Mortgage Portfolio Loans VI B.V., Dutch Mortgage Portfolio Loans VIII B.V., Dutch Mortgage Portfolio Loans IX B.V., Dutch Mortgage Portfolio Loans X B.V., Dutch Mortgage Portfolio Loans XI B.V., Dutch Mortgage Portfolio Loans XII B.V and Achmea Covered Bond Company B.V. (the " <b>Previous Outstanding Transaction SPVs</b> ").

## 4 THE NOTES

### 4.1 TERMS AND CONDITIONS

#### TERMS AND CONDITIONS OF THE NOTES

*The terms and conditions (the "Conditions") will be as set out below and apply to the Notes issued in the minimum denomination of EUR 100,000. While the Notes remain in global form, the 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) below.*

The issue of the euro 161,500,000 Class A1 Mortgage-Backed Notes 2015 due 2047 (the "**Class A1 Notes**"), the euro 505,100,000 Class A2 Mortgage-Backed Notes 2015 due 2047 (the "**Class A2 Notes**"), the euro 183,400,000 Class A3 Mortgage-Backed Notes 2015 due 2047 (the "**Class A3 Notes**", and together with the Class A1 Notes and the Class A2 Notes, the "**Class A Notes**"), the euro 115,900,000 Class B Mortgage-Backed Notes 2015 due 2047 (the "**Class B Notes**") and the euro 16,600,000 Class C Notes 2015 due 2047 (the "**Class C Notes**", and together with the Class A Notes and the Class B Notes, the "**Notes**") was authorised by a resolution of the managing director of Dutch Residential Mortgage Portfolio I B.V. (the "**Issuer**") passed on or about 21 May 2015. The Notes are issued under a trust deed dated on or about 26 May 2015 as amended from time to time (the "**Trust Deed**") between the Issuer, Stichting Holding DRMP I and Stichting Security Trustee DRMP I.

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

Unless otherwise defined herein, words and expressions used below are defined in a incorporated definitions, terms and conditions schedule dated the Signing Date signed for acknowledgment and acceptance by the Issuer, the Security Trustee, the Seller and certain other parties as amended from time to time (the "**Incorporated Definitions, Terms and Conditions**"). 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 Incorporated Definitions, Terms and Conditions would conflict with the terms and definitions used herein, the terms and definitions of these Conditions shall prevail. As used herein, "**Class**" means the Class A1 Notes or the Class A2 Notes or the Class A3 Notes or the Class B Notes or the Class C Notes, as the case may be.

Copies of the Trust Deed, the Paying Agency Agreement, the Pledge Agreements, the Incorporated Definitions, Terms and Conditions and certain other Transaction Documents (see under section 8 (*General*) of the Prospectus) are available for inspection free of charge at the specified office of the Paying Agent and the present office of the Security Trustee, being at the date hereof: Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands. 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 Pledge Agreements and the Incorporated Definitions, Terms and Conditions and reference to any 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

Each of the Notes will be available in denominations of euro 100,000. Under Dutch law, the valid transfer of Notes 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 Notes as its absolute owner for all purposes (whether or not payment under such Note shall be overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof) for any purposes, including payment, and no person shall be liable for so treating such holder. The signatures on the Notes will be in facsimile.

#### 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 *pari passu* and rateably without any preference or priority among Notes of the same Class. The Class A Notes

comprise the Class A1 Notes, the Class A2 Notes and the Class A3 Notes and the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among all Notes of such Class in respect of the Security and payments of interest. Provided that no Enforcement Notice has been given, payments of principal on the Class A Notes are firstly applied to the Class A1 Notes and secondly to the Class A2 Notes and thirdly to the Class A3 Notes. If, on any date, the Security is to be enforced and the proceeds of the enforcement would be insufficient to fully redeem the Class A Notes in full, such loss will be borne, *pro rata* and *pari passu*, by the holders of the Class A Notes. If the Class A1 Notes have been redeemed (in part or in full) at such time, this will result in the Class A2 Notes bearing a greater loss than that borne by the Class A1 Notes and if the Class A1 Notes and the Class A2 Notes have been redeemed (in part or in full) at such time, this will result in the Class A3 Notes bearing a greater loss than that borne by the Class A1 Notes and the Class A2 Notes.

- (b) In accordance with and subject to the provisions of Conditions 4, 6 and 9 and the Trust Deed payments of principal and interest on (a) the Class B Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes and (b) the Class C Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes and the Class B Notes.
- (c) The Security for the obligations of the Issuer towards the Noteholders will be created pursuant to, and on the terms set out in, the Trust Deed 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 all rights of the Issuer (a) under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Administration Agreement, (iii) the Interest Rate Cap Agreement, (iv) the Participation Agreements, (v) the Issuer Account Agreement, (vi) the Cash Advance Facility Agreement and (vii) the Receivables Proceeds Distribution Agreement and (b) in respect of the Issuer Accounts.
- (d) The Notes will be secured (indirectly) by the Security. The Class A Notes (being the Class A1 Notes, the Class A2 Notes and the Class A3 Notes jointly) will rank in priority to the Class B Notes and the Class C Notes, and the Class B Notes will rank in priority to the Class C Notes in case the Security is 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. 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 there is a conflict of interest between any Classes of Noteholders, the Security Trustee shall have regard only to the interests of the holders of the Most Senior Class of Notes. In this respect the order of priority is as follows: first, the Class A Noteholders, second, the Class B Noteholders and finally, the Class C Noteholders. 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

So 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 with the prior written consent of the Security Trustee:

- (a) carry out any business other than as described in the Prospectus, except as contemplated in the Transaction Documents;
- (b) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness, except as contemplated in the Transaction Documents;
- (c) create or promise to create any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or use, invest, sell, transfer or otherwise dispose of or grant any options or rights on any part of its assets, except as contemplated in the Transaction Documents;
- (d) consolidate or merge with any other person or convey or transfer its assets substantially or in entirety to one or more persons;
- (e) permit the validity or effectiveness of the Parallel Debt and the Pledge Agreements, or the priority of the security created thereby or pursuant thereto to be amended, terminated, waived, postponed or

- discharged, or permit any person whose obligations form part of such security rights to be released from such obligations except as contemplated in the Transaction Documents;
- (f) have any employees or premises or have any subsidiary or subsidiary undertaking;
  - (g) have an interest in any bank account other than (i) the Issuer Accounts or (ii) accounts to which collateral under the Interest Rate Cap Agreement is transferred, 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 for its entering into a suspension of payments or bankruptcy or its dissolution or liquidation or being converted into a foreign entity.

#### 4. Interest

##### (a) *Period of accrual*

The Notes shall bear interest on their Principal Amount Outstanding (as defined in Condition 6(h)) from and including the Closing Date. Each Note (or with respect to 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 date on which, on presentation of such Note, payment in full of the relevant amount of principal is made or (if earlier) the seventh day after notice is duly given by the Paying Agent to the holder thereof (in accordance with Condition 13) 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 (i) in respect of any Class A1 Notes, Class A2 Notes, the Class B Notes and the Class C Notes, for any period (including any Interest Period), such interest shall be calculated on the basis of the actual number of days elapsed in such period and a 360 day year and (ii) in respect of any Class A3 Notes (a) up to (and excluding) the First Optional Redemption Date such interest shall be calculated on the basis of the actual number of days elapsed in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365) and (b) from (and including) the First Optional Redemption Date such interest shall be calculated on the basis of the actual days elapsed in such period divided by a 360 day year.

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

Interest on the Notes shall be payable by reference to successive Interest Periods. Each successive Interest 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 Interest Period, which will commence on (and include) the Closing Date and end on (but exclude) the Notes Payment Date falling in July 2015.

Interest on each of the Notes shall be payable quarterly in arrear in EUR in respect of the Principal Amount Outstanding (as defined in Condition 6(h)) of each Class of Notes on each Notes Payment Date, which is each of the 26<sup>th</sup> day of January, April, July and October of each year or, if such day is not a Business Day, the immediately succeeding Business Day unless it would as a result fall in the next calendar month, in which case it will be the Business Day immediately preceding such day.

##### (c) *Interest in respect of the Class A Notes up to (but excluding) the First Optional Redemption Date and in respect of the Class B Notes and the Class C Notes up to the Final Maturity Date*

Interest on the Class A1 Notes and the Class A2 Notes for each Interest Period from the Closing Date up to (but excluding) the First Optional Redemption Date will accrue at an annual rate equal to the sum of the Euro Interbank Offered Rate ("**Euribor**") for three months deposits in euro (determined in accordance with Condition 4 (e)) (or, in respect of the first Interest Period, the rate which represents the linear interpolation of Euribor for 1 and 2 month deposits in euro, rounded if necessary, to the 5th decimal place, with 0.000005 being rounded upwards) plus the margin applicable to the Class A1 Notes and the Class A2 Notes which will be equal to:

- (i) for the Class A1 Notes 0.20 per cent. per annum; and
- (ii) for the Class A2 Notes 0.27 per cent. per annum.

with a floor of zero per cent.

Interest on the Class A3 Notes, the Class B Notes and the Class C Notes for each Interest Period from the Closing Date up to (but excluding) the First Optional Redemption Date will accrue at a fixed rate equal to:

- (i) for the Class A3 Notes, 0.685 per cent. per annum;
- (ii) for the Class B Notes, 0.05 per cent. per annum; and
- (iii) for the Class C Notes, 0.05 per cent. per annum.

(d) *Interest in respect of the Class A Notes on and following the First Optional Redemption Date and the Class A Excess Consideration*

If on the First Optional Redemption Date the Class A Notes have not been redeemed in full, the rate of interest applicable to each sub Class of the Class A Notes will accrue in the Interest Period commencing on (and including) the First Optional Redemption Date and each Interest Period thereafter at an annual rate equal to Euribor for three months deposits in euro (determined in accordance with Condition 4 (e)) up to the Euribor Agreed Rate plus the margin applicable to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes which will be equal to:

- (i) for the Class A1 Notes, 0.20 per cent. per annum;
- (ii) for the Class A2 Notes, 0.27 per cent. per annum; and
- (iii) for the Class A3 Notes, 0.39 per cent. per annum.

with a floor of zero per cent.

The rate of interest applicable to the Class B Notes and the Class C Notes will not be reset.

In addition thereto, on each Notes Payment Date after the First Optional Redemption Date, the Class A Excess Consideration in respect of the Class A Notes will be due to the Class A Noteholders. The Class A Excess Consideration consist of the sum of the Class A Step-up Consideration and the Class A Euribor Excess Consideration.

The Class A Step-up Consideration is, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each relevant sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by the relevant Class A Step-up Margin.

The Step-up Margin applicable to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes will be equal to:

- (i) for the Class A1 Notes 0.20 per cent. per annum;
- (ii) for the Class A2 Notes 0.27 per cent. per annum; and
- (iii) for the Class A3 Notes 0.39 per cent. per annum.

The Class A Euribor Excess Consideration is, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by Euribor for three months deposits for the relevant Interest Period to the extent Euribor exceeds the 5 per cent. per annum (Euribor Agreed Rate).

The Issuer, or the Issuer Administrator on its behalf, will on each Notes Payment Date after the First Optional Redemption Date calculate the amount of Class A Excess Consideration payable on each sub Class A Notes on a *pro rata* and *pari passu* basis. The determination of the relevant Class A Excess Consideration shall (in the absence of manifest error) be final and binding on all parties.

(e) *Euribor*

For the purpose of Condition 4(c) and 4(d) in respect of the Class A Notes Euribor will be determined as follows:

- (i) The Reference Agent will, subject to Condition 4(c), obtain for each Interest Period the interest rate equal to Euribor for three months deposit. The Reference Agent shall use the Euribor rate as determined and published jointly by the European Banking Federation and ACI - The

Financial Market Association and which appears for information purposes on the Reuters Screen EURIBOR01, (or, if not available, any other display page on any screen service maintained by any registered information vendor for the display of the Euribor rate selected by the Reference Agent) as at or about 11:00 a.m. (Amsterdam time) on the day that is two (2) Business Days preceding the first day of each Interest Period (each an "**Interest Determination Date**").

- (ii) If, on the relevant Interest Determination Date, such Euribor rate is not determined and published jointly by the European Banking Association and ACI - The Financial Market Association, or if it is not otherwise reasonably practicable to calculate the rate under (i) above, the Reference Agent will:
  - (A) request the principal Euro-zone office of each of four major banks in the Euro-zone interbank market (the "**Reference Banks**") to (i) provide a quotation for the rate at which three month euro deposits are offered by it in the euro-zone interbank market at approximately 11.00 a.m. (Amsterdam time) on the relevant Interest Determination Date to prime banks in the Euro-zone interbank market in an amount that is representative for a single transaction at that time; and (ii) determine if at least two quotations are provided the arithmetic mean rounded, if necessary, to the fifth decimal place (with 0.000005 being rounded upwards) of such quotations as provided; and
  - (B) if fewer than two such quotations are provided as requested, the Reference Agent will determine the arithmetic mean (rounded, if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two in number, in the euro-zone, selected by the Reference Agent, at approximately 11.00 a.m. (Amsterdam time) on the relevant Interest Determination Date for three months in euro to prime banks in the Euro-zone interbank market in an amount that is representative for a single transaction in that market at that time,

and Euribor for such Interest Period shall be the rate per annum equal to Euribor for three months deposit as determined in accordance with this paragraph (e), provided that if the Reference Agent is unable to determine Euribor in accordance with the above provisions in relation to any Interest Period, Euribor applicable to the Notes during such Interest Period will be Euribor last determined in relation thereto.

- (f) *Determination of Interest Rate in respect of the Class A Notes and Calculation of the Interest Amount*  
The Reference Agent will, as soon as practicable after 11.00 a.m. (Amsterdam time) on each Interest Determination Date, determine the rates of interest referred to in Condition 4(c) and 4(d) above (the "**Interest Rate**") for the Class A1 Notes and the Class A2 Notes up to (but excluding) the First Optional Redemption Date and for the Class A1 Notes, the Class A2 Notes and the Class A3 Notes on and after the First Optional Redemption Date. The Reference Agent will on each Interest Determination Date calculate the amount of interest payable on each such Notes for the following Interest Period (the "**Interest Amount**") by applying, as provided in Condition 4(a), the applicable Interest Rate to the Principal Amount Outstanding of each Class of Notes on the first day of such Interest Period. The determination of the relevant Interest Rate and each Interest Amount by the Reference Agent shall (in the absence of manifest error) be final and binding on all parties.
- (g) *Notification of the Interest Rate and the Interest Amount in respect of the Class A Notes*  
The Reference Agent will cause the applicable Interest Rate and the relevant Interest Amount in respect of each Notes Payment Date and the relevant Notes Payment Date applicable to the Class A Notes to be notified to the Issuer, the Security Trustee, the Paying Agent, the Issuer Administrator, the Servicer, the holders of such Class of Notes, the Irish Stock Exchange and the Company Announcements Office of the Irish Stock Exchange if such is a requirement of the Irish Stock Exchange at the time of such notice. The Interest Amount and the relevant 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 Interest Period.
- (h) *Determination or Calculation by Security Trustee*

If the Reference Agent at any time for any reason does not determine the relevant Interest Rate in respect of the Class A Notes or fails to calculate the relevant Interest Amount in accordance with Condition 4(f) above, the Security Trustee shall determine the relevant Interest Rate in respect of the Class A Notes at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in Condition 4(f) above), it shall deem fair and reasonable under the circumstances or, as the case may be, the Security Trustee shall calculate the Interest Amount in accordance with Condition 4(f) above, and each such determination or calculation shall (in the absence of manifest error) be final and binding on all parties.

(i) *Reference Agent*

The Issuer will procure that, as long as any of the Notes remains outstanding, there will at all times be a Reference Agent. The Issuer has, subject to prior written consent of the Security Trustee, the right to terminate the appointment of the Reference Agent by giving at least ninety (90) days' notice in writing to that effect. Notice of any such termination will be given to the holders of the relevant Class of Notes in accordance with Condition 13. If any person shall be unable or unwilling to continue to act as the Reference Agent (as the case may be) or if the appointment of the Reference Agent shall be terminated, the Issuer will, with the prior written consent of the Security Trustee, appoint a successor Reference Agent (as the case may be) to act in its place, provided that neither the resignation nor removal of the Reference Agent shall take effect until a successor approved in writing by the Security Trustee has been appointed.

**5. Payment**

- (a) Payment of principal and interest in respect of the Notes will be made upon presentation of such Note at any specified office of the Paying Agent in cash or by transfer to a euro account maintained by the payee with a bank in the Netherlands. All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment.
- (b) At the Final Maturity Date (as defined in Condition 6(a)), or such earlier date on which the Notes become due and payable, the Notes should be presented for payment.
- (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 (a "**Local Business Day**"), the holder thereof shall not be entitled to payment until the next following Local Business Day or to any interest or other payment in respect of such delay, provided that with respect to payment by transfer to a euro account as referred to above, the Paying Agent shall not be obliged to credit such account until the Local Business Day immediately following the day on which banks are open for business in the Netherlands. The name of the Paying Agent and details of its offices are set out on the last page of the Prospectus.
- (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 agents located in the United States of America will be appointed and that the Issuer will at all times maintain a paying agent having a specified office in the European Union. Notice of any termination or appointment of a paying agent will be given to the Noteholders in accordance with Condition 13.

**6. Redemption**

(a) *Final redemption*

Unless previously redeemed as provided below, the Issuer will redeem the Notes at their respective Principal Amount Outstanding and, in respect of the Class B Notes and Class C Notes, subject to Condition 9(b), on the Final Maturity Date, which falls on the Notes Payment Date falling in July 2047.

(b) *Mandatory redemption of the Notes, other than the Class C Notes*

Provided that no Enforcement Notice has been served in accordance with Condition 10, on each Notes Payment Date (the first falling in July 2015), the Issuer shall apply the Available Principal Funds (as defined below), including as a result of the exercise of the Regulatory Call Option or the Clean-Up Call Option by the Seller, to redeem or to partially redeem (a) first, the Class A1 Notes until fully redeemed and, secondly, the Class A2 Notes until fully redeemed and, thirdly, the Class A3 Notes until fully redeemed, and (b) second, the Class B Notes on a *pro rata* and *pari passu* basis. The amounts available for the Noteholders will be passed through on each Notes Payment Date to the Notes, other than the Class C Notes, by applying in respect of each Class A1 Note, the Class A1

Redemption Amount, in respect of each Class A2 Note, the Class A2 Redemption Amount, in respect of each Class A3 Notes, the Class A3 Redemption Amount and in respect of each Class B Note, the Class B Redemption Amount.

(c) *Optional redemption of the Notes, other than the Class C Notes*

Unless previously redeemed in full, and provided that no Enforcement Notice has been served in accordance with Condition 10, the Issuer may, at its option, on each Optional Redemption Date redeem the Notes, other than the Class C Notes, all but not some only, at their Principal Amount Outstanding on such date and subject to, in respect of the Class B Notes, Condition 9(b), provided that the Issuer will have sufficient funds available on such Optional Redemption Date to discharge all amounts of principal and interest due in respect of the Notes, other than the Class C Notes, and subject to, in respect of the Class B Notes, Condition 9(b) and any amounts required to be paid in priority to or *pari passu* with the Class A 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 written notice to the Noteholders and the Security Trustee prior to the relevant Notes Payment Date.

(d) *Redemption of the Class C Notes*

Provided that no Enforcement Notice has been served in accordance with Condition 10, the Issuer shall be obliged to apply the Class C Available Principal Funds (as defined below), to redeem or to partially redeem on a *pro rata* basis and *pari passu* among the Class C Notes on each Notes Payment Date (the first falling in July 2015). The amounts available for the Noteholders will be passed through on each Notes Payment Date to the Class C Notes by applying in respect of each Class C Note, the Class C Redemption Amount.

(e) *Determination of Available Principal Funds, Available Revenue Funds, Redemption Amount and Outstanding Principal Amount*

(i) On each Notes Calculation Date, the Issuer shall determine (or cause the Issuer Administrator to determine) (x) the Available Principal Funds and the Available Revenue Funds, (y) the amount of the Redemption Amount due in respect 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 manifest error) be final and binding on all persons.

(ii) On each Notes Calculation Date the Issuer or the Issuer Administrator on its behalf will cause each determination of (x) the Available Principal Funds and the Available Revenue Funds and (y) the Redemption Amount due in respect of 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, the Reference Agent, Euroclear Netherlands and to the holders of Notes in accordance with Condition 13, but in any event no later than three (3) business days prior to the Notes Payment Date. If no Redemption Amount in respect of a Class of Notes 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.

(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 and Available Revenue Funds and (y) the Redemption Amount due for the relevant Class of Notes on a Notes Payment Date, and (z) the Principal Amount Outstanding of the Notes, such (x) Available Principal Funds and Available Revenue Funds and (y) Redemption Amount due for the relevant Class of Notes on such Notes Payment Date and (z) Principal Amount Outstanding of the Notes, shall be determined by the Security Trustee in accordance with this paragraph (e) and paragraphs (a) and (d) above (but based upon the information in its possession as to the Redemption Amount due for the relevant Class of Notes on the Notes Payment Date) and the Available Revenue Funds 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 manifest error) be final and binding on all persons.

(f) *Redemption for tax reasons*

All Notes, but not some only, other than the Class C Notes, may be redeemed at the option of the Issuer in whole, but not in part (for the avoidance of doubt, without taking into account Condition 9(b)), on any Notes Payment Date, at their Principal Amount Outstanding provided that the Issuer has satisfied the Security Trustee that:

- (i) 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 the laws or regulations of the Netherlands (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
- (ii) the Issuer will have sufficient funds available on such Notes Payment Date to discharge all amounts of principal and interest due in respect of the Notes, other than the Class C Notes, and any amounts required to be paid in priority to or *pari passu* with the Class A 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 written notice to the Class A Noteholders, the Class B Noteholders and the Security Trustee prior to the relevant Notes Payment Date.

(g) *Class A Additional Amount*

On each Notes Payment Date after the First Optional Redemption Date up to (and excluding) the Enforcement Date the Class A Additional Amount will be due to the Class A Noteholders in accordance with the Revenue Priority of Payments, until the Class A Notes are redeemed in full. However no guarantee can be given that there will any funds available to pay such Class A Additional Amount on any Notes Payment Date.

The Class A Additional Amount is an amount equal to the Available Revenue Funds less any amount drawn under or released from the Reserve Account pursuant to item (vi) of the Available Revenue Funds, remaining after the amounts payable under the items (a) up to and including (h) of the Revenue Priority of Payments have been fully satisfied.

The Issuer, or the Issuer Administrator on its behalf, will on each Notes Payment Date after the First Optional Redemption Date up to (and excluding) the Enforcement Date calculate the amount of Class A Additional Amount payable on each sub Class A Notes on a *pro rata* and *pari passu* basis. The determination of the relevant Class A Additional Amount shall (in the absence of manifest error) be final and binding on all parties.

(h) *Definitions*

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

**"Available Principal Funds"** means, prior to the delivery of an Enforcement Notice by the Security Trustee, the sum of the following amounts, calculated on any Notes Calculation Date, as being received during the immediately preceding Notes Calculation Period or on the immediately succeeding Notes Payment Date;

- (i) as amounts of repayment and prepayment in full of principal under the Mortgage Receivables, from any person, but, for the avoidance of doubt, excluding prepayment penalties, if any, less, with respect to each Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Receivable, the relevant Participation in such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element or Bank Savings Mortgage Receivable;
- (ii) as Net Foreclosure Proceeds on any Mortgage Receivable to the extent that such proceeds relate to principal less, with respect to each Savings Mortgage Loan, Life Mortgage Loan with the possibility of a Savings Element and Bank Savings Mortgage Loan, the relevant

- Participation in such Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Receivable;
- (iii) 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 that such amounts relate to principal less, with respect to each Savings Mortgage Loan, Life Mortgage Loan with the possibility of a Savings Element and Bank Savings Mortgage Loan, the relevant Participation in such Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Loan;
  - (iv) as amounts received in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent that such amounts relate to principal up to the Outstanding Principal Amount of the relevant Mortgage Receivable from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, if any, less, with respect to each Savings Mortgage Loan, Life Mortgage Loan with the possibility of a Savings Element and Bank Savings Mortgage Loan, the relevant Participation in such Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Receivable;
  - (v) as amounts applied towards making good any Realised Loss and Class A Excess Consideration Shortfall reflected on to the relevant sub-ledger of the Principal Deficiency Ledger on the immediately succeeding Notes Payment Date in accordance with items (f) and (k) of the Revenue Priority of Payments;
  - (vi) as Insurance Savings Participation Increase and Bank Savings Participation Increase;
  - (vii) as partial prepayment in respect of the Mortgage Receivables (with a maximum of the Principal Amount Outstanding less the relevant Participation in the relevant Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or Bank Savings Mortgage Receivable, if any);
  - (viii) as amounts equal to the excess (if any) of (a) the sum of the aggregate proceeds of the issue of the Notes, (other than the Class C Notes), and the Initial Insurance Savings Participation in respect of the Savings Mortgage Receivables, Life Mortgage Receivables with a Savings Element and Bank Savings Mortgage Receivables purchased on the Closing Date over (b) the Initial Purchase Price of the Mortgage Receivables purchased on the Closing Date;
  - (ix) (a) as any part of the Available Principal Funds calculated on the immediately preceding Notes Calculation Date which has not been applied towards redemption of the Notes, other than the Class C Notes, on the immediately preceding Notes Payment Date, and (b) any amount to be drawn from the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date in accordance with the Administration Agreement; and
  - (x) on the First Optional Redemption Date and on each Optional Redemption Date thereafter, in case of a sale of Mortgage Receivables in accordance with the Trust Deed, an amount equal to the lower of (i) the balance standing to the credit of the Reserve Account and (ii) the amount required to redeem the Class A Notes at their Principal Amount Outstanding after taking into account application of the Available Revenue Funds on the immediately succeeding Notes Payment Date, as to be drawn from the Reserve Account,

**less**

- (xi) (a) the Substitution Available Amount, if and to the extent that such amount will be actually applied to the purchase of New Mortgage Receivables on the next succeeding Notes Payment Date and (b) any part of the Available Principal Funds required to be credited to the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date in accordance with the Administration Agreement and (c) the Initial Purchase Price Underpaid Amount, if any; and
- (xii) an amount equal to the Class A Excess Consideration Shortfall on the immediately succeeding Notes Payment Date.

**"Class A1 Redemption Amount"** means the principal amount so redeemable in respect of each Class A1 Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class A1 Notes subject to such redemption (rounded down to the nearest euro).

**"Class A2 Redemption Amount"** means the principal amount so redeemable in respect of each Class A2 Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class A2 Notes subject to such redemption (rounded down to the nearest euro).

**"Class A3 Redemption Amount"** means the principal amount so redeemable in respect of each Class A3 Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class A3 Notes subject to such redemption (rounded down to the nearest euro).

**"Class B Redemption Amount"** means the principal amount so redeemable in respect of each Class B Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class B Notes subject to such redemption (rounded down to the nearest euro).

**"Class C Redemption Amount"** means the principal amount so redeemable in respect of each Class C Note on the relevant Notes Payment Date which shall be equal to the Class C Available Principal Funds divided by the number of Class C Notes subject to such redemption (rounded down to the nearest euro).

**"Class C Available Principal Funds"** means on any Notes Payment Date, an amount equal to the lesser of:

- (i) the aggregate Principal Amount Outstanding of the Class C Notes; and
- (ii) the Available Revenue Funds remaining after all payments ranking above item (m) in the Revenue Priority of Payments have been made in full on such Notes Payment Date.

**"Principal Amount Outstanding"** means in respect of any Note, on any Notes Payment Date the principal amount of such Note upon issue less the aggregate amount of all relevant Redemption Amounts in respect of such Note that have become due and payable prior to such Notes Payment Date, provided that for the purpose of Conditions 4, 6 and 10 all relevant Redemption Amounts that have become due and not been paid shall not be so deducted.

**"Redemption Amounts"** means the Class A1 Redemption Amount, the Class A2 Redemption Amount, the Class A3 Redemption Amount, the Class B Redemption Amount and the Class C Redemption Amount.

## **7. Taxation**

### *(a) General*

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

### *(b) FATCA Withholding*

Payments in respect of the Notes might be subject to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 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). 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 on the Notes with respect to any such withholding or deduction.

## **8. Prescription**

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

**9. Subordination, interest deferral and limited recourse**

(a) *Interest*

Interest on the Class B Notes and the Class C Notes shall be payable in accordance with the provisions of Conditions 4 and 5, subject to the terms of this Condition.

In the event that on any Notes Payment Date the Issuer has insufficient funds available to it to satisfy its obligations in respect of amounts of interest due on the Class B Notes on such Notes Payment Date, the amount available (if any) shall be applied pro rata to the amount of interest due on such Notes Payment Date to the holders of the Class B Notes. In the event of a shortfall, the Issuer shall debit the Class B Interest Deficiency Ledger with an amount equal to the amount by which the aggregate amount of interest paid on the Class B Notes on any Notes Payment Date in accordance with this Condition falls short of the aggregate amount of interest payable on the Class B Notes on that date pursuant to Condition 4. Such shortfall shall not be treated as due on that date for the purposes of Condition 4, but shall accrue interest as long as it remains outstanding at the rate of interest applicable to the Class B Notes for such period and a pro rata share of such shortfall and accrued interest thereon shall be aggregated with the amount of, and treated for the purpose of these Conditions as if it were interest due, subject to this Condition, on each Class B Note on the next succeeding Notes Payment Date.

In the event that on any Notes Payment Date the Issuer has insufficient funds available to it to satisfy its obligations in respect of amounts of interest due on the Class C Notes on such Notes Payment Date, the amount available (if any) shall be applied pro rata to the amount of the interest due on such Notes Payment Date to the holders of the Class C Notes. In the event of a shortfall, the Issuer shall debit the Class C Interest Deficiency Ledger, with an amount equal to the amount by which the aggregate amount of interest paid on the Class C Notes on any Notes Payment Date in accordance with this Condition falls short of the aggregate amount of interest payable on the Class C Notes on that date pursuant to Condition 4. Such shortfall shall not be treated as due on that date for the purposes of Condition 4, but shall accrue interest as long as it remains outstanding at the rate of interest applicable to the Class C Notes for such period, and a pro rata share of such shortfall and accrued interest thereon shall be aggregated with the amount of, and treated for the purpose of these Conditions as if it were interest due, subject to this Condition, on each Class C Note on the next succeeding Notes Payment Date.

(b) *Principal*

Until the date on which the Principal Amount Outstanding of the 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 Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class B Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

The Class C Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding of 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 any of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

(c) *Class A Excess Consideration*

In the event that on any Notes Payment Date prior to redemption in full of the Class A Notes the Issuer has insufficient funds available to it to satisfy its obligations in respect of Class A Excess Consideration due on such on such Notes Payment Date, the amount available (if any) shall be applied towards satisfaction of the Class A Excess Consideration due on such Notes Payment Date to the holders of the Class A Notes on a *pro rata* and *pari passu* basis in accordance with the

respective amount of Class A Excess Consideration to be distributed to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes at such time. In the event of a shortfall the Issuer shall credit the Class A Excess Consideration Deficiency Ledger with an amount equal to the amount by which the aggregate amount of Class A Excess Consideration paid to the relevant sub Class of the Class A Notes on any Notes Payment Date in accordance with this Condition falls short of the aggregate amount of Class A Excess Consideration payable on such sub Class of the Class A Notes in accordance with Condition 4. Such shortfall shall not be treated as due on that date for the purpose of Condition 4 and treated for the purpose of these Conditions as if it were Class A Excess Consideration due, subject to this Condition, on the relevant sub Class of the Class A Notes on the next succeeding Notes Payment Date.

Failure to pay the Class A Excess Consideration will not cause an Event of Default.

(d) *Limited Recourse*

The Noteholders and the other Secured Creditors shall not have recourse on any assets of the Issuer other than (i) the Mortgage Receivables and the Beneficiary Rights relating thereto, (ii) the balance standing to the credit of the Issuer Accounts and (iii) the amounts receivable by the Issuer under the Transaction Documents excluding, for the avoidance of doubt, Excess Interest Rate Cap Collateral, any amounts standing to the credit of the Interest Rate Cap Termination Payment Ledger (other than any Available Termination Amount drawn from the Interest Rate Cap Termination Payment Ledger to form part of the Available Revenue Funds) and any Tax Credit. In the event that the Security in respect of the Notes appertaining thereto has been fully enforced and the proceeds of such enforcement, 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 interest and other amounts whatsoever due in respect of such Class of Notes, 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. If, on any date, the Security is to be enforced and the proceeds of the enforcement would be insufficient to fully redeem the Class A Notes in full, such loss will be borne, *pro rata* and *pari passu*, by the holders of the Class A Notes.

**10. Events of Default**

The Security Trustee at its discretion or upon the reasonable request of the Insurance Savings Participant 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 following 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 shall occur:

- (a) default is made for a period of fifteen (15) days in the payment of the principal of, or default is made for a period of fifteen (15) days in the payment of interest 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, except where such failure, in the reasonable opinion of the Security Trustee, is incapable of remedy, such default continues for a period of thirty (30) days after written notice by the Security Trustee to the Issuer requiring the same to be remedied; or
- (c) if a conservatory attachment (*conservatoir beslag*) or an executory attachment (*executoriaal beslag*) on any major part of the Issuer's assets is made and not discharged or released within a period of thirty (30) days; or
- (d) if any order shall be made by any competent court or other authority or a resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a bankruptcy trustee or receiver of the Issuer or of all or substantially all of its assets; or
- (e) the Issuer makes an assignment for the benefit of, or enters into any general assignment (*akkoord*) with, its creditors; or
- (f) the Issuer files a petition for a suspension of payments (*surseance van betaling*) or for bankruptcy (*faillissement*) or is declared bankrupt; or

- (g) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, the Trust Deed and the Security,

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 Most Senior Class of Notes irrespective of whether an Extraordinary Resolution is passed by the holders of such Class or Classes of Notes ranking junior to the Most Senior Class of Notes, unless an Enforcement Notice in respect of the Most Senior Class of Notes 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 Most Senior Class of Notes, 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 Most Senior Class of Notes.

#### **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, including the making of a demand for payment thereunder, the Trust Deed, the Pledge Agreements and the Notes, 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 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. The Security Trustee is entitled to enter into commercial transactions with the Issuer and/or any other party to the Transaction Documents without accounting for any profit resulting from such transaction.

#### **13. Notices**

With the exception of the publications of the Reference Agent in Condition 4 and of the Issuer in Condition 6, all notices to the Noteholders will only be valid if published in at least one daily newspaper of wide circulation in the Netherlands or, if all such newspapers shall cease to be published or timely publication therein shall not be practicable, in such newspaper as the Security Trustee shall approve having a general circulation in Europe and, as long as the Notes are listed on the Irish Stock Exchange, any notice will also be made to the Company Announcement Office of the Irish Stock Exchange if such is a requirement of the Irish Stock Exchange at the time of such notice. Any such notice shall be deemed to have been given on the first date of such publication.

#### **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 such Noteholders of the relevant Class 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 telegram, facsimile or telex transmission, or in the form of a message transmitted by any accepted means of communication and received or capable of being produced in writing - provided that all Noteholders with the right to vote have voted in favour of the proposal.

(a) Meeting of Noteholders

A meeting of Noteholders may be convened by the Security Trustee as often as it reasonably considers desirable and shall be convened by the Security Trustee at the written request of (i) the Issuer or (ii) by Noteholders of a Class or by Noteholders of one or more Class or Classes, as the

case may be, holding not less than 10 per cent. in Principal Amount Outstanding of the Notes of such Class or of the Notes of such Class or Classes, as the case may be.

(b) Quorum

The quorum for an Extraordinary Resolution is two-thirds of the Principal Amount Outstanding of the Notes of the relevant Class or of one or more Class or Classes, as the case may be, 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 fourteen (14) 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 Term Change, can be adopted regardless of the quorum represented at such meeting.

(c) Extraordinary Resolution

A Meeting 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 any 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;
- (c) 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 this Issuer 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.

A resolution by the Class A Noteholders approving the purchase price of the Mortgage Receivables to be sold and assigned on the Optional Redemption Date falling in October 2020 and any Optional Redemption Date thereafter may be implemented without the consent of and shall not require a resolution by the Class B Noteholders and/or the Class C Noteholders.

(d) Limitations

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 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.

A resolution of Noteholders of a Class or by Noteholders of one or more Class or Classes, as the case may be, 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. "**Higher Ranking Class**" means, in relation to 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 Revenue Priority of Payments;

(e) Modifications agreed with the Security Trustee

The Security Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error or is made in order for the Issuer to comply with its EMIR

obligations, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Transaction Documents, and any consent, including to the transfer of the rights and obligations under a Transaction Document by the relevant counterparty to a successor, which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders and the other Secured Creditors, provided that the Security Trustee (a) has notified the Credit Rating Agencies and (b) in its reasonable opinion, does not expect that the then current 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, waiver or consent shall be binding on the Noteholders and, if the Security Trustee so requires, such modification, authorisation, waiver or consent shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

(f) Exercise of Security Trustee's functions

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Security Trustee shall have regard to the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class C Noteholders each as a Class and shall not have regard to the consequences of such exercise for individual Noteholders and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

**"Basic Terms Change"** means, in respect of Notes of one or more Class or Classes, as the case may be, 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 in respect of the relevant Notes, (iii) of the amount of principal payable in respect of the relevant Notes, (iv) of the rate of interest 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.

**"Extraordinary Resolution"** means a resolution passed at a Meeting duly convened and held by the Noteholders of one or more Class or Classes, as the case may be, 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.

**15. Replacements of Notes**

Should any Note 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 must be surrendered before replacements will be issued.

**16. Governing Law**

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

## 4.2 FORM

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 A1 Notes, in the principal amount of euro 161,500,000, (ii) in the case of the Class A2 Notes, in the principal amount of euro 505,100,000, (iii) in the case of the Class A3 Notes, in the principal amount of euro 183,400,00 (iv), in the case of the Class B Notes, in the principal amount of euro 115,900,000 and (iv) in the case of the Class C Notes, in the principal amount of euro 16,600,000. Each Temporary Global Note will be deposited with Euroclear Netherlands, on or about 28 May 2015. Upon deposit of each such Temporary Global Note, Euroclear Netherlands 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-US beneficial ownership by the Noteholders has been received) not earlier than forty (40) days after 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 each Temporary Global Note for the relevant Permanent Global Note, the relevant Permanent Global Note will remain deposited with Euroclear Netherlands.

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with Euroclear Netherlands as recognised Central Securities Depository and does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. 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. As long as the Notes are represented by a Global Note deposited with Euroclear Netherlands, a Noteholder shall have the right to request delivery (*utitlevering*) thereof only in the exceptional circumstances prescribed by the Wge. Such Notes in definitive form shall be issued in denominations of euro 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 Netherlands 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 Netherlands. 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 Netherlands and the Wge.

For so long as all of the Notes are represented by the Global Notes and such Global Notes are held on behalf of Euroclear Netherlands notices to Noteholders may be given by delivery of the relevant notice to Euroclear Netherlands for communication to the relevant accountholders rather than by publication as required by Condition 13 (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 shall be deemed to have been given to the Noteholders one day after the day on which such notice is delivered to Euroclear Netherlands as aforesaid.

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 Netherlands 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 and the expression "**Noteholder**" shall be construed accordingly, but without prejudice to the entitlement of the bearer of 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 Netherlands 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.

### 4.3 SUBSCRIPTION AND SALE

Each of the Class A Managers has, pursuant to the Class A Notes Purchase Agreement, agreed with the Issuer, subject to certain conditions, to purchase the Class A Notes at their issue price. Furthermore, the Class B and C Manager has, pursuant to the Class B and C Notes Purchase Agreement, agreed with the Issuer, subject to certain conditions, to purchase the Notes, other than the Class A Notes, at their respective issue prices. The Issuer has agreed to indemnify and reimburse the Managers against certain liabilities and expenses in connection with the issue of the Notes.

Each reference in this section *Subscription and Sale* to the "Notes" means with respect to the Class A Managers, the Class A Notes and with respect to the Class B and C Manager, the Subordinated Notes.

#### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Managers have represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which is the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State: (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive; (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Managers nominated by the Issuer for any such offer; or (iii) at any time in any other circumstances falling within article 3(2) of the Prospectus Directive, provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer or the Managers to publish a prospectus pursuant to article 3 of the Prospectus Directive, or supplement a prospectus pursuant to article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

#### **United Kingdom**

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

#### **France**

Each of the Managers 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 distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus or any other offering material relating to the Notes, and such offers, sales and distributions have been and will be made in France only to (i) 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 (ii) qualified investors (*investisseurs qualifiés*) other than individuals – all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the Code monétaire et financier.

#### **Italy**

The offering of the Notes has not been registered with the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian securities legislation. Each of the Managers has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation and must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 16190 of 29 October 2007, and Legislative Decree No. 385 of 1 September 1993 (each as amended from time to time); and
- (b) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

#### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, (the "**FIEA**"). Accordingly, each of the Managers has represented and agreed 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, a 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) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan.

#### **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 except in certain transactions exempt from the registration requirements of the Securities Act. 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 United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations thereunder.

Each 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) 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 Securities 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 Regulations under the Securities Act.

In addition, until forty (40) 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, if such offer or sale is made otherwise than in accordance with available exemption from registration under the Securities Act.

#### **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 Managers have 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 and all offers and sales of the Notes by each of the Managers will be made on the same terms.

#### 4.4 REGULATORY AND INDUSTRY COMPLIANCE

##### **Retention and disclosure requirements under the CRR and the AIFMR**

The Seller has undertaken to the Issuer, the Security Trustee and the Class A Managers that, for as long as the Notes are outstanding, it shall retain, on an ongoing basis, a material net economic interest in the securitisation which shall in any event not be less than 5%, in accordance with article 405 of the CRR and article 51 of the AIFMR. As at the Closing Date, such interest is retained in accordance with article 405 of the CRR and article 51 of the AIFMR by the Seller as originator within the meaning of the CRR or the AIFMR, as the case may be, holding (part of) the Subordinated Notes. The Seller furthermore shall comply with the requirements pursuant to article 408 of the CRR.

In addition, the Seller shall make available to Noteholders all materially relevant information that such Noteholders may require to comply with their obligations under the applicable provisions of article 405, 406 and 409 of the CRR and article 51 and 52 of the AIFMR, including to make appropriate disclosures, or to procure that appropriate disclosures are made, to Noteholders about the retained net economic interest in the securitisation and to ensure that the Noteholders have readily available access to all materially relevant data. (see Section 8 (*General*) for more details).

The Seller accepts responsibility for the information set out in this Section 4.4 (*Regulatory and Industry Compliance*).

##### **EMIR**

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**") which entered into force on 16 August 2012 establishes certain requirements for OTC derivatives contracts, including risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty and reporting requirements. If the Issuer is required to comply with certain obligations under EMIR, this may give rise to administrative burdens and higher costs for the Issuer. The Issuer may also need to appoint a third party and/or incur costs and expenses to enable it to comply with the regulatory requirements imposed by EMIR. Additional costs may reduce amounts available to make payments with respect to the Notes. Furthermore, if any party fails to comply with the rules under EMIR it may be liable for a fine. If such a fine is imposed on the Issuer, the Issuer may have insufficient funds to pay its liabilities in full. In view hereof, it should be noted that the Security Trustee may agree, without the consent of the Noteholders, to any modification of any of the provisions of the Transaction Documents which is made to comply with its EMIR obligations (see section 4.1 (*Terms and Conditions*)).

##### **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 templates (save as otherwise indicated in the Investor Reports), as published by the Dutch Securitisation Association on its website [www.dutchsecuritisation.nl](http://www.dutchsecuritisation.nl). As a result the Notes comply with the standard created for residential mortgage-backed securities by the DSA (the RMBS Standard). This has also been recognised by PCS as the Domestic Market Guideline for the Netherlands in respect of this asset class.

##### **PCS Label**

An application has been made to Prime Collateralised Securities (PCS) UK Limited for the Class A Notes to receive the PCS Label and the Seller currently expects that the Class A Notes will receive the PCS Label. However, there can be no assurance that the Class A Notes will receive the PCS Label (either before issuance or at any time thereafter) and if the Class A Notes do receive the PCS Label, there can be no assurance that the PCS Label will not be withdrawn from the Class A Notes at a later date.

The PCS Label is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and it is not a credit rating whether generally or as defined under the CRA Regulation or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended by the Credit Agency Reform Act of 2006). Prime Collateralised Securities (PCS) UK Limited is not an "expert" as defined in the United States Securities Acts of 1933 (as amended).

By awarding the PCS Label to certain securities, no views are expressed about the creditworthiness of these securities or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities. Investors should conduct their own research regarding the nature of the PCS Label and must read the information set out in <http://pcsmarket.org>.

#### **4.5 USE OF PROCEEDS**

The aggregate net proceeds of the Notes to be issued on the Closing Date amount to EUR 982,500,000.

The net proceeds of the issue of the Notes, other than the Class C Notes, will be applied by the Issuer on the Closing Date to pay part of the Initial Purchase Price for the Mortgage Receivables purchased under the Mortgage Receivables Purchase Agreement and the net proceeds from the issue of the Class C Notes will, on the Closing Date, (i) up to an amount of EUR 14,600,000 be credited to the Reserve Account and (ii) up to an amount equal to the Initial Interest Rate Cap Payment be paid by the Issuer to the Interest Rate Cap Provider. The remainder will be deposited on the Issuer Collection Account and will form part of the Available Revenue Funds.

#### 4.6 TAXATION IN THE NETHERLANDS

This section provides a general description of the main Netherlands tax issues and consequences of acquiring, holding, redeeming and/or disposing of the Notes. This summary provides general information only and is restricted to the matters of Netherlands taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Netherlands tax issues and consequences associated with or resulting from any of the above-mentioned transactions. Prospective acquirers are urged to consult their own tax advisors concerning the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing of the Notes.

The summary provided below is based on the information provided in this Prospectus and on the Netherlands tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Prospectus and with the exception of subsequent amendments with retroactive effect.

Subject to the foregoing:

1. No registration, stamp, transfer or turnover taxes or other similar duties or taxes will be payable in the Netherlands in respect of the offering and the Issue of the Notes by the Issuer or in respect of the signing and delivery of the Transaction Documents.
2. No Netherlands withholding tax will be due on payments of principal and/or interest.
3. A holder of Notes (a "**Holder**") will not be subject to Netherlands taxes on income or capital gains in respect of the acquisition or holding of Notes or any payment under the Notes or in respect of any gain realised on the disposal or redemption of the Notes, provided that:

- (i) such Holder is neither a resident nor deemed to be a resident nor has opted to be treated as a resident in the Netherlands; and
- (ii) such Holder does not have an enterprise or an interest in an enterprise that, in whole or in part, is carried on through a permanent establishment or a permanent representative in the Netherlands and to which permanent establishment or permanent representative the Notes are attributable;

and, if the Holder is a legal person, an open limited partnership (*open commanditaire vennootschap*), or another company with a capital divided into shares without legal personality or a special purpose fund (*doelvermogen*),

- (iii) such Holder does not have a substantial interest\* in the share capital of the Issuer and/or any Seller or in the event that such Holder does have such an interest, such interest either forms part of the assets of an enterprise or such interest is not held with the main purpose or one of the main purposes of evading income tax or dividend tax;
- (iv) such Holder does not have a deemed Netherlands enterprise to which enterprise the Notes are attributable;

and, if the Holder is a natural person,

- (v) such Holder does not derive benefits from miscellaneous activities carried out in the Netherlands in respect of the Notes, including, without limitation, activities which are beyond the scope of active portfolio investment activities; and
- (vi) such Holder or a person related to the Holder by law, contract, consanguinity or affinity to the degree specified in the tax laws of the Netherlands does not have, or is not deemed to have, a substantial interest\* in the share capital of the Issuer and/or any Seller.

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

- (i) in case of a gift of the Notes under a suspensive condition by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual is resident or deemed to be resident in the Netherlands at the date
  - (a) of the fulfilment of the condition; or
  - (b) of his/her death and the condition of the gift is fulfilled after the date of his/her death.
- (ii) in case of a gift of Notes by an individual who at the date of the gift or - in case of a gift under a suspensive condition - at the date of the fulfilment of the condition was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift or the fulfilment of the condition, while being resident or deemed to be resident in the Netherlands.

**Payments to Noteholders may be subject to withholding tax pursuant to the 2003/48/EC EU Council Directive**

Under the EU Council Directive 2003/48/EC on the taxation of savings income, Member States are required, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to (or secured for) an individual resident (or certain other entities established) in that other Member State. For a transitional period, currently Luxembourg and Austria are instead required (unless they elect otherwise during that period) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries), subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld. Luxembourg has announced that as from January 1, 2015, it will no longer make use of the transitional arrangements and will exchange information automatically under EU Council Directive 2003/48/EC. A number of non-EU countries and territories have adopted similar measures and the Member States have entered into reciprocal arrangements with certain of those countries or territories. The ECOFIN Council has approved a mandate for the European Commission to negotiate amendments to the arrangements with those non-EU countries to ensure they continue to apply equivalent measures in view of the European Commission's proposal to make certain amendments to the EU Council Directive 2003/48/EC, which would amend and broaden its scope, that was adopted by the Council of the EU on March 24, 2014 (Council Directive 2014/48/EU). Council Directive 2014/48/EU has to be applied from 1 January 2017. The above-mentioned equivalent measures may also, if agreed, result in the scope of the arrangements with non-EU countries being amended or broadened. Pursuant to Condition 5(d), the Issuer undertakes that it will ensure that it maintains a paying agent in an EU Member State that will not be obliged to withhold or deduct any tax pursuant to the EU Council Directive 2003/48/EC. It may be possible that such a paying agent does not perform its obligations in this respect under its agreement with the Issuer, which may result in the Issuer not being able to meet its obligation pursuant to the afore-mentioned Condition 5(d), in which case there is a risk that under certain circumstances the interest payments under the Notes, if any, become subject to withholding tax, which would reduce payments to the Noteholders. The European Commission has announced that it will consider repealing Council Directive 2014/48/EU, as a result of the adoption by the Council of the EU on 9 December 2014 of Council Directive 2014/107/EU as regards mandatory automatic exchange of information in the field of taxation. Council Directive 2014/107/EU, that must be applied from 1 January 2016, does not provide for an obligation to withhold or deduct tax from payments of interest (or similar income).

\*Generally speaking, an interest in the share capital of the Issuer and/or any Seller should not be considered as a substantial interest if the Holder of such interest, and if the Holder is a natural person his spouse, registered partner, certain other relatives or certain persons sharing the Holder's household, do not hold, alone or together, whether directly or indirectly, the ownership of, or certain rights over, shares or rights resembling shares representing five per cent. or more of the total issued and outstanding capital, or the issued and outstanding capital of any class of shares, of the Issuer and/or any Seller.

#### 4.7 SECURITY

In the Trust Deed, the Issuer will irrevocably and unconditionally undertake to pay to the Security Trustee the Parallel Debt, which is an amount equal to the aggregate amount due (*verschuldigd*) by the Issuer (i) to the Noteholders under the Notes, (ii) as fees, costs, expenses or other remuneration to the Directors under the Management Agreements, (iii) as fees and expenses to the Issuer Administrator and the Servicer under the Administration Agreement, (iv) as fees and expenses to the Paying Agent and the Reference Agent under the Paying Agency Agreement, (v) to the Cash Advance Facility Provider under the Cash Advance Facility Agreement, (vi) to the Interest Rate Cap Provider under the Interest Rate Cap Agreement, (vii) to the Seller under the Mortgage Receivables Purchase Agreement, (viii) to the Insurance Savings Participant under the Insurance Savings Participation Agreement, (ix) to the Bank Savings Participant under the Bank Savings Participation Agreement and (x) to the Issuer Account Bank under the Issuer Account Agreement. 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 that the Security Trustee irrevocably and unconditionally receives any amount in payment of the Parallel Debt, the Security Trustee will distribute such amount among the Secured Creditors in accordance with the Post-Enforcement Priority of Payments, save for amounts due to the Insurance Savings Participant and to the Bank Savings Participant in connection with the Participations and any Excess Interest Rate Cap Collateral and Tax Credit. The amounts due to the Secured Creditors, other than the Insurance Savings Participant and the Bank Savings Participant, will be the sum of (a) amounts recovered (*verhaald*) by the Security Trustee (i) on the Mortgage Receivables and the other assets pledged under the Issuer Mortgage Receivables Pledge Agreement and the Issuer Rights Pledge Agreement, other than the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element, and (ii) on Savings Mortgage Receivables, the Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables to the extent that the amount exceeds the relevant Participation in the relevant Savings Mortgage Receivables, the Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables and (b) the *pro rata* part of amounts received from any of the Secured Creditors, as received or recovered by any of them pursuant to the Trust Deed (by reference to the proportion which the sum of the Participations bears to the aggregate Mortgage Receivables); less (y) any amounts already paid by the Security Trustee to the Secured Creditors (other than the Insurance Savings Participant and the Bank Savings Participant) pursuant to the Trust Deed and (z) the *pro rata* part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, *inter alia*, the Credit Rating Agencies and any legal advisor, auditor or accountant appointed by the Security Trustee) (by reference to the proportion the sum of the Participations bears to the aggregate Mortgage Receivables).

The amounts due to the Insurance Savings Participant consists of, *inter alia*, (i) the amounts actually recovered (*verhaald*) by it on the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element under the Issuer Mortgage Receivables Pledge Agreement but only to the extent that such amounts do not exceed the relevant Insurance Savings Participation in each of such Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element and (ii) the *pro rata* part of the amounts received from any of the Secured Creditors, as received or recovered by any of them pursuant to the Trust Deed (by reference to the proportion the Insurance Savings Participations bear to the aggregate Mortgage Receivables), less (y) any amounts already paid to the Insurance Savings Participant by the Security Trustee pursuant to the Trust Deed and (z) the *pro rata* part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, *inter alia*, the Credit Rating Agencies and any legal advisor, auditor or accountant appointed by the Security Trustee) (by reference to the proportion the Insurance Savings Participations bear to the aggregate Mortgage Receivables).

The amounts due to the Bank Savings Participant consists of, *inter alia*, (i) the amounts actually recovered (*verhaald*) by it on the Bank Savings Mortgage Receivables under the Issuer Rights Pledge Agreement but only to the extent that such amounts do not exceed the relevant Bank Savings Participation in each of such Bank Savings Mortgage Receivables and (ii) the *pro rata* part of the amounts received from any of the Secured Creditors, as received or recovered by any of them pursuant to the Trust Deed (by reference to the proportion the Bank Savings Participations bear to the aggregate Mortgage Receivables), less (y) any amounts already paid to the Bank Savings Participant by the Security Trustee pursuant to the Trust Deed

and (z) the *pro rata* part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, *inter alia*, the Credit Rating Agencies and any legal advisor, auditor or accountant appointed by the Security Trustee) (by reference to the proportion the Bank Savings Participations bear to the aggregate Mortgage Receivables).

The Issuer shall grant a first ranking right of pledge (*pandrecht*) over the Mortgage Receivables and the Beneficiary Rights relating thereto (see also section 2 (*Risk Factors*) above) to the Security Trustee on the Closing Date pursuant to the Issuer Mortgage Receivables Pledge Agreement and the Deed of Assignment and Pledge and in respect of any New Mortgage Receivables undertakes to grant a first ranking right of pledge on the New Mortgage Receivables and the Beneficiary Rights relating thereto on the Notes Payment Date on which they are acquired.

The pledges created under the Issuer Mortgage Receivables Pledge Agreement will not be notified to the Borrowers or the Insurance Companies except following the occurrence of certain notification events, which are similar to the Assignment Notification Events but relate to the Issuer and include the delivery of an Enforcement Notice ("**Pledge Notification Events**"). Prior to notification of the pledge to the Borrowers and the Insurance Companies respectively, the pledge on the Mortgage Receivables and the Beneficiary Rights respectively will be a "silent" right of pledge (*stil pandrecht*) within the meaning of section 3:239 of the Dutch Civil Code.

In addition, a first ranking right of pledge will be vested by the Issuer in favour of the Security Trustee on the Closing Date pursuant to the Issuer Rights Pledge Agreement over all rights of the Issuer (a) under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Administration Agreement, (iii) the Issuer Account Agreement, (iv) the Participation Agreements, (v) the Interest Rate Cap Agreement, (vi) the Cash Advance Facility Agreement and (vii) the Receivables Proceeds Distribution Agreement, and (b) in respect of the Issuer Accounts. This right of pledge will be notified to the relevant obligors and will therefore be a "disclosed right of pledge" (*openbaar pandrecht*) as a result of which the Security Trustee becomes entitled to collect the relevant receivables, but the Security Trustee will grant a power to collect to the Issuer which will be withdrawn upon the occurrence of any of the Pledge Notification Events.

Following the occurrence of a Pledge Notification Event and, consequently notification to the Borrowers and withdrawal of the power to collect, the Security Trustee will collect (*innen*) all amounts due to the Issuer whether by Borrowers, the Insurance Companies or parties to the Transaction Documents. Pursuant to the Trust Deed, the Security Trustee, until it has given an Enforcement Notice, may at its option, from time to time, for the sole purpose of enabling the Issuer to make payments in accordance with the Revenue Priority of Payments, pay or procure the payment of certain amounts from such account as opened by the Security Trustee in its name at any bank as chosen by the Security Trustee, whilst for that sole purpose terminating (*opzeggen*) its right of pledge in respect of the amounts so paid.

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

The rights of pledge described above shall serve as security for the benefit of the Secured Creditors, including each of the Class A Noteholders, the Class B Noteholders and the Class C 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 C Noteholders will rank in priority of payment after amounts owing to the Class A Noteholders and the Class B Noteholders (see section 5 (*Credit Structure*)). The Class A Notes rank *pari passu* and *pro rata* without any preference or priority among all Notes of such Class in respect of the Security and payments of interest. Provided that no Enforcement Notice has been given, payments of principal on the Class A Notes are applied to the Class A Notes. However, to the extent that the Available Principal Funds are insufficient to redeem the Class A Notes in full when due in accordance with the Conditions for a period of fifteen days or more, this will constitute an Event of Default in accordance with Condition 10(a). If, on any date, the Security is to be enforced and the proceeds of the enforcement would be insufficient to fully redeem the Class A Notes, such loss will be borne, *pro rata* and *pari passu*, by the holders of the Class A Notes.

The Class A Notes comprise the Class A1 Notes, the Class A2 Notes and the Class A3 Notes and the Class A1 Notes, the Class A2 Notes and the Class A3 Notes rank *pari passu* and *pro rata* without any preference

or priority among all Class A Notes in respect of the Security and payments of interest. Provided that no Enforcement Notice has been given, payments of principal on the Class A Notes are applied firstly to the Class A1 Notes, then to the Class A2 Notes and then to the Class A3 Notes. The Class A2 Notes do not purport to provide credit enhancement to the Class A1 Notes. The Class A3 Notes do not purport to provide credit enhancement to the Class A1 Notes or the Class A2 Notes. If, on any date, the Security is to be enforced and the proceeds of the enforcement would be insufficient to fully redeem the Class A Notes in full, such loss will be borne, *pro rata* and *pari passu*, by the holders of the Class A Notes. If the Class A1 Notes have been redeemed (in part or in full) at such time, this will result in the Class A2 Notes and the Class A3 Notes bearing a greater loss than that borne by the Class A1 Notes. If the Class A1 Notes and the Class A2 Notes have been redeemed (in part or in full) at such time, this will result in the Class A3 Notes bearing a greater loss than that borne by the Class A1 Notes and the Class A2 Notes. See further risk factor *Risk related to the split between the Class A1 Notes and the Class A2 Notes* in section 2 (*Risk Factors*).

Pursuant to the Collection Foundation Account Pledge Agreement the Collection Foundation shall grant a first ranking right of pledge on the balance standing to the credit of the Collection Foundation Accounts in favour of, *inter alia*, the Security Trustee and the Previous Outstanding Transaction Security Trustees jointly as security for any and all liabilities of the Collection Foundation to the Security Trustee and the Previous Outstanding Transaction Security Trustees, and a second ranking right of pledge in favour of, *inter alia*, the Issuer and the Previous Outstanding Transaction SPVs jointly as security for any and all liabilities of the Collection Foundation to the Issuer and the Previous Outstanding Transaction SPVs, both under the condition that future issuers (and any security trustees) in securitisations and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by the Seller will also have the benefit of such right of pledge. Such rights of pledge have been notified to the Foundation Accounts Provider.

## 5. CREDIT STRUCTURE

*The structure of the credit arrangements for the proposed issue of the Notes may be summarised as follow:*

### 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 (as calculated on each Notes Calculation Date) as being received by the Issuer during the Notes Calculation Period immediately preceding such Notes Calculation Date or on the immediately succeeding Notes Payment Date (items (i) up to and including (xiii) less (xiv) being hereafter referred to as the "**Available Revenue Funds**"):

- (i) as interest on the Mortgage Receivable less, with respect to each Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Receivable, an amount equal to the amount of interest received multiplied by the Participation Fraction;
- (ii) as interest received on the Issuer Accounts (excluding the Interest Rate Cap Collateral Account);
- (iii) as prepayment and interest penalties under the Mortgage Receivables;
- (iv) as Net Foreclosure Proceeds on any Mortgage Receivables to the extent that such proceeds do not relate to principal less, with respect to amounts which relate to interest in respect of a Savings Mortgage Receivable, a Life Mortgage Receivable with the possibility of a Savings Element or a Bank Savings Mortgage Receivable, an amount equal to the amount of interest received multiplied by the Participation Fraction;
- (v) as amounts to be drawn under the Cash Advance Facility whether or not from the Cash Advance Facility Stand-by Account (other than Cash Advance Facility Stand-by Drawings) on the immediately succeeding Notes Payment Date;
- (vi) (a) as amounts to be drawn or released from the Reserve Account and (b) any amounts debited to the Interest Reconciliation Ledger and released from the Issuer Collection Account, on the immediately succeeding Notes Payment Date;
- (vii) as amounts to be received from the Interest Rate Cap Provider under the Interest Rate Cap Agreement on the immediately succeeding Notes Payment Date, but excluding any amounts provided by the Interest Rate Cap Provider as collateral, any amounts standing to the credit of the Interest Rate Cap Termination Payment Ledger (other than any Available Termination Amount drawn from the Interest Rate Cap Termination Payment Ledger under item (xiii)) and Tax Credit, if any;
- (viii) as amounts received in connection with a repurchase of Mortgage Receivables or any other amount received pursuant to the Mortgage Receivables Purchase Agreement to the extent that such amounts do not relate to principal less, in respect of a Savings Mortgage Receivable, Life Mortgage Receivable with the possibility of a Savings Element or Bank Savings Mortgage Receivable, an amount equal to the amount received multiplied by the Participation Fraction;
- (ix) as amounts received in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent that such amounts do not relate to principal less, in respect of a Savings Mortgage Receivable, Life Mortgage Receivable with the possibility of a Savings Element or Bank Savings Mortgage Receivable, an amount equal to such amounts received multiplied by the Participation Fraction and to the extent that such amounts relate to principal, but only such part that is in excess of the relevant Outstanding Principal Amount of the relevant Mortgage Receivable;
- (x) as amounts received as Post-Foreclosure Proceeds on the Mortgage Receivables;
- (xi) any (remaining) amounts standing to the credit of the Issuer Collection Account on the Notes Payment Date on which the Notes, other than the Class C Notes, are redeemed in full to the extent that not included in items (i) up to and including (x);
- (xii) any amounts forming part of the Available Principal Funds up to an amount equal to Class A Excess Consideration Shortfall; and
- (xiii) as amounts equal to the Initial Interest Rate Cap Payment to be drawn from the Interest Rate Cap Termination Payment Ledger equal to the Available Termination Amount;

#### **less**

- (xiv) (a) on the first Notes Payment Date of each year, an amount equal to the higher of (i) an amount equal to 10 per cent. of the annual operational expenses in the immediately preceding calendar year

in accordance with items (a), (b) and (c) of the Revenue Priority of Payments, but only to the extent that the amount of such expenses is not directly related to the Issuer's assets and/or liabilities and (ii) an amount of euro 2,500 and (b) any part of the Available Revenue Funds required to be credited to the Interest Reconciliation Ledger on the immediately succeeding Notes Payment Date in accordance with the Administration Agreement,

will be applied 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 any Notes Calculation Date, as being received during the immediately preceding Notes Calculation Period or on the immediately succeeding Notes Payment Date (items (i) up to and including (x) less (xi) and (xii) being hereafter referred to as the "**Available Principal Funds**");

- (i) as amounts of repayment and prepayment in full of principal under the Mortgage Receivables, from any person, but, for the avoidance of doubt, excluding prepayment penalties, if any, less, with respect to each Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Receivable, the relevant Participation in such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element or Bank Savings Mortgage Receivable;
- (ii) as Net Foreclosure Proceeds on any Mortgage Receivable to the extent that such proceeds relate to principal less, with respect to each Savings Mortgage Receivable, Life Mortgage Receivable with the possibility of a Savings Element and Bank Savings Mortgage Receivable, the relevant Participation in such Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Receivable;
- (iii) 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 that such amounts relate to principal less, with respect to each Savings Mortgage Receivable, Life Mortgage Receivable with the possibility of a Savings Element and Bank Savings Mortgage Receivable, the relevant Participation in such Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Loan;
- (iv) as amounts received in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent that such amounts relate to principal up to the Outstanding Principal Amount of the relevant Mortgage Receivable from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, if any, less, with respect to each Savings Mortgage Receivable, Life Mortgage Receivable with the possibility of a Savings Element and Bank Savings Mortgage Receivable, the relevant Participation in such Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element and Bank Savings Mortgage Receivable;
- (v) as amounts applied towards making good any Realised Loss and Class A Excess Consideration Shortfall reflected on to the relevant sub-ledger of the Principal Deficiency Ledger on the immediately succeeding Notes Payment Date in accordance with items (f) and (k) of the Revenue Priority of Payments;
- (vi) as Insurance Savings Participation Increase and Bank Savings Participation Increase;
- (vii) as partial prepayment in respect of the Mortgage Receivables (with a maximum of the Principal Amount Outstanding less the relevant Participation in the relevant Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or Bank Savings Mortgage Receivable, if any);
- (viii) as amounts equal to the excess (if any) of (a) the sum of the aggregate proceeds of the issue of the Notes, (other than the Class C Notes), and the Initial Insurance Savings Participation in respect of the Savings Mortgage Receivables, Life Mortgage Receivables with a Savings Element and Bank Savings Mortgage Receivables purchased on the Closing Date over (b) the Initial Purchase Price of the Mortgage Receivables purchased on the Closing Date;
- (ix) (a) as any part of the Available Principal Funds calculated on the immediately preceding Notes Calculation Date which has not been applied towards redemption of the Notes, other than the Class C Notes, on the immediately preceding Notes Payment Date, and (b) any amount to be drawn from the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date in accordance with the Administration Agreement;
- (x) on the First Optional Redemption Date and on each Optional Redemption Date thereafter, in case of a sale of Mortgage Receivables in accordance with the Trust Deed, an amount equal to the lower of

(i) the balance standing to the credit of the Reserve Account and (ii) the amount required to redeem the Class A Notes at their Principal Amount Outstanding after taking into account application of the Available Revenue Funds on the immediately succeeding Notes Payment Date, as to be drawn from the Reserve Account,

**less**

- (xi) (a) the Substitution Available Amount, if and to the extent that such amount will be actually applied to the purchase of New Mortgage Receivables on the next succeeding Notes Payment Date and (b) any part of the Available Principal Funds required to be credited to the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date in accordance with the Administration Agreement, and (c) the Initial Purchase Price Underpaid Amount, if any;
- (xii) an amount equal to the Class A Excess Consideration Shortfall on the immediately succeeding Notes Payment Date.

will be applied 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 last day of each calendar month, with interest being payable in arrear. All payments made by Borrowers must be paid into a Collection Foundation Account maintained by the Collection Foundation with the Foundation Accounts Provider. 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.

If at any time the unsecured, unsubordinated and unguaranteed debt obligations of the Foundation Accounts Provider are assigned a rating of less than the Collection Bank Required Ratings (as defined below), Achmea Bank, on behalf of the Collection Foundation, will as soon as reasonably possible, but at least within 30 calendar days either (i) transfer the Collection Foundation Accounts to an alternative bank with at least the Collection Bank Required Ratings or (ii) ensure that payments to be made by the Foundation Accounts Provider in respect of amounts received on a Collection Foundation Account relating to Mortgage Receivables will be guaranteed by a third party with at least the Collection Bank Required Ratings, or (iii) implement any other actions provided that the Credit Rating Agencies and Standard & Poor's Ratings Group, a division of The McGraw Hill Group of Companies, Inc are notified of such other actions.

**"Collection Bank Required Rating"** means the rating of (i) 'Prime-1' (short-term) by Moody's, (ii) 'F1' (short-term issuer default rating) or 'A' (long-term issuer default rating) by Fitch Ratings Ltd. and (iii) 'A-1' (short-term) by Standard & Poor's Ratings Group, a division of The McGraw Hill Group of Companies, Inc.

In the event of a transfer to an alternative bank as referred to under (i) above, the Collection Foundation shall enter into a pledge agreement – and create a right of pledge over such bank account in favour of the Issuer and the Previous Outstanding Transaction SPVs and the Security Trustee and the Previous Outstanding Transaction Security Trustees separately – upon terms substantially the same as the Collection Foundation Account Pledge Agreement.

The Seller or, if the Seller fails to reimburse the Collection Foundation or pay on behalf of the Collection Foundation any costs in connection with this replacement, the Foundation Accounts Provider, shall pay any costs incurred by the Collection Foundation as a result of the action described under (i) or (ii) above.

Each of the Collection Foundation and the Seller have undertaken to use reasonable efforts to procure that on the 9<sup>th</sup> business day of each calendar month or if this is not a business day the next succeeding business day all amounts of principal, interest (including penalty interest) and prepayment penalties received during the immediately preceding Mortgage Calculation Period in respect of the Mortgage Receivables will be transferred to the Issuer Collection Account.

**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.

In the event that the Issuer Administrator does not receive a Mortgage Report from the Servicer with respect to a Mortgage Calculation Period, then the Issuer and the Issuer Administrator on its behalf may use the three most recent Mortgage Reports for the purposes of the calculation of the amounts available to the Issuer to make payments, as further set out in the Administration Agreement. When the Issuer Administrator 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 by drawing amounts from the Interest Reconciliation Ledger and the Principal Reconciliation Ledger as set out in the Administration Agreement. Any (i) calculations properly done on the basis of such estimates in accordance with the Administration Agreement, (ii) payments made and 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 itself not lead to an Event of Default or any other default under any of the Transaction Documents or breach of any triggers included therein (including but not limited to Assignment Notification Events or Pledge Notification Events).

**Class A Excess Consideration Shortfall**

In the event that on any Notes Payment Date after redemption in full of the Class A Notes, an amount equal to the lower of (a) the Available Principal Funds excluding item (xii) of such definition and (b) the Class A Excess Consideration due on the Class A Notes on the immediately succeeding Notes Payment Date after application of the Available Revenue Funds, excluding item (xii) of such definition (the Class A Excess Consideration Shortfall) is higher than zero such amount will be debited from the Available Principal Funds (if available) and will form part of the Available Revenue Funds and shall be applied by the Issuer towards satisfaction of the Class A Excess Consideration due on such Notes Payment Date to the holders of the Class A Notes on a *pro rata* and *pari passu* basis and be distributed to the Class A1 Notes, the Class A2 Notes and the Class A3 Notes at such time. The Issuer shall debit the relevant Principal Deficiency Ledger with an amount equal to the Class A Excess Consideration Shortfall.

## 5.2 PRIORITY OF PAYMENTS

### Priority of Payments in respect of interest

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

- (a) *first*, in or towards satisfaction, *pro rata* and *pari passu*, 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, *pro rata* and *pari passu*, according to the respective amounts thereof, of fees and expenses due and payable to the Issuer Administrator and the Servicer under the Administration Agreement;
- (c) *third*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, (i) of 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 that such taxes cannot be paid out of item (xii) of the Available Revenue Funds), fees and expenses of the Credit Rating Agencies and any legal advisor, auditor and accountant appointed by the Issuer or the Security Trustee, (ii) amounts due to the Paying Agent and the Reference Agent under the Paying Agency Agreement, (iii) the Cash Advance Facility Commitment Fee (as set forth in the Cash Advance Facility Agreement) due to the Cash Advance Facility Provider, (iv) amounts and interest (as the case may be) due to the Issuer Account Bank under the Issuer Account Agreement and (v) up to (but excluding) the First Optional Redemption Date, an Initial Interest Rate Cap Payment to a new interest rate cap provider upon the entry into by the Issuer of a new interest rate cap payment, to the extent not yet paid outside the priority of payments;
- (d) *fourth*, in or towards satisfaction of any amounts due and payable to the Cash Advance Facility Provider under the Cash Advance Facility Agreement, including, following a Cash Advance Facility Stand-by Drawing, in or towards satisfaction of sums to be credited to the Cash Advance Facility Stand-by Drawing Account, and excluding any gross-up amounts or additional amounts due under the Cash Advance Facility Agreement payable under item (n) below, and excluding the Cash Advance Facility Commitment Fee;
- (e) *fifth*, (i) up to (but excluding) the First Optional Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of interest due or interest accrued but unpaid on the Class A1 Notes, the Class A2 Notes and the Class A3 Notes and (ii) from the First Optional Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of interest due or interest accrued but unpaid on the Class A1 Notes, the Class A2 Notes and the Class A3 Notes up to the Euribor Agreed Rate plus the applicable margin;
- (f) *sixth*, in or towards making good, any shortfall reflected in 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 any sums required to be deposited into the Reserve Account or, as the case may be, to replenish the Reserve Account up to the amount of the Reserve Account Target Level;
- (h) *eighth*, after the First Optional Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of the Class A Excess Consideration due and unpaid in respect of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes;
- (i) *ninth*, after the First Optional Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of the Class A Additional Amount due and unpaid in respect of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, until the Class A1 Notes, the Class A2 Notes and the Class A3 Notes have been fully redeemed in accordance with the Conditions;
- (j) *tenth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class B Notes;
- (k) *eleventh*, in or towards making good, any shortfall reflected in the Class B Principal Deficiency Ledger until the debit balance, if any, on the Class B Principal Deficiency Ledger is reduced to zero;
- (l) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class C Notes;
- (m) *thirteenth*, in or towards satisfaction of principal due on the Class C Notes until the Class C Notes are fully redeemed;

- (n) *fourteenth*, 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
- (o) *fifteenth*, in or towards satisfaction of the Deferred Purchase Price to the Seller.

**Priority of Payments in respect of principal**

Prior to the delivery of an Enforcement Notice by the Security Trustee, the Available Principal Funds will pursuant to the terms of the Trust Deed be applied by the Issuer on the Notes Payment Date immediately succeeding the Notes Calculation Date (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**") on a *pro rata* and *pari passu* basis among the Notes of the same Class or sub Class as follows:

- (a) *first*, in or towards redemption of principal amounts due under the Class A1 Notes, until fully redeemed in accordance with the Conditions and thereafter in or in or towards redemption of principal amounts due under the Class A2 Notes, until fully redeemed in accordance with the Conditions and thereafter in or in or towards redemption of principal amounts due under the Class A3 Notes, until fully redeemed in accordance with the Conditions; and
- (b) *second*, in or towards redemption of principal amounts due under the Class B Notes, until fully redeemed in accordance with the Conditions.

**Post-Enforcement Priority of Payments**

Following delivery of an Enforcement Notice the Enforcement Available Amount will be paid to the Secured Creditors (including the Noteholders, but excluding the Insurance Savings Participant and the Bank Savings Participant, which shall be entitled to receive an amount equal to the relevant Participation in each of the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element or the Bank Savings Mortgage Receivables, as the case may be, or if the amount recovered is less than the relevant Participation, then an amount equal to the amount actually recovered which amounts will not be part of this Post-Enforcement Priority of Payments) in the following order of priority (after deduction of costs incurred by the Security Trustee, which will include, *inter alia*, fees and expenses of the Credit Rating Agencies and any legal advisor, auditor and accountant appointed by the Security Trustee) (and in each case only if and to the extent that payments of a higher priority have been made in full) ("**Post-Enforcement Priority of Payments**"):

- (a) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of (i) the fees, costs, expenses or other remuneration due to the Directors under the Management Agreements, (ii) the fees and expenses of the Paying Agent and the Reference Agent incurred under the provisions of the Paying Agency Agreement and (iii) the fees and expenses of the Issuer Administrator and the Servicer under the Administration Agreement and (iv) amounts due to the Issuer Account Bank under the Issuer Account Agreement;
- (b) *second*, to the Cash Advance Facility Provider, in or towards satisfaction of any sums due or accrued due but unpaid under the Cash Advance Facility Agreement, but excluding any amounts due under the Cash Advance Facility Agreement payable under sub-paragraph (k) below;
- (c) *third*, up to (but excluding) the First Optional Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of interest due or interest accrued but unpaid on the Class A1 Notes, the Class A2 Notes and the Class A3 Notes and from the First Optional Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of interest due or interest accrued but unpaid on the Class A1 Notes, the Class A2 Notes and the Class A3 Notes up to a maximum of the Euribor Agreed Rate plus the applicable margin;
- (d) *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of principal due but unpaid in respect of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes;
- (e) *fifth*, after the First Optional Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of the Class A Excess Consideration due and unpaid in respect of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes;
- (f) *sixth*, in or towards satisfaction of all amounts of interest due or accrued but unpaid in respect of the Class B Notes;
- (g) *seventh*, in or towards satisfaction of all amounts of principal due but unpaid in respect of the Class B Notes;
- (h) *eighth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Class C Notes;

- (i) *ninth*, in or towards satisfaction of all amounts of principal due but unpaid in respect of the Class C Notes;
- (j) *tenth*, 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
- (k) *eleventh*, in or towards satisfaction of the Deferred Purchase Price to the Seller.

**Class A Excess Consideration**

On each Notes Payment Date after the First Optional Redemption Date, the Class A Excess Consideration in respect of the Class A Notes will be due to the Class A Noteholders. The Class A Excess Consideration consist of the sum of the Class A Step-up Consideration and the Class A Euribor Excess Consideration.

The Class A Step-up Consideration is, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each relevant sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by the relevant Class A Step-up Margin.

The Class A Euribor Excess Consideration is, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by Euribor for three months deposit for the relevant Interest Period to the extent Euribor exceeds the 5 per cent. per annum (Euribor Agreed Rate).

The obligation to pay the Class A Excess Consideration is subordinated to payments of a higher order of priority including, but not limited to, any amount necessary to (i) make good any shortfall reflected in the Class A Principal Deficiency Ledger until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero and (ii) replenish the Reserve Account up to the amount of the Reserve Account Target Level, in accordance with the Revenue Priority of Payments.

The credit ratings assigned by the Credit Rating Agencies do not address the likelihood of any payment of the Class A Excess Consideration and failure to pay any Class A Excess Consideration will not cause an Event of Default.

**Class A Additional Amount**

On each Notes Payment Date after the First Optional Redemption Date up to (and excluding) the Enforcement Date the Class A Additional Amount will be due to the Class A Noteholders in accordance with the Revenue Priority of Payments ,until the Class A Notes are redeemed in full. However no guarantee can be given that there will any funds available to pay such Class A Additional Amount on any Notes Payment Date.

The Class A Additional Amount will be paid on a pro rata and pari passu basis in accordance with the respective amounts outstanding of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes in accordance with the Revenue Priority of Payments and provided that payments of a higher order of priority have been made in full. The Class A Additional Amount is an amount equal to the Available Revenue Funds less any amount drawn under or released from the Reserve Account pursuant to item (vi) of the Available Revenue Funds, remaining after the amounts payable under the items (a) up to and including (h) of the Revenue Priority of Payments have been fully satisfied.

The credit ratings assigned by the Credit Rating Agencies do not address the likelihood of any payment of the Class A Additional Amount and failure to pay any Class A Additional Amount will not cause an Event of Default.

### 5.3 LOSS ALLOCATION

#### Principal Deficiency Ledger

A Principal Deficiency Ledger comprising two sub-ledgers known as the Class A Principal Deficiency Ledger and the Class B Principal Deficiency Ledger will be established by or on behalf of the Issuer in order to record any Realised Loss on the Mortgage Receivables and, after the Class A Notes have been redeemed in full, any Class A Excess Consideration Shortfall. An amount equal to the sum of (i) the Realised Loss and (ii) Class A Excess Consideration Shortfall shall be debited to the Class B Principal Deficiency Ledger (such Principal Deficiency being reccredited at item (k) of the Revenue Priority of Payments, to the extent that any part of the Available Revenue Funds is available for such purpose) so long as the debit balance on such ledger is less than the Principal Amount Outstanding of the Class B Notes and thereafter such amount will be debited to the Class A Principal Deficiency Ledger (such Principal Deficiency being reccredited at item (f) of the Revenue Priority of Payments to the extent that any part of the Available Revenue Funds is available for such purpose).

**"Realised Loss"** means, on any relevant Notes Payment Date, the sum of (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 Receivables in the immediately preceding Notes Calculation Period the amount by which (i) the aggregate Outstanding Principal Amount of all such Mortgage Receivables less, with respect to the Savings Mortgage Receivables, the Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables, the Participations exceeds (ii) the amount of the Net Foreclosure Proceeds applied to reduce the Outstanding Principal Amount of such Mortgage Receivables less, with respect to Savings Mortgage Receivables, Life Mortgage Receivables with a Savings Element and Bank Savings Mortgage Receivables, the Participations, and (b) with respect to Mortgage Receivables sold by the Issuer in the immediately preceding Notes Calculation Period, the amount by which (i) the aggregate Outstanding Principal Amount of such Mortgage Receivables less, with respect to Savings Mortgage Receivables, Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables, the Participations, exceeds (ii) the purchase price received in respect of such Mortgage Receivables sold to the extent relating to principal less, with respect to the Savings Mortgage Receivables, Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables, the Participations, and (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) (p)repaid any amounts, an amount equal to the amount by which (i) the aggregate Outstanding Principal Amount of all such Mortgage Receivables less, with respect to the Savings Mortgage Receivables, the Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables, the Participations, in respect of each such Mortgage Receivable immediately prior to such set-off, defence or (p)repayment, exceeds (ii) the higher of (x) zero and (y) the aggregate Outstanding Principal Amount of all such Mortgage Receivables less, with respect to the Savings Mortgage Receivables, the Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables, the Participations, in respect of each such Mortgage Receivable immediately after such set-off, defence or (p)repayment taking into account only the amount by which such Mortgage Receivable has been extinguished (*teniet gegaan*) as a result thereof in each case if and to the extent that such amount is not received from the Seller or otherwise pursuant to any of the items of the Available Principal Funds.

**"Class A Excess Consideration Shortfall"** means, on any Notes Calculation Date, after the Class A Notes have been redeemed in full, an amount equal to the lower of (a) the Available Principal Funds excluding item (xii) of such definition and (b) the Class A Excess Consideration due on the Class A Notes on the immediately succeeding Notes Payment Date after application of the Available Revenue Funds, excluding item (xii) of such definition.

#### 5.4 HEDGING

The Mortgage Loan Criteria require that all Mortgage Receivables bear a floating rate or a fixed rate of interest, subject to a reset from time to time. Up to the First Optional Redemption Date, the Class A1 Notes and the Class A2 Notes will bear a floating rate of interest calculated as the relevant Euribor plus a margin, and the Class A3 Notes, the Class B Notes and the Class C Notes will bear a fixed rate of interest.

Up to (but excluding) the First Optional Redemption Date, the Issuer will mitigate the interest rate exposure on the Class A1 Notes and the Class A2 Notes to a certain extent by entering into the Interest Rate Cap Agreement with the Interest Rate Cap Provider on the Closing Date. The interest rate exposure in respect of the Class A3 Notes, the Class B Notes and the Class C Notes will not be mitigated by the Interest Rate Cap Agreement.

The Interest Rate Cap Agreement requires the Interest Rate Cap Provider, against payment of the Initial Interest Rate Cap Payment on the Closing Date, up to (but excluding) the First Optional Redemption Date, to make payments to the Issuer on a quarterly basis to the extent the relevant Euribor for any Interest Period exceeds the Cap Strike Rate. Such payments will amount to the part of the relevant Euribor for an Interest Period exceeding the Cap Strike Rate multiplied by a cap notional amount of EUR 666,600,000 (the "**Cap Notional Amount**").

The Interest Rate Cap Agreement will be documented under an ISDA master agreement. The Interest Rate Cap Agreement may be terminated in accordance with events of default and termination events commonly found in standard ISDA documentation for swap or cap transactions. The Interest Rate Cap Agreement will be terminable by one party if (i) an applicable event of default or termination event occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the Interest Rate Cap Agreement, or (iii) an Enforcement Notice is served. Events of default under the Interest Rate Cap Agreement in relation to the Issuer will be limited to (i) non-payment under the Interest Rate Cap Agreement, and (ii) certain insolvency events.

In the event that the relevant rating(s) of the Interest Rate Cap Provider is or are, as applicable, downgraded by a Credit Rating Agency below the Cap Required Ratings, the Interest Rate Cap Provider will, in accordance with the Interest Rate Cap Agreement, be required to take certain remedial measures within the timeframe stipulated in the Interest Rate Cap Agreement and at its own cost which may include (i) the provision of collateral for its obligations under the Interest Rate Cap Agreement pursuant to the credit support annex to the Interest Rate Cap Agreement entered into by the Issuer and the Interest Rate Cap Provider on the basis of the standard ISDA documentation (which provides for requirements relating to the provision of collateral by the Interest Rate Cap Provider), or (ii) arranging for its obligations under the Interest Rate Cap Agreement to be transferred to an entity with the Cap Required Ratings, or (iii) procuring another entity with at least the Cap Required Ratings to become joint-obligor or a guarantor in respect of its obligations under the Interest Rate Cap Agreement, or (iv) taking such other action as it may agree with the Security Trustee as will result in the ratings of the then outstanding Class A Notes being restored to or maintained at the level they were at immediately prior to the downgrade. A failure to take such steps, subject to certain conditions, will give the Issuer the right to terminate the Interest Rate Cap Agreement.

Upon the early termination of the Interest Rate Cap Agreement, the Interest Rate Cap Provider may be liable to make a termination payment to the Issuer (in addition to the payments by the Interest Rate Cap Provider to the Issuer to the extent the relevant Euribor for any Interest Period exceeds the Cap Strike Rate). The amount of any termination payment will be based on the market value of the Interest Rate Cap Agreement. If the Interest Rate Cap Agreement is terminated as a result of an event of default or termination event in respect of the Issuer or the service of an Enforcement Notice, the Interest Rate Cap Provider will calculate the termination amount payable to the Issuer as a result of the termination of the Interest Rate Cap Agreement, in accordance with the terms of the Interest Rate Cap Agreement. Likewise, if the Interest Rate Cap Agreement is terminated as a result of an event of default or termination event in respect of the Interest Rate Cap Provider, the Issuer will calculate the termination amount payable.

Any amounts received by the Issuer from the Interest Rate Cap Provider (whether or not through application of any collateral standing to the credit of the Interest Rate Cap Collateral Account) upon early termination of the Interest Rate Cap Agreement will be held on the Issuer Collection Account with a corresponding credit to the Interest Rate Cap Termination Payment Ledger. Amounts standing to the credit of the Interest Rate Cap

Termination Payment Ledger will be available to make an Initial Interest Rate Cap Payment to a new interest rate cap provider (i) on a Notes Payment Date in an amount equal to the Available Termination Amount which will be drawn from the Interest Rate Cap Payment Ledger on a Notes Payment Date and will form part of the Available Revenue Funds and (ii) on any date other than a Notes Payment Date outside of the Priority of Payments.

Any collateral required to be provided pursuant to the Interest Rate Cap Agreement may be credited in the form of cash to the Interest Rate Cap Collateral Account by the Interest Rate Cap Provider. See further Condition 5.6 (*Issuer Transaction Accounts: Interest Rate Cap Collateral Account*).

Any payments received by the Issuer from the Interest Rate Cap Provider under the Interest Rate Cap Agreement, other than any Interest Rate Cap Collateral and any amounts standing to the credit of the Interest Rate Cap Termination Payment Ledger (other than any Available Termination Amount which will be drawn from the Interest Rate Cap Termination Payment Ledger on any date other than a Notes Payment Date), will be included in the Available Revenue Funds and will be applied on the relevant Notes Payment Date in accordance with the Revenue Priority of Payments.

Any Excess Interest Rate Cap Collateral will, when due pursuant to the Interest Rate Cap Agreement, be returned to such Interest Rate Cap Provider outside the applicable Priority of Payments. If the Issuer receives any Tax Credit resulting from the payment of any withholding tax by the Interest Rate Cap Provider, the Issuer shall pay the cash benefit of such Tax Credit to the Interest Rate Cap Provider outside the applicable Priority of Payments.

## 5.5 LIQUIDITY SUPPORT

### **Cash Advance Facility Agreement**

On the Closing 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 up to the Cash Advance Facility Maximum Amount. 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, until the Class A Notes are redeemed in full, if and to the extent that, without taking into account any drawing under the Cash Advance Facility Agreement, but after any drawing of the Reserve Account, there is a shortfall in the Available Revenue Funds to meet items (a) to (e) (inclusive) in the Revenue Priority of Payments in full on that Notes Payment Date. The Cash Advance Facility Provider will rank in priority in respect of payments and security to the Notes, save for certain gross-up amounts or additional amounts due under the Cash Advance Facility Agreement.

If (a) at any time the rating of the Cash Advance Facility Provider falls below the Requisite Credit Rating or any such rating is withdrawn by the relevant Credit Rating Agencies and (b) within thirty (30) calendar days of such downgrade or withdrawal, as applicable (i) the Cash Advance Facility Provider is not replaced by the Issuer with a suitably rated alternative cash advance facility provider having at least the Requisite Credit Rating or (ii) no third party having the required ratings has guaranteed the obligations of the Cash Advance Facility Provider which guarantee does not have an adverse effect on the then current ratings assigned to the Class A Notes or (iii) no other solution acceptable to the Security Trustee is found to maintain the then current rating assigned to the Class A Notes, the Issuer will be required forthwith to draw down the entirety of the undrawn portion of the Cash Advance Facility and deposit such amount on the Cash Advance Facility Stand-by Drawing Account. Amounts so deposited to the Cash Advance Facility Stand-by Drawing Account may be utilised by the Issuer in the same manner as a drawing under the Cash Advance Facility if the Cash Advance Facility had not been so drawn. A Cash Advance Facility Stand-by Drawing shall also be made if the Cash Advance Facility is not renewed following its commitment termination date.

## 5.6 TRANSACTION ACCOUNTS

### Issuer Accounts

#### *Issuer Collection Account*

The Issuer will maintain the Issuer Collection Account with the Issuer Account Bank to which all amounts received (i) in respect of the Mortgage Loans, (ii) from the Insurance Savings Participant pursuant to the Insurance Savings Participation Agreement, (iii) from the Bank Savings Participant pursuant to the Bank Savings Participation Agreement and (iv) 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 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 (the "**Principal Ledger**") or a revenue ledger (the "**Revenue Ledger**"), respectively. Further ledgers will be maintained to record amounts held in the Issuer Collection Account in respect of certain drawings made under the Cash Advance Facility (see further section 5.5 (*Liquidity Support*)).

Payments may only be made from the Issuer Collection Account other than on a Notes Payment Date in order 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, (ii) amounts due to the Insurance Savings Participant under the Insurance Savings Participation Agreement, (iii) amounts due to the Bank Savings Participant under the Bank Savings Participation Agreement and (iv) amounts due to the Interest Rate Cap Provider as Excess Interest Rate Cap Collateral.

Any amounts received by the Issuer from the Interest Rate Cap Provider (whether or not through application of any collateral standing to the credit of the Interest Rate Cap Collateral Account) upon early termination of the Interest Rate Cap Agreement will be held on the Issuer Collection Account with a corresponding credit to the Interest Rate Cap Termination Payment Ledger. Amounts standing to the credit of the Interest Rate Cap Termination Payment Ledger will be available to make an Initial Interest Rate Cap Payment to a new interest rate cap provider (i) on a Notes Payment Date in an amount equal to the Available Termination Amount which will be drawn from the Interest Rate Cap Payment Ledger on a Notes Payment Date and will form part of the Available Revenue Funds and (ii) on any date other than a Notes Payment Date outside of the Priority of Payments.

#### *Cash Advance Facility Stand-by Drawing Account*

The Issuer will maintain with the Issuer Account Bank the Cash Advance Facility Stand-by Account. If, at any time, the Issuer is required to make a Cash Advance Facility Stand-by Drawing, the Issuer shall deposit such amount in the Cash Advance Facility Stand-by Drawing Account. Such amounts will be available for payment to be made by the Issuer subject to and in accordance with the Cash Advance Facility Agreement as if it were making a drawing thereunder.

On the Notes Payment Date on which all amounts of principal due in respect of the Class A Notes, have been or will be paid, the Cash Advance Facility Maximum Amount will be reduced to zero and any amount standing to the credit of the Cash Advance Facility Stand-by Account will be repaid to the Cash Advance Facility Provider.

#### *Reserve Account*

The Issuer will also maintain the Reserve Account with the Issuer Account Bank. The net foreclosure proceeds of the issue of the Class C Notes will be credited to the Reserve Account.

Amounts credited to the Reserve Account will be available on any Notes Payment Date to meet items (a) to (f) (inclusive) of the Revenue Priority of Payments before application of all funds drawn under the Cash Advance Facility. The purpose of the Reserve Account is to enable the Issuer, on any Notes Payment Date, until the Class A Notes are redeemed in full, to meet the Issuer's payment obligations under items (a) up to and including (f) in the Revenue Priority of Payments in the event the Available Revenue Funds is not sufficient to enable the Issuer to meet such payment obligations on such Notes Payment Date.

If and to the extent that the Available Revenue Funds on any Notes Calculation Date exceed the amounts required to meet items (a) to (f) (inclusive) in the Revenue Priority of Payments, the excess amount will be applied to deposit into or replenish the Reserve Account up to the Reserve Account Target Level, as the case may be.

To the extent that the balance standing to the credit of the Reserve Account on any Notes Payment Date exceeds the Reserve Account Target Level (after payments pursuant to the Revenue Priority of Payments would have been made on such date), such excess shall be drawn from the Reserve Account on such Notes Payment Date and shall form part of the Available Revenue Funds on that Notes Payment Date and be available, subject to the Revenue Priority of Payments, for redemption of the Class C Notes.

From (and including) the First Optional Redemption Date, after a sale of Mortgage Receivables in accordance with the Trust Deed, the balance standing to the credit of the Reserve Account shall also be applied towards redemption of the Class A Notes at their Principal Amount Outstanding and any due (but unpaid) Class A Excess Consideration in case of a difference on such Optional Redemption Date between (i) the aggregate Principal Amount Outstanding of the Class A Notes and any due (but unpaid) Class A Excess Consideration and (ii) the available Class A Redemption Amount (without taking into account any drawing from the Reserve Account set out in item (x) of the Available Principal Funds), and shall form part of the Available Principal Funds in accordance with item (x) of such definition.

On the Notes Payment Date on which all amounts of principal due in respect of the Class A Notes, have been or will be paid, the Reserve Account Target Level will be reduced to zero and any amount standing to the credit of the Reserve Account will form part of the Available Revenue Funds and will be applied by the Issuer in or towards satisfaction of all items in the Revenue Priority of Payments in accordance with the priority set out therein, including for redemption of principal of the Class C Notes.

*Interest Rate Cap Collateral Account*

Up to (but excluding) the First Optional Redemption Date, the Issuer will maintain with the Issuer Account Bank the Interest Rate Cap Collateral Account to which any collateral in the form of cash may be credited by the Interest Rate Cap Provider pursuant to the Interest Rate Cap Agreement.

No withdrawals may be made in respect of the Interest Rate Cap Collateral Account other than:

- (a) to effect the return of Excess Interest Rate Cap Collateral to the Interest Rate Cap Provider (which return shall be effected by the transfer of such Excess Interest Rate Cap Collateral directly to the Interest Rate Cap Provider without deduction for any purpose outside the relevant Revenue Priority of Payments); or
- (b) following the early termination of the Interest Rate Cap Agreement where an amount is owed by the Interest Rate Cap Provider to the Issuer an amount equal to the amount owed may be withdrawn and credited to the Issuer Collection Account

If at any time the Issuer Account Bank's rating is less than the Requisite Credit Rating or any of its ratings are withdrawn by any of the Credit Rating Agencies, the Issuer Account Bank will be required within thirty (30) calendar days of such downgrade or withdrawal (a) to procure a third party, having at least the Requisite Credit Rating, to guarantee the obligations of the Issuer Account Bank in accordance with the then current criteria of the Credit Rating Agencies, or (b) take any other action acceptable to the Security Trustee to maintain the then current ratings assigned to the Class A Notes. Following such thirty (30) calendar day period, the Issuer may within ten (10) calendar days' notice to the Issuer Account Bank, terminate the Issuer Account Agreement with effect from the expiry date of such notice.

## 5.7 ADMINISTRATION AGREEMENT

### Services

In the Administration Agreement the Issuer Administrator will agree (x) to provide, *inter alia*, certain administration, calculation and cash management services to the Issuer, including drawings (if any) to be made by the Issuer from the Reserve Account including (a) all payments to be made by the Issuer under the Interest Rate Cap Agreement, (b) drawings (if any) to be made by the Issuer under the Cash Advance Facility, (c) all payments to be made by the Issuer under the Notes in accordance with the Paying Agency Agreement and the Conditions, (d) all payments to be made by the Issuer under the Participation Agreements, (e) the maintaining of all required ledgers in connection with the above, (f) all calculations to be made pursuant to the Conditions under the Notes and (g) the preparation of quarterly reports; and (y) to submit certain statistical information regarding the Issuer as referred to above to certain governmental authorities if and when requested. The Issuer Administrator will also provide the Interest Rate Cap Provider with all information necessary in order to perform its roles as calculation agent under the Interest Rate Cap Agreement.

Each of the Servicer and 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 Servicer or 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.

### 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, (c) the Servicer and/or 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 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 termination of the appointment of the Issuer Administrator under the Administration Agreement, each of the Security Trustee and the Issuer shall use its best efforts to appoint a substitute servicer and/or issuer administrator, as the case may be, and such issuer administrator, as the case may be, shall enter into an agreement with the Issuer and the Security Trustee substantially on the terms of the Administration Agreement, provided that such issuer administrator, as the case may be, shall have the benefit of a fee at a level then to be determined.

The appointment of the Issuer Administrator under the Administration Agreement may be terminated by the Issuer Administrator or the Issuer and/or the Security Trustee upon the expiry of not less than six (6) months' notice of termination given by the Issuer Administrator to each of the Issuer and the Security Trustee or by the Issuer and/or the Security Trustee to the Servicer and/or the Issuer Administrator provided that – *inter alia* – (a) the Security Trustee consents in writing to such termination and (b) a substitute servicer and/or issuer administrator, as the case may be, shall be appointed, such appointment to be effective not later than the date of termination of the Administration Agreement and the Issuer Administrator, as the case may be, shall not be released from its obligations under the Administration Agreement until such substitute issuer administrator, as the case may be, has entered into such new agreement.

### Market Abuse Directive

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 below.

The Directive 2003/6/EC of 28 January 2003 on insider dealing and market manipulation (the "**Market Abuse Directive**") and the Dutch legislation implementing this Directive (the Market Abuse Directive and the Dutch implementing legislation together referred to as the "**MAD Regulations**") *inter alia* impose on the Issuer the obligations 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 be 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.

## 6. PORTFOLIO INFORMATION

### 6.1 STRATIFICATION TABLES

#### Summary of the Pool

The numerical information set out below relates to a pool of Mortgage Loans (the "Provisional Pool") which was selected as of the close of business on 31 January 2015. All amounts are in euro. All amounts relating to principal are inclusive of any Participation, unless stated otherwise. The information set out below relates to the Provisional Pool and may not necessarily correspond to that of the Mortgage Receivables actually sold to the Issuer on the Closing Date. After the Closing Date the portfolio will change from time to time as a result of repayment, prepayment, substitution, amendment and repurchase of Mortgage Receivables.

1. Key characteristics		Dutch Residential Mortgage Portfolio I B.V.
Cut-off date		31-1-2015
Principal balance (EUR)		1.055.018.178
Value of saving deposits (EUR)		64.092.444
Net principal balance (EUR)		990.925.734
Construction deposits (EUR)		0
Net principal balance excl. construction and saving deposits (EUR)		990.925.734
Number of loans		7.938
Number of loanparts		13.948
Average principal balance (borrower) (EUR)		124.833
Weighted average current interest rate (%)		4,32%
Weighted average remaining fixed rate period (yrs)		6,40
Weighted average maturity (yrs)		20,37
Weighted average seasoning (yrs)		8,24
Weighted average LTMV (CLTOMV) (%)		80,47
Weighted average LTMV (CLTOMV) (indexed) (%)		80,44
Weighted average LTFV (CLTOFV) (%)		90,84
Weighted average LTFV (CLTOFV) (indexed) (%)		90,87

\* Average principal balance (borrower) refers to net principal balance

\*\* Weighted average maturity based on remaining tenor (which is defined as the period between the Cut-Off Date and the legal maturity date of the Loan Part)

\*\*\* Weighted average LTMV: defined in table 12a below as Current Loan to Original Market Value

\*\*\*\* Weighted average LTMV (indexed): defined in table 13a below as Current Loan to Indexed Market Value

\*\*\*\*\* Weighted average LTFV: defined in table 9a below as Current Loan to Original Foreclosure Value

\*\*\*\*\* Weighted average LTFV (indexed): defined in table 10a below as Current Loan to Indexed Foreclosure Value

2. Redemption type		Dutch Residential Mortgage Portfolio I B.V.						
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV	
Annuity	216.666.291	21,9%	2.174	15,6%	3,9%	27,7	92,1%	
Interest only	445.577.076	45,0%	7.293	52,3%	4,3%	19,4	73,2%	
Investment	18.827.246	1,9%	135	1,0%	4,4%	18,2	97,2%	
Life	158.382.184	16,0%	1.696	12,2%	4,3%	16,1	89,7%	
Linear	9.329.803	0,9%	125	0,9%	3,8%	27,5	86,0%	
Savings	142.143.134	14,3%	2.525	18,1%	5,1%	16,8	72,5%	
Savings/Investment	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>	

3. Outstanding loan amount (EUR)		Dutch Residential Mortgage Portfolio I B.V.						
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV	
0 - 25,000	41.676.759	4,2%	712	9,0%	4,5%	16,1	60,8%	
25,000 - 50,000	116.828.698	11,8%	1.117	14,1%	4,6%	16,1	64,3%	
50,000 - 75,000	154.683.759	15,6%	1.025	12,9%	4,5%	18,0	73,7%	
75,000 - 100,000	161.634.720	16,3%	827	10,4%	4,3%	19,9	81,2%	
100,000 - 150,000	251.568.154	25,4%	1.577	19,9%	4,2%	21,7	85,6%	
150,000 - 200,000	141.668.474	14,3%	1.290	16,3%	4,2%	23,5	88,9%	
200,000 - 250,000	57.851.970	5,8%	685	8,6%	4,1%	23,6	91,2%	
250,000 - 300,000	34.640.207	3,5%	361	4,5%	4,1%	22,6	89,8%	
300,000 - >	30.372.995	3,1%	344	4,3%	4,2%	22,9	87,0%	
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>	

\* Outstanding loan amount (EUR) refers to net loan amount

Arithmetic Average	124.833
Minimum	10
Maximum	806.750

4. Origination year					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
1994 - 2004	345.874.733	34,9%	6.168	44,2%	4,5%	14,3	67,8%
2004 - 2005	70.798.924	7,1%	1.023	7,3%	4,1%	18,3	81,7%
2005 - 2006	53.643.304	5,4%	810	5,8%	4,1%	18,8	81,3%
2006 - 2007	45.719.813	4,6%	644	4,6%	4,4%	20,4	86,5%
2007 - 2008	44.123.284	4,5%	638	4,6%	4,8%	21,1	88,3%
2008 - 2009	60.192.048	6,1%	720	5,2%	5,1%	22,1	88,7%
2009 - 2010	53.177.571	5,4%	629	4,5%	4,4%	19,9	81,5%
2010 - 2011	6.281.918	0,6%	119	0,9%	5,0%	22,7	78,9%
2011 - 2012	14.540.949	1,5%	229	1,6%	4,6%	22,0	79,6%
2012 - 2013	54.420.377	5,5%	628	4,5%	4,5%	26,0	88,5%
2013 - 2014	74.123.824	7,5%	718	5,1%	4,2%	27,0	91,8%
2014 - >	168.028.989	17,0%	1.622	11,6%	3,7%	28,6	91,3%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

<b>Weighted Average</b>	<b>2006</b>	-----> Note: Weighted average origination date is 10/17/2006
<b>Minimum</b>	<b>1994</b>	-----> Note: Min origination date is 1/6/1994
<b>Maximum</b>	<b>2015</b>	-----> Note: Max origination date is 1/8/2015

5. Seasoning					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0 years - 2 years	235.102.558	23,7%	2.265	16,2%	3,9%	28,2	91,5%
2 years - 4 years	75.354.294	7,6%	921	6,6%	4,5%	25,3	86,8%
4 years - 6 years	56.762.943	5,7%	720	5,2%	4,4%	20,2	80,5%
6 years - 8 years	104.868.918	10,6%	1.350	9,7%	5,0%	21,7	89,1%
8 years - 10 years	99.176.848	10,0%	1.447	10,4%	4,3%	19,6	84,0%
10 years - 12 years	133.566.153	13,5%	1.864	13,4%	4,2%	17,9	81,5%
12 years - 14 years	80.854.056	8,2%	1.284	9,2%	4,4%	16,5	79,8%
14 years - 16 years	100.256.499	10,1%	1.720	12,3%	4,3%	13,7	64,3%
16 years - 18 years	65.538.189	6,6%	1.368	9,8%	4,6%	12,0	57,4%
18 years - 20 years	28.141.910	2,8%	709	5,1%	4,9%	10,6	49,9%
20 years - 22 years	11.303.367	1,1%	300	2,2%	5,5%	9,3	42,9%
22 years - 24 years	0	0,0%	0	0,0%	0,0%	0,0	0,0%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Seasoning is defined as the period between the date of origination of the Loan Part and the Cut-Off date

<b>Weighted Average</b>	<b>8,2</b>
<b>Minimum</b>	<b>0,0</b>
<b>Maximum</b>	<b>21,0</b>

6. Legal maturity					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
2014 - 2017	3.659.662	0,4%	118	0,8%	4,4%	1,2	58,8%
2017 - 2020	11.177.643	1,1%	312	2,2%	4,5%	3,6	54,3%
2020 - 2023	13.156.224	1,3%	300	2,2%	4,8%	6,6	61,6%
2023 - 2026	39.467.990	4,0%	855	6,1%	4,9%	9,6	55,8%
2026 - 2029	84.004.787	8,5%	1.728	12,4%	4,6%	12,6	61,7%
2029 - 2032	150.793.396	15,2%	2.535	18,2%	4,3%	15,3	69,4%
2032 - 2035	195.985.717	19,8%	2.686	19,3%	4,2%	18,5	82,3%
2035 - 2038	148.313.052	15,0%	2.003	14,4%	4,4%	21,3	86,0%
2038 - 2041	76.321.094	7,7%	879	6,3%	4,9%	23,8	89,2%
2041 - 2044	117.173.252	11,8%	1.182	8,5%	4,3%	28,0	91,2%
2044 - 2047	150.872.918	15,2%	1.350	9,7%	3,7%	29,5	91,9%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Based on original maturity date

<b>Weighted Average</b>	<b>2035</b>	-----> Note: Weighted average legal maturity is 6/16/2035
<b>Minimum</b>	<b>2015</b>	-----> Note: Min legal maturity is 2/1/2015
<b>Maximum</b>	<b>2045</b>	-----> Note: Max legal maturity is 6/1/2045

7. Remaining tenor					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0 years - 5 years	15.229.768	1,5%	440	3,2%	4,5%	3,1	55,3%
5 years - 10 years	38.371.377	3,9%	865	6,2%	4,9%	8,3	57,6%
10 years - 15 years	160.339.189	16,2%	3.101	22,2%	4,5%	13,1	62,0%
15 years - 20 years	289.727.490	29,2%	4.206	30,2%	4,3%	17,7	79,6%
20 years - 25 years	213.905.901	21,6%	2.717	19,5%	4,6%	22,1	87,3%
25 years - 31 years	273.352.009	27,6%	2.619	18,8%	4,0%	28,8	91,4%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* The Remaining Tenor is defined as the period between the Cut-Off Date and the legal maturity date of the Loan Part

<b>Weighted Average</b>	<b>20,4</b>
<b>Minimum</b>	<b>0,0</b>
<b>Maximum</b>	<b>30,3</b>

8a. Original loan to original foreclosure value					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0% - 80%	246.683.931	24,9%	3.025	38,1%	4,3%	16,3	48,8%
80% - 85%	43.546.394	4,4%	395	5,0%	4,3%	18,2	66,7%
85% - 90%	48.908.504	4,9%	413	5,2%	4,4%	19,5	71,2%
90% - 95%	48.112.556	4,9%	397	5,0%	4,3%	20,0	74,3%
95% - 100%	43.361.485	4,4%	361	4,5%	4,3%	20,3	79,4%
100% - 105%	54.916.828	5,5%	429	5,4%	4,4%	20,3	83,2%
105% - 110%	63.946.934	6,5%	417	5,3%	4,3%	21,1	89,6%
110% - 115%	89.774.862	9,1%	499	6,3%	4,2%	23,3	94,5%
115% - 120%	162.110.619	16,4%	905	11,4%	4,1%	25,0	99,7%
120% - 125%	180.304.036	18,2%	1.044	13,2%	4,5%	21,0	102,3%
125% - 130%	9.063.764	0,9%	52	0,7%	4,4%	19,4	98,8%
130% - >	195.821	0,0%	1	0,0%	4,5%	28,0	102,0%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Original Foreclosure Value at most recent valuation date

\*\* Original Loan to Original Foreclosure Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Original Loan to Original Foreclosure Value is defined as: Original Principal Amount / Original Foreclosure Value

<b>Weighted Average</b>	<b>97,6%</b>
<b>Minimum</b>	<b>5,2%</b>
<b>Maximum</b>	<b>130,5%</b>

8b. Original loan to original foreclosure value					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG Guarantee	446.684.085	45,1%	3.449	43,4%	4,2%	22,6	85,3%
0% - 80%	187.874.496	19,0%	2.311	29,1%	4,3%	15,7	49,8%
80% - 85%	29.922.607	3,0%	255	3,2%	4,3%	18,0	68,6%
85% - 90%	30.959.567	3,1%	250	3,1%	4,4%	18,6	72,3%
90% - 95%	29.635.823	3,0%	227	2,9%	4,4%	19,6	76,6%
95% - 100%	19.406.484	2,0%	167	2,1%	4,6%	18,5	81,6%
100% - 105%	26.856.279	2,7%	186	2,3%	4,9%	19,5	87,5%
105% - 110%	34.944.595	3,5%	198	2,5%	4,5%	20,5	91,5%
110% - 115%	45.580.216	4,6%	213	2,7%	4,3%	22,6	95,2%
115% - 120%	46.243.900	4,7%	214	2,7%	4,4%	21,5	99,3%
120% - 125%	86.432.739	8,7%	436	5,5%	4,7%	20,1	104,2%
125% - 130%	6.384.944	0,6%	32	0,4%	4,5%	18,6	100,6%
130% - >	0	0,0%	0	0,0%	0,0%	0,0	0,0%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Original Foreclosure Value at most recent valuation date

\*\* Original Loan to Original Foreclosure Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Original Loan to Original Foreclosure Value is defined as: Original Principal Amount / Original Foreclosure Value

<b>Weighted Average</b>	<b>97,6%</b>
<b>Minimum</b>	<b>5,2%</b>
<b>Maximum</b>	<b>130,5%</b>

9a. Current loan to original foreclosure value					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0% - 80%	325.637.019	32,9%	4.088	51,5%	4,4%	16,2	51,5%
80% - 85%	48.683.803	4,9%	366	4,6%	4,3%	19,2	73,6%
85% - 90%	50.358.112	5,1%	356	4,5%	4,4%	20,2	77,6%
90% - 95%	44.682.323	4,5%	301	3,8%	4,4%	20,5	82,2%
95% - 100%	47.897.304	4,8%	313	3,9%	4,3%	21,2	86,5%
100% - 105%	53.615.999	5,4%	314	4,0%	4,4%	21,5	91,2%
105% - 110%	80.222.508	8,1%	439	5,5%	4,3%	22,4	95,2%
110% - 115%	101.023.024	10,2%	513	6,5%	4,3%	24,2	99,2%
115% - 120%	153.527.617	15,5%	819	10,3%	4,1%	25,8	102,9%
120% - 125%	85.082.203	8,6%	428	5,4%	4,4%	19,7	109,4%
125% - 130%	195.821	0,0%	1	0,0%	4,5%	28,0	102,0%
130% - >	0	0,0%	0	0,0%	0,0%	0,0	0,0%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Original Foreclosure Value at most recent valuation date

\*\* Current Loan to Original Foreclosure Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Current Loan to Original Foreclosure Value is defined as: (Outstanding Principal Amount - Total Savings Amount) / Original Foreclosure Value

<b>Weighted Average</b>	<b>90,8%</b>
<b>Minimum</b>	<b>1,0%</b>
<b>Maximum</b>	<b>127,2%</b>

9b. Current loan to original foreclosure value					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG Guarantee	446.684.085	45,1%	3.449	43,4%	4,2%	22,6	85,3%
0% - 80%	226.300.046	22,8%	2.790	35,1%	4,5%	16,0	52,5%
80% - 85%	31.364.131	3,2%	223	2,8%	4,3%	19,0	73,4%
85% - 90%	30.212.996	3,0%	201	2,5%	4,4%	19,2	77,8%
90% - 95%	27.624.678	2,8%	171	2,2%	4,4%	19,8	82,4%
95% - 100%	23.480.563	2,4%	146	1,8%	4,5%	19,2	87,4%
100% - 105%	25.914.147	2,6%	141	1,8%	4,5%	19,5	92,0%
105% - 110%	40.977.774	4,1%	207	2,6%	4,4%	21,1	95,3%
110% - 115%	44.392.708	4,5%	189	2,4%	4,4%	22,7	99,8%
115% - 120%	42.619.068	4,3%	186	2,3%	4,4%	22,0	103,9%
120% - 125%	51.355.538	5,2%	235	3,0%	4,6%	19,7	109,6%
125% - 130%	0	0,0%	0	0,0%	0,0%	0,0	0,0%
130% - >	0	0,0%	0	0,0%	0,0%	0,0	0,0%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Original Foreclosure Value at most recent valuation date

\*\* Current Loan to Original Foreclosure Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Current Loan to Original Foreclosure Value is defined as: (Outstanding Principal Amount – Total Savings Amount) / Original Foreclosure Value

<b>Weighted Average</b>	<b>90,8%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>127,2%</b>

10a. Current loan to indexed foreclosure value					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0% - 80%	332.741.248	33,6%	4.187	52,7%	4,4%	15,8	54,0%
80% - 85%	46.930.617	4,7%	352	4,4%	4,2%	20,0	72,9%
85% - 90%	45.636.839	4,6%	315	4,0%	4,1%	20,8	77,2%
90% - 95%	42.306.528	4,3%	292	3,7%	4,4%	20,8	81,1%
95% - 100%	47.295.404	4,8%	294	3,7%	4,3%	21,6	85,9%
100% - 105%	57.782.162	5,8%	326	4,1%	4,2%	22,8	90,9%
105% - 110%	75.819.002	7,7%	422	5,3%	4,2%	24,5	95,9%
110% - 115%	105.212.284	10,6%	565	7,1%	4,1%	25,3	98,9%
115% - 120%	77.983.956	7,9%	435	5,5%	4,1%	24,6	100,9%
120% - 125%	39.404.368	4,0%	207	2,6%	4,3%	21,8	101,3%
125% - 130%	34.382.782	3,5%	166	2,1%	4,6%	21,1	102,0%
130% - >	85.430.544	8,6%	377	4,7%	4,7%	21,1	105,6%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Current Loan to Indexed Foreclosure Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\* Current Loan to Indexed Foreclosure Value is defined as: (Outstanding Principal Amount – Total Savings Amount) / Indexed Foreclosure Value

\*\*\* Indexed Foreclosure Value is defined as: Original Foreclosure Value \* Index

\*\*\*\* Index is based on Central Bureau of Statistics (CBS) data up to and including end of year 2014

<b>Weighted Average</b>	<b>90,9%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>153,8%</b>

10b. Current loan to indexed foreclosure value					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG Guarantee	446.684.085	45,1%	3.449	43,4%	4,2%	22,6	85,3%
0% - 80%	223.028.544	22,5%	2.769	34,9%	4,5%	15,6	54,2%
80% - 85%	30.181.680	3,0%	216	2,7%	4,2%	19,6	70,9%
85% - 90%	27.777.960	2,8%	185	2,3%	4,1%	19,8	76,2%
90% - 95%	23.795.439	2,4%	158	2,0%	4,6%	19,4	80,3%
95% - 100%	25.189.048	2,5%	152	1,9%	4,5%	19,2	84,8%
100% - 105%	27.457.342	2,8%	139	1,8%	4,3%	20,5	89,8%
105% - 110%	30.714.330	3,1%	147	1,9%	4,2%	22,2	94,6%
110% - 115%	37.057.707	3,7%	181	2,3%	4,2%	22,4	96,7%
115% - 120%	23.702.402	2,4%	126	1,6%	4,3%	20,6	101,0%
120% - 125%	16.772.193	1,7%	82	1,0%	4,5%	20,4	100,1%
125% - 130%	20.155.803	2,0%	91	1,1%	4,6%	20,9	101,5%
130% - >	58.409.200	5,9%	243	3,1%	4,8%	20,9	105,6%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Current Loan to Indexed Foreclosure Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\* Current Loan to Indexed Foreclosure Value is defined as: (Outstanding Principal Amount – Total Savings Amount) / Indexed Foreclosure Value

\*\*\* Indexed Foreclosure Value is defined as: Original Foreclosure Value \* Index

\*\*\*\* Index is based on Central Bureau of Statistics (CBS) data up to and including end of year 2014

<b>Weighted Average</b>	<b>90,9%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>153,8%</b>

11a. Original loan to original market value				Dutch Residential Mortgage Portfolio I B.V.				
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV	
0% - 80%	341.694.626	34,5%	3.827	48,2%	4,3%	17,3	54,3%	
80% - 85%	53.009.659	5,3%	451	5,7%	4,3%	19,6	75,5%	
85% - 90%	52.245.697	5,3%	413	5,2%	4,4%	20,6	80,3%	
90% - 95%	60.909.319	6,1%	430	5,4%	4,3%	21,2	86,2%	
95% - 100%	90.460.423	9,1%	524	6,6%	4,3%	22,8	92,1%	
100% - 105%	181.406.844	18,3%	1.059	13,3%	4,1%	25,1	98,5%	
105% - 110%	138.977.790	14,0%	827	10,4%	4,6%	20,6	99,4%	
110% - 115%	69.740.480	7,0%	391	4,9%	4,5%	19,6	106,3%	
115% - 120%	2.007.997	0,2%	12	0,2%	4,3%	18,4	108,6%	
120% - 125%	472.899	0,0%	4	0,1%	4,5%	15,6	114,3%	
125% - 130%	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
130% - >	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>	

\* Original Market Value at most recent valuation date

\*\* Original Loan to Original Market Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Original Loan to Original Market Value is defined as: Original Principal Amount / Original Market Value

<b>Weighted Average</b>	<b>86,5%</b>
<b>Minimum</b>	<b>4,4%</b>
<b>Maximum</b>	<b>122,7%</b>

11b. Original loan to original market value				Dutch Residential Mortgage Portfolio I B.V.				
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV	
NHG Guarantee	446.684.085	45,1%	3.449	43,4%	4,2%	22,6	85,3%	
0% - 80%	249.142.449	25,1%	2.797	35,2%	4,3%	16,6	54,7%	
80% - 85%	30.366.267	3,1%	250	3,1%	4,5%	17,8	76,7%	
85% - 90%	25.163.760	2,5%	203	2,6%	4,6%	18,7	80,6%	
90% - 95%	30.757.645	3,1%	201	2,5%	4,5%	20,2	87,6%	
95% - 100%	45.559.345	4,6%	222	2,8%	4,4%	22,0	93,0%	
100% - 105%	52.587.180	5,3%	257	3,2%	4,5%	22,3	99,2%	
105% - 110%	65.132.764	6,6%	325	4,1%	4,8%	19,6	101,0%	
110% - 115%	43.667.436	4,4%	223	2,8%	4,7%	19,8	107,6%	
115% - 120%	1.540.402	0,2%	8	0,1%	4,4%	18,5	112,7%	
120% - 125%	324.399	0,0%	3	0,0%	4,2%	17,1	111,0%	
125% - 130%	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
130% - >	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>	

\* Original Market Value at most recent valuation date

\*\* Original Loan to Original Market Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Original Loan to Original Market Value is defined as: Original Principal Amount / Original Market Value

<b>Weighted Average</b>	<b>86,5%</b>
<b>Minimum</b>	<b>4,4%</b>
<b>Maximum</b>	<b>122,7%</b>

12a. Current loan to original market value				Dutch Residential Mortgage Portfolio I B.V.				
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV	
0% - 80%	426.833.730	43,1%	4.808	60,6%	4,4%	17,2	57,1%	
80% - 85%	50.861.519	5,1%	353	4,4%	4,4%	20,1	82,5%	
85% - 90%	55.838.857	5,6%	355	4,5%	4,3%	21,5	87,6%	
90% - 95%	75.648.537	7,6%	418	5,3%	4,3%	22,5	92,8%	
95% - 100%	110.671.101	11,2%	587	7,4%	4,2%	23,8	97,8%	
100% - 105%	165.425.203	16,7%	878	11,1%	4,2%	25,6	102,2%	
105% - 110%	63.393.588	6,4%	322	4,1%	4,5%	19,5	107,6%	
110% - 115%	41.029.125	4,1%	210	2,6%	4,4%	19,3	111,5%	
115% - 120%	926.575	0,1%	5	0,1%	3,8%	18,6	116,9%	
120% - 125%	297.500	0,0%	2	0,0%	4,7%	16,3	121,6%	
125% - 130%	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
130% - >	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>	

\* Original Market Value at most recent valuation date

\*\* Current Loan to Original Market Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Current Loan to Original Market Value is defined as: (Outstanding Principal Amount – Total Savings Amount) / Original Market Value

<b>Weighted Average</b>	<b>80,5%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>121,7%</b>

12b. Current loan to original market value							Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV		
NHG Guarantee	446.684.085	45,1%	3.449	43,4%	4,2%	22,6	85,3%		
0% - 80%	290.019.147	29,3%	3.210	40,4%	4,4%	16,9	57,4%		
80% - 85%	27.709.982	2,8%	187	2,4%	4,5%	17,9	82,7%		
85% - 90%	28.380.664	2,9%	169	2,1%	4,5%	19,7	87,7%		
90% - 95%	35.625.195	3,6%	178	2,2%	4,4%	21,0	92,8%		
95% - 100%	50.295.031	5,1%	234	2,9%	4,3%	22,2	98,0%		
100% - 105%	46.211.247	4,7%	201	2,5%	4,6%	21,8	102,7%		
105% - 110%	37.723.783	3,8%	174	2,2%	4,6%	19,6	107,6%		
110% - 115%	27.201.025	2,7%	130	1,6%	4,6%	19,6	111,4%		
115% - 120%	926.575	0,1%	5	0,1%	3,8%	18,6	116,9%		
120% - 125%	149.000	0,0%	1	0,0%	4,4%	20,3	121,6%		
125% - 130%	0	0,0%	0	0,0%	0,0%	0,0	0,0%		
130% - >	0	0,0%	0	0,0%	0,0%	0,0	0,0%		
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>		

\* Original Market Value at most recent valuation date

\*\* Current Loan to Original Market Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\*\* Current Loan to Original Market Value is defined as: (Outstanding Principal Amount – Total Savings Amount) / Original Market Value

<b>Weighted Average</b>	<b>80,5%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>121,7%</b>

13a. Current loan to indexed market value							Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV		
0% - 80%	428.478.968	43,2%	4.883	61,5%	4,4%	16,9	58,5%		
80% - 85%	50.103.977	5,1%	326	4,1%	4,3%	21,1	81,6%		
85% - 90%	57.655.792	5,8%	351	4,4%	4,2%	22,4	88,2%		
90% - 95%	78.873.883	8,0%	439	5,5%	4,2%	23,9	94,1%		
95% - 100%	118.894.074	12,0%	644	8,1%	4,1%	25,5	98,5%		
100% - 105%	85.128.233	8,6%	472	5,9%	4,1%	24,1	100,1%		
105% - 110%	44.197.032	4,5%	242	3,0%	4,3%	21,3	101,1%		
110% - 115%	36.916.657	3,7%	177	2,2%	4,6%	20,7	102,1%		
115% - 120%	37.447.680	3,8%	171	2,2%	4,6%	20,9	104,4%		
120% - 125%	28.691.052	2,9%	132	1,7%	4,6%	20,9	105,3%		
125% - 130%	15.606.666	1,6%	67	0,8%	4,8%	21,7	107,9%		
130% - >	8.931.720	0,9%	34	0,4%	5,1%	21,0	109,8%		
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>		

\* Current Loan to Indexed Market Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\* Current Loan to Indexed Market Value is defined as: (Outstanding Principal Amount – Total Savings Amount) / Indexed Market Value

\*\*\* Indexed Market Value is defined as: Original Market Value \* Index

\*\*\*\* Index is based on Central Bureau of Statistics (CBS) data up to and including end of year 2014

<b>Weighted Average</b>	<b>80,4%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>139,3%</b>

13b. Current loan to indexed market value							Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV		
NHG Guarantee	446.684.085	45,1%	3.449	43,4%	4,2%	22,6	85,3%		
0% - 80%	283.070.826	28,6%	3.188	40,2%	4,4%	16,5	58,1%		
80% - 85%	25.853.093	2,6%	160	2,0%	4,5%	19,1	79,5%		
85% - 90%	28.208.924	2,8%	162	2,0%	4,4%	20,0	87,1%		
90% - 95%	32.634.823	3,3%	157	2,0%	4,4%	21,5	92,6%		
95% - 100%	41.999.924	4,2%	201	2,5%	4,2%	22,7	96,3%		
100% - 105%	29.277.300	3,0%	158	2,0%	4,3%	20,3	98,9%		
105% - 110%	20.246.775	2,0%	108	1,4%	4,3%	19,7	100,7%		
110% - 115%	22.031.598	2,2%	99	1,2%	4,7%	20,6	101,7%		
115% - 120%	25.817.855	2,6%	112	1,4%	4,7%	20,8	104,1%		
120% - 125%	19.047.373	1,9%	83	1,0%	4,7%	20,8	105,6%		
125% - 130%	9.696.630	1,0%	38	0,5%	4,9%	21,6	107,5%		
130% - >	6.356.529	0,6%	23	0,3%	5,2%	21,1	110,4%		
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>		

\* Current Loan to Indexed Market Value is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\* Current Loan to Indexed Market Value is defined as: (Outstanding Principal Amount – Total Savings Amount) / Indexed Market Value

\*\*\* Indexed Market Value is defined as: Original Market Value \* Index

\*\*\*\* Index is based on Central Bureau of Statistics (CBS) data up to and including end of year 2014

<b>Weighted Average</b>	<b>80,4%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>139,3%</b>

14. Loanpart coupon (interest rate bucket)					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
1.0% - 3.0%	102.796.984	10,4%	1.695	12,2%	2,7%	16,5	65,7%
3.0% - 5.0%	634.298.320	64,0%	7.987	57,3%	4,1%	22,2	84,6%
5.0% - 7.0%	246.701.402	24,9%	4.080	29,3%	5,5%	17,6	76,8%
7.0% - 8.0%	6.934.059	0,7%	178	1,3%	7,3%	10,2	49,4%
8.0% - 9.0%	194.969	0,0%	8	0,1%	8,1%	10,3	46,8%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

<b>Weighted Average</b>	<b>4,32</b>
<b>Minimum</b>	<b>1,03</b>
<b>Maximum</b>	<b>8,70</b>

15. Remaining interest rate fixed period					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0 years - 1 years	220.833.090	22,3%	3.393	24,3%	3,3%	16,9	75,9%
1 years - 2 years	57.140.041	5,8%	855	6,1%	4,6%	17,8	80,9%
2 years - 3 years	51.242.395	5,2%	929	6,7%	4,9%	17,7	78,6%
3 years - 4 years	65.773.640	6,6%	1.005	7,2%	4,9%	18,9	80,8%
4 years - 5 years	69.978.784	7,1%	1.187	8,5%	4,9%	16,9	70,9%
5 years - 6 years	21.540.194	2,2%	367	2,6%	5,0%	16,9	70,7%
6 years - 7 years	22.244.000	2,2%	371	2,7%	5,1%	18,5	78,1%
7 years - 8 years	64.175.745	6,5%	834	6,0%	4,8%	23,1	84,4%
8 years - 9 years	74.929.455	7,6%	849	6,1%	4,6%	24,2	87,1%
9 years - 10 years	187.484.334	18,9%	2.124	15,2%	3,9%	25,9	85,8%
10 years - 11 years	30.323.939	3,1%	392	2,8%	4,6%	20,0	80,7%
11 years - 12 years	36.227.309	3,7%	482	3,5%	4,6%	20,4	76,6%
12 years - 13 years	11.970.081	1,2%	199	1,4%	5,3%	18,0	79,0%
13 years - 14 years	13.428.111	1,4%	179	1,3%	5,5%	19,7	85,3%
14 years - 15 years	4.940.745	0,5%	86	0,6%	5,6%	18,8	76,5%
15 years - 16 years	3.181.993	0,3%	38	0,3%	5,0%	17,0	81,9%
16 years - 17 years	4.171.786	0,4%	43	0,3%	5,1%	19,3	85,8%
17 years - 18 years	3.052.932	0,3%	49	0,4%	5,6%	17,8	80,9%
18 years - 19 years	2.958.367	0,3%	39	0,3%	5,6%	18,9	86,7%
19 years - 20 years	1.011.894	0,1%	13	0,1%	5,4%	20,1	74,5%
20 years - 21 years	3.658.923	0,4%	26	0,2%	4,6%	20,9	88,6%
21 years - 22 years	6.654.400	0,7%	85	0,6%	4,6%	21,8	81,3%
22 years - 23 years	19.146.806	1,9%	243	1,7%	5,0%	22,5	87,5%
23 years - 24 years	13.459.243	1,4%	140	1,0%	5,3%	23,3	90,4%
24 years - 25 years	1.092.495	0,1%	12	0,1%	5,9%	24,1	87,9%
25 years - 26 years	0	0,0%	0	0,0%	0,0%	0,0	0,0%
26 years - 27 years	154.293	0,0%	5	0,0%	5,8%	26,2	91,4%
27 years - 28 years	94.558	0,0%	2	0,0%	6,1%	27,5	80,7%
28 years - 29 years	0	0,0%	0	0,0%	0,0%	0,0	0,0%
29 years - 30 years	56.181	0,0%	1	0,0%	5,7%	29,0	91,2%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* The Remaining Interest Rate Fixed Period is defined as the period between the Cut-Off Date and the interest reset date of the Loan Part

<b>Weighted Average</b>	<b>6,40</b>
<b>Minimum</b>	<b>0,00</b>
<b>Maximum</b>	<b>29,00</b>

16. Interest payment type					Dutch Residential Mortgage Portfolio I B.V.		
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Fixed	845.395.501	85,3%	11.749	84,2%	4,6%	21,0	81,3%
Floating	145.530.233	14,7%	2.199	15,8%	2,8%	16,9	75,7%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

17. Property description					Dutch Residential Mortgage Portfolio I B.V.		
Property	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
House	875.384.461	88,3%	6.989	88,0%	4,3%	20,1	79,5%
Apartment	115.541.273	11,7%	949	12,0%	4,2%	22,8	87,9%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

18. Geographical distribution (by province)					Dutch Residential Mortgage Portfolio I B.V.		
Province	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Drenthe	35.695.710	3,6%	323	4,1%	4,3%	20,1	78,9%
Flevoland	31.484.354	3,2%	265	3,3%	4,3%	19,7	83,9%
Friesland	50.192.646	5,1%	478	6,0%	4,5%	18,7	79,8%
Gelderland	148.128.527	14,9%	1.086	13,7%	4,4%	20,9	80,3%
Groningen	35.948.898	3,6%	335	4,2%	4,4%	20,3	82,9%
Limburg	33.282.884	3,4%	322	4,1%	4,3%	19,1	76,9%
Noord-Brabant	169.005.989	17,1%	1.320	16,6%	4,3%	20,3	77,4%
Noord-Holland	152.558.610	15,4%	1.156	14,6%	4,3%	20,8	82,0%
Overijssel	94.158.985	9,5%	799	10,1%	4,2%	19,7	80,8%
Utrecht	76.690.148	7,7%	491	6,2%	4,3%	21,5	82,0%
Zeeland	15.608.636	1,6%	159	2,0%	4,4%	18,2	79,5%
Zuid-Holland	148.170.349	15,0%	1.204	15,2%	4,3%	20,7	81,9%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

19. Geographical distribution (by economic region)					Dutch Residential Mortgage Portfolio I B.V.		
Economic region	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NL111 - Oost-Groningen	8.952.066	0,9%	105	1,3%	4,3%	19,5	80,9%
NL112 - Delfzijl en omgeving	3.981.214	0,4%	40	0,5%	4,6%	17,2	85,0%
NL113 - Overig Groningen	23.015.627	2,3%	190	2,4%	4,4%	21,1	83,4%
NL121 - Noord-Friesland	33.114.444	3,3%	336	4,2%	4,5%	18,2	79,3%
NL122 - Zuidwest-Friesland	5.156.914	0,5%	43	0,5%	4,4%	18,9	76,3%
NL123 - Zuidoost-Friesland	11.921.288	1,2%	99	1,2%	4,5%	19,9	82,7%
NL131 - Noord-Drenthe	16.241.384	1,6%	140	1,8%	4,2%	19,9	80,2%
NL132 - Zuidoost-Drenthe	9.159.191	0,9%	90	1,1%	4,3%	20,5	77,3%
NL133 - Zuidwest-Drenthe	10.295.136	1,0%	93	1,2%	4,3%	20,1	78,3%
NL211 - Noord-Overijssel	28.695.937	2,9%	222	2,8%	4,2%	20,5	82,8%
NL212 - Zuidwest-Overijssel	14.768.636	1,5%	122	1,5%	4,5%	20,0	80,8%
NL213 - Twente	50.694.413	5,1%	455	5,7%	4,2%	19,2	79,6%
NL221 - Veluwe	54.129.862	5,5%	408	5,1%	4,5%	21,1	77,7%
NL225 - Achterhoek	28.737.388	2,9%	218	2,7%	4,2%	20,4	80,7%
NL226 - Arnhem/Nijmegen	49.799.251	5,0%	354	4,5%	4,3%	20,7	82,8%
NL224 - Zuidwest-Gelderland	15.462.026	1,6%	106	1,3%	4,3%	21,5	80,2%
NL310 - Utrecht	77.682.921	7,8%	497	6,3%	4,3%	21,5	81,8%
NL230 - Flevoland	31.641.005	3,2%	266	3,4%	4,3%	19,7	84,0%
NL321 - Kop van Noord-Holland	29.115.597	2,9%	259	3,3%	4,3%	19,8	82,3%
NL322 - Alkmaar en omgeving	25.395.278	2,6%	205	2,6%	4,2%	20,2	81,7%
NL323 - IJmond	12.457.364	1,3%	102	1,3%	4,5%	21,0	79,0%
NL324 - Agglomeratie Haarlem	10.917.598	1,1%	78	1,0%	4,2%	21,3	82,9%
NL325 - Zaanstreek	9.182.851	0,9%	69	0,9%	4,2%	21,0	85,0%
NL326 - Groot-Amsterdam	52.183.024	5,3%	338	4,3%	4,3%	22,0	83,6%
NL327 - Het Gooi en Vechtstreek	12.314.124	1,2%	99	1,2%	4,3%	18,7	75,8%
NL331 - Agglomeratie Leiden en Bollenstreek	18.021.375	1,8%	129	1,6%	4,3%	20,6	76,0%
NL332 - Agglomeratie 's-Gravenhage	30.858.252	3,1%	243	3,1%	4,3%	21,5	85,6%
NL333 - Delft en Westland	6.800.311	0,7%	59	0,7%	4,4%	20,2	77,0%
NL334 - Oost-Zuid-Holland	16.835.127	1,7%	121	1,5%	4,3%	20,6	83,7%
NL335 - Groot-Rijnmond	61.619.594	6,2%	530	6,7%	4,4%	20,4	82,1%
NL336 - Zuidoost-Zuid-Holland	14.035.690	1,4%	122	1,5%	4,2%	20,7	80,5%
NL341 - Zeeuwsch-Vlaanderen	2.340.121	0,2%	19	0,2%	4,4%	23,5	87,5%
NL342 - Overig Zeeland	13.268.515	1,3%	140	1,8%	4,4%	17,3	78,1%
NL411 - West-Noord-Brabant	40.683.293	4,1%	294	3,7%	4,3%	21,0	81,1%
NL412 - Midden-Noord-Brabant	24.037.709	2,4%	201	2,5%	4,3%	20,2	76,7%
NL413 - Noordoost-Noord-Brabant	46.768.285	4,7%	363	4,6%	4,3%	20,0	76,0%
NL414 - Zuidoost-Noord-Brabant	57.516.701	5,8%	462	5,8%	4,3%	19,9	76,2%
NL421 - Noord-Limburg	8.612.270	0,9%	84	1,1%	4,2%	19,1	70,7%
NL422 - Midden-Limburg	8.127.852	0,8%	82	1,0%	4,3%	18,5	74,3%
NL423 - Zuid-Limburg	16.386.111	1,7%	155	2,0%	4,5%	19,5	81,2%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* The economic region is determined based on the zip code of the Property of the underlying Mortgage Loan

20. Construction deposits (as percentage of net principal outstanding amount)						Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Construction Deposit Amount (EUR)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
No construction deposits	0	990.925.734	100,0%	7.938	100,0%	4,3%	20,4	80,5%
0% - 5%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
5% - 10%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
10% - 15%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
15% - 20%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
20% - 25%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
25% - 30%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
30% - 35%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
35% - 40%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
40% - 45%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
45% - 50%	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
50% - >	0	0	0,0%	0	0,0%	0,0%	0,0	0,0%
<b>Total</b>	<b>0</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* This is defined as: Construction Deposit Amount / (Outstanding Principal Balance – Total Savings Amount)

<b>Weighted Average</b>	<b>0,0%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>0,0%</b>

21. Occupancy						Dutch Residential Mortgage Portfolio I B.V.		
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV	
Owner Occupied	990.925.734	100,0%	7.938	100,0%	4,3%	20,4	80,5%	
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>	

\* Occupancy information as of mortgage loan origination date

22. Loan to income						Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV	
0.00 - 0.50	0	0,0%	0	0,0%	0,0%	0,0	0,0%	
0.50 - 1.00	761.635	0,1%	14	0,2%	4,1%	11,4	23,0%	
1.00 - 1.50	4.560.311	0,5%	90	1,1%	4,2%	15,3	34,8%	
1.50 - 2.00	15.352.215	1,5%	226	2,8%	4,2%	18,2	50,7%	
2.00 - 2.50	32.250.754	3,3%	424	5,3%	4,4%	18,0	57,2%	
2.50 - 3.00	62.247.134	6,3%	621	7,8%	4,4%	19,7	71,6%	
3.00 - 3.50	90.269.350	9,1%	762	9,6%	4,3%	21,4	79,7%	
3.50 - 4.00	123.393.877	12,5%	870	11,0%	4,2%	22,9	84,8%	
4.00 - 4.50	398.074.398	40,2%	3.352	42,2%	4,4%	18,7	79,4%	
4.50 - 5.00	153.678.046	15,5%	911	11,5%	4,3%	24,0	90,1%	
5.00 - 5.50	48.427.776	4,9%	322	4,1%	4,4%	19,7	86,8%	
5.50 - 6.00	30.884.555	3,1%	165	2,1%	4,4%	19,3	87,3%	
6.00 - 6.50	14.158.268	1,4%	82	1,0%	4,3%	19,2	82,5%	
6.50 - 7.00	7.795.801	0,8%	47	0,6%	4,1%	18,2	76,7%	
7.00 - >	9.071.616	0,9%	52	0,7%	4,4%	17,4	77,3%	
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>	

\* The Loan to Income Ratio is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\* The Loan to Income Ratio is defined as: (Current Principal Balance – Total Savings Amount) / Total Income

\*\*\* Total Income is defined as the sum of the income of the primary and secondary borrowers

\*\*\*\* For certain, mostly older, mortgage loans, income data is missing (approximately EUR 251M). For these mortgage loans, the following proxy for income is used: (Prior Balance + Original Balance of all loan parts) / 4

\*\*\*\*\* Income information as of mortgage loan origination date

<b>Weighted Average</b>	<b>4,1</b>
<b>Minimum</b>	<b>0,6</b>
<b>Maximum</b>	<b>8,0</b>

23. Debt service to income					Dutch Residential Mortgage Portfolio I B.V.		
From (>=) - Until (<)	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0.0% - 5.0%	8.255.603	0,8%	195	2,5%	3,2%	15,1	28,7%
5.0% - 10.0%	63.260.605	6,4%	792	10,0%	3,5%	16,2	51,1%
10.0% - 15.0%	190.281.169	19,2%	1.702	21,4%	3,8%	17,6	71,6%
15.0% - 20.0%	291.002.113	29,4%	2.249	28,3%	4,4%	20,0	81,4%
20.0% - 25.0%	274.701.825	27,7%	1.906	24,0%	4,6%	22,0	88,1%
25.0% - 30.0%	142.885.392	14,4%	967	12,2%	4,6%	23,8	90,3%
30.0% - >	20.539.028	2,1%	127	1,6%	5,1%	20,0	90,8%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* The Debt Service to Income Ratio is calculated at the Property level and then assigned to each underlying Mortgage Loan

\*\* The Debt Service to Income Ratio is defined as: (Debt Service Amount \* 12 months) / (Total Income)

\*\*\* Debt Service Amount is defined as the sum of the monthly scheduled interest and scheduled repayment amount to be paid by the Borrower

\*\*\*\* Total Income is defined as the sum of the income of the primary and secondary borrowers

\*\*\*\*\* For certain, mostly older, mortgage loans, income data is missing (approximately EUR 251M). For these mortgage loans, the following proxy for Income is used: (Prior Balance + Original Balance of all loan parts) / 4

\*\*\*\*\* Income information as of mortgage loan origination date

<b>Weighted Average</b>	<b>18,3%</b>
<b>Minimum</b>	<b>0,0%</b>
<b>Maximum</b>	<b>35,0%</b>

24. Employment status borrower					Dutch Residential Mortgage Portfolio I B.V.		
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Employed	667.317.353	67,3%	5.305	66,8%	4,3%	21,4	83,1%
Pensioner	4.927.216	0,5%	66	0,8%	4,0%	16,5	49,1%
Self employed	24.400.694	2,5%	148	1,9%	4,2%	19,0	78,1%
Other	294.280.472	29,7%	2.419	30,5%	4,3%	18,3	75,1%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

\* Employment status information as of mortgage loan origination date

\*\* Category 'Employed' includes EUR 50M of Employee Mortgage Loans and Category 'Other' includes EUR 32M of Employee Mortgage Loans

\*\*\* 'Other' concerns (mostly older) loans for which the employment status is unavailable

25. Loanpart payment frequency					Dutch Residential Mortgage Portfolio I B.V.		
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Month	990.925.734	100,0%	7.938	100,0%	4,3%	20,4	80,5%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

26. Guarantee type (NHG / Non NHG)					Dutch Residential Mortgage Portfolio I B.V.		
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG	446.684.085	45,1%	3.449	43,4%	4,2%	22,6	85,3%
Non-NHG	544.241.649	54,9%	4.489	56,6%	4,5%	18,6	0,8%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

27. Originator					Dutch Residential Mortgage Portfolio I B.V.		
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Achmea Bank N.V.	990.925.734	100,0%	7.938	100,0%	4,3%	20,4	80,5%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

28. Servicer							
Dutch Residential Mortgage Portfolio   B.V.							
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Achmea Bank N.V.	990.925.734	100,0%	7.938	100,0%	4,3%	20,4	80,5%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>7.938</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

29. Capital insurance policy provider							
Dutch Residential Mortgage Portfolio   B.V.							
Description	Aggregate Outstanding Current Notional Amount (EUR)	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
ABN AMRO Levensverzekering N.V.	446.682	0,0%	3	0,0%	5,0%	17,7	73,8%
Achmea Pensioen & Leven N.V.	256.801.362	25,9%	3.714	26,6%	4,8%	16,8	80,4%
Achmea Retail Bank	6.419.583	0,6%	99	0,7%	5,0%	18,4	72,2%
AEGON N.V.	6.912.861	0,7%	69	0,5%	4,0%	22,1	90,3%
Ageas	309.349	0,0%	4	0,0%	4,5%	14,1	93,9%
Allianz Nederland Levensverzekering NV	6.944.883	0,7%	73	0,5%	4,4%	15,1	83,1%
AON	2.079.443	0,2%	33	0,2%	4,3%	19,4	83,4%
ASR	617.102	0,1%	8	0,1%	3,5%	13,6	75,6%
AXA	10.316.865	1,0%	108	0,8%	4,3%	15,0	85,7%
Cardif	10.301.776	1,0%	84	0,6%	4,1%	27,2	96,2%
Consenatrix N.V. Nederlandse Algemene Maatschappij van L	970.210	0,1%	14	0,1%	3,9%	17,9	84,5%
Cordares Levensverzekeringen N.V., onderdeel van APG Groep	531.649	0,1%	4	0,0%	4,4%	17,9	93,3%
De Goudse	249.822	0,0%	3	0,0%	4,6%	21,6	90,3%
Delta Verzekeringen	27.576.783	2,8%	211	1,5%	3,9%	28,5	95,5%
Delta Lloyd Groep	23.640.667	2,4%	201	1,4%	3,9%	25,3	93,1%
DSB Bank N.V.	71.500	0,0%	1	0,0%	5,1%	23,2	107,7%
Fortis ASR Levensverzekeringen NV	20.193.524	2,0%	203	1,5%	4,1%	21,1	90,7%
Generali	2.850.686	0,3%	37	0,3%	4,1%	18,6	85,2%
ING N.V.	4.631.709	0,5%	51	0,4%	4,2%	19,9	89,1%
Klaverblad	6.220.900	0,6%	58	0,4%	4,0%	21,2	95,1%
Legal & General	8.070.891	0,8%	59	0,4%	4,2%	25,4	92,0%
Leidsche Verzekering Maatschappij N.V.	6.557.700	0,7%	49	0,4%	3,8%	28,8	97,4%
Onderlinge 's-Gravenhage	7.394.676	0,7%	83	0,6%	4,0%	18,4	94,9%
Quantum Leben, ACE Europe Life Limited, Gothaer Allgemein	48.389.550	4,9%	348	2,5%	3,8%	28,5	96,5%
Rabobank Groep	40.000	0,0%	1	0,0%	1,3%	18,3	100,5%
SNS Reaal	56.929.933	5,7%	511	3,7%	4,0%	23,2	92,5%
Univé Leven	106.638	0,0%	1	0,0%	5,3%	11,8	65,7%
Waard Leven NV	45.378	0,0%	1	0,0%	3,3%	6,9	83,5%
No policy attached	475.303.611	48,0%	7.917	56,8%	4,2%	20,3	74,0%
<b>Total</b>	<b>990.925.734</b>	<b>100,0%</b>	<b>13.948</b>	<b>100,0%</b>	<b>4,3%</b>	<b>20,4</b>	<b>80,5%</b>

### Average Life

The average lives of the Notes will be influenced by, among other things, the actual rates of repayment and prepayment of the Mortgage Loans. The average lives of the Notes cannot be stated, as the actual rates of repayment and prepayment of the Mortgage Loans and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Notes can be made based on certain assumptions. The model used for the Mortgage Loans represents an assumed CPR each month relative to the then current principal balance of a pool of mortgage loans. CPR does not purport to be either a historical description of the prepayment experience of any pool of mortgage loans or a prediction of the expected rate of prepayment of any mortgage loans, including the Mortgage Loans.

The following tables were prepared based on the characteristics of the Mortgage Loans and the following additional assumptions:

- (a) the Issuer exercises its option to redeem the Notes on the First Optional Redemption Date, in the first scenario, or the Issuer does not exercise its option to redeem the Notes on or after the First Optional Redemption Date, in the second scenario;
- (b) the Mortgage Loans are subject to a CPR of between 0 per cent. and 15 per cent. per annum as shown in the following tables;
- (c) there is no exercise of the Regulatory Call Option and no redemption of the Notes for tax reasons;
- (d) the Clean-up Call Option is exercised in the second scenario and not in the first scenario;
- (e) the Outstanding Principal Amount of the Mortgage Receivables, less the relevant Participations (if any) continue to be fully performing and there are no arrears or enforcements, i.e. no losses;
- (f) no Mortgage Receivable is sold by the Issuer;
- (g) there is no debit balance on the Principal Deficiency Ledger on any Notes Payment Date;
- (h) the Seller is not in breach of the terms of the Mortgage Receivables Purchase Agreement;
- (i) no Mortgage Receivable is required to be repurchased by the Seller;
- (j) no New Mortgage Receivables are purchased;
- (k) at the Closing Date, the Class A1 Notes represent approximately 16.4% of the Notes;
- (l) at the Closing Date, the Class A2 Notes represent approximately 51.4% of the Notes;
- (m) at the Closing Date, the Class A3 Notes represent approximately 18.7% of the Notes;
- (n) at the Closing Date, the Class B Notes represent approximately 11.8% of the Notes;
- (o) the Notes are issued on 28 May 2015 and all payments on the Notes are received on the 26<sup>th</sup> day of January, April, July and October commencing from 26 July 2015;
- (p) the Final Maturity Date of the Notes is July 2047;
- (q) the weighted average lives have been calculated on an act/act basis;
- (r) the weighted average lives have been modelled on the net principal balance of the Mortgage Loans;
- (s) the Savings Mortgage Loans and Bank Savings Mortgage Loans will be assumed to be Annuity Mortgage Loans due to the Participation Agreements;
- (t) Mortgage Loans which are redeemed in full before the 15<sup>th</sup> calendar day of the month are assumed to have been redeemed on the 1<sup>st</sup> calendar day of the same month. Mortgage Loans which are redeemed after (and including) the 15<sup>th</sup> calendar day of the month are assumed to mature on the 1<sup>st</sup> calendar day of the next month;
- (u) the Notes will be redeemed in accordance with the Conditions;
- (v) no Security has been enforced;
- (w) the assets of the Issuer are not sold by the Security Trustee except as may be necessary to enable the Issuer to realise sufficient funds to exercise its option to redeem the Notes;
- (x) no Enforcement Notice has been served on the Issuer and no Event of Default has occurred; and
- (y) the above described Pool of Mortgage Receivables as of the Cut-Off Date will be purchased on the Closing Date.

The actual characteristics and performance of the Mortgage Loans are likely to differ from the assumptions. The following tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, it is not expected that the Mortgage Loans will prepay at a constant rate until maturity, that all of the Mortgage Loans will prepay at the same rate or that there will be no defaults or delinquencies on the Mortgage Loans. Moreover, the diverse remaining terms to maturity and mortgage rates of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the various percentages of CPR specified. Any difference between such assumptions and the actual characteristics and performance of the Mortgage Loans, or actual prepayment or loss experience, will affect the percentage of the initial amount outstanding

of the Notes which are outstanding over time and cause the average lives of the Notes to differ (which difference could be material) from the corresponding information in the tables for each indicated percentage CPR.

	Assuming Issuer call on the First Optional Redemption Date	Assuming Clean-up Call Option	Assuming Issuer call on the First Optional Redemption Date	Assuming Clean-up Call Option	Assuming Issuer call on the First Optional Redemption Date	Assuming Clean-up Call Option
CPR	Possible Average Life of the Class A1 Notes (years)	Possible Average Life of the Class A1 Notes (years)	Possible Average Life of the Class A2 Notes (years)	Possible Average Life of the Class A2 Notes (years)	Possible Average Life of the Class A3 Notes (years)	Possible Average Life of the Class A3 Notes (years)
0%	3.78	5.02	4.91	15.74	4.91	21.90
2.5%	2.08	2.08	4.90	11.39	4.91	19.54
5%	1.24	1.24	4.64	8.19	4.91	17.01
10%	0.65	0.65	3.87	4.76	4.91	12.06
15%	0.42	0.42	3.09	3.22	4.91	8.55

The first scenario of assumption (a) above reflects the current intention of the Issuer and the Seller, but no assurance can be given that such assumption will occur as described. The average lives of the Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic. They must therefore be viewed with considerable caution.

## 6.2 DESCRIPTION OF MORTGAGE LOANS

The Mortgage Receivables to be sold and assigned on the Closing Date and, in respect of any New Mortgage Receivables, on the relevant Notes Payment Dates, to the Issuer are any and all rights (whether actual or contingent) of the Seller against any Borrower under or in connection with any Mortgage Loans selected by agreement between the Seller and the Issuer.

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

The Mortgage Loans have been selected in accordance with the Mortgage Loan Criteria as set out in section 7.3 (*Mortgage Loan Criteria*). All of the Mortgage Loans were originated by the Seller and the other Originators.

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

### **Mortgaged Assets**

The mortgage rights securing the Mortgage Loans are vested on (i) a real property (*onroerende zaak*), (ii) an apartment right (*appartementsrecht*) or (iii) a long lease (*erfpacht*).

For over a century different municipalities and other public bodies in the Netherlands have used long lease (*erfpacht*) as a system to issue land without giving away 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 the event of his or her death. Usually some remuneration (*canon*) will be due for the long lease.

### **Repayment types**

The Seller offers a selection of mortgage products. The pool contains six distinguishable repayment types: interest only, annuity, linear, traditional life/unit linked, savings and bank savings mortgage loan.

The following types of repayment are involved in the transaction.

#### *Interest-only mortgage loan*

A portion of the Mortgage Loans will be in the form of Interest-only Mortgage Loans (*aflossingsvrije hypotheken*). Under an Interest-only Mortgage Loan, the Borrower does not pay principal towards redemption of the Interest-only Mortgage Loan until maturity of such Interest-only Mortgage Loan.

Since 1 August 2011, with the new code of conduct in force, an Interest-only Mortgage Loan may be granted up to an amount equal to 50% the market value of the Mortgaged Asset at the time the Mortgage Loan is granted. In respect of that part of the Mortgage Loan exceeding 50% of the market value of the Mortgaged Asset the Borrower is required to take out a Life Insurance Policy covering the excess of 50% of the market value or the Borrower shall take out an annuity mortgage loan or a linear mortgage loan such that this part of the Mortgage Loan is gradually paid off in full after having been granted.

#### *Annuity mortgage loan*

A portion of the Mortgage Loans will be in the form of Annuity Mortgage Loans (*annuïteiten hypotheken*). Under an Annuity Mortgage Loan, the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that the Annuity Mortgage Loan will be fully redeemed at the maturity of such Annuity Mortgage Loan.

#### *Linear mortgage loan*

A portion of the Mortgage Loans will be in the form of linear mortgage loans. Under a Linear Mortgage Loan, the Borrower pays a constant principal monthly payment, made up of an initially high and subsequently decreasing interest portion and a fixed principal portion, and calculated in such a manner that the Linear Mortgage Loan will be fully redeemed at the maturity of such Linear Mortgage Loan.

#### *Investment mortgage loan*

A portion of the Mortgage Loans will be in the form of investment loans (*beleggingshypotheken*). An Investment Mortgage Loan is, like an Interest-only Mortgage Loan, a loan on which only interest is due until maturity. The full principal amount is repayable in one instalment at maturity. To secure the Investment Mortgage Loan, the Borrower pledges a securities account maintained with an investment firm or a bank established in the Netherlands. Under the related securities account agreement, the Borrower pays (on a regular basis) a sum which is invested in a variety of investment funds offered by the investment firm or bank where the securities account is maintained. Upon maturity the investment proceeds are applied towards repayment of the Investment Loan. If the proceeds are insufficient, the relevant Borrower is obliged to make up any shortfall.

The relevant investments held in a securities account in the name of the relevant Borrower and the securities are purchased for the account of the relevant Borrower by a bankruptcy remote securities giro (*effectengiro*), a bank or an investment firm (*beleggingsonderneming*), which is by law obliged to ensure that the securities are held in custody by an admitted institution for Euroclear Netherlands if these securities qualify as securities as defined in the Wge or, if they do not qualify as such, by a separate depository vehicle.

In relation to most Investment Mortgage Loans, the securities account is maintained with Achmea Bank N.V. However in some cases, the securities account is held with Bank Insinger de Beaufort N.V.

#### *Life mortgage loan*

A portion of the Mortgage Loans will be in the form of Life Mortgage Loans (*levenhypotheken*), which have the benefit of Life Insurance Policies taken out by Borrowers in connection with such Life Mortgage Loan with (i) the Insurance Savings Participant or (ii) with an Insurance Company established in the Netherlands other than the Insurance Savings Participant. Under a Life Mortgage Loan a Borrower pays no principal towards redemption until the maturity of such Life Mortgage Loan. The Borrower has a choice between (i) the Traditional Alternative, (ii) the Unit-Linked Alternative and (iii) the Savings Alternative. Under the Traditional Alternative, the amount to be received upon maturity of the Life Insurance Policy depends upon the performance of certain (bond) investments chosen by the relevant Insurance Company with a guaranteed minimum yield. Under the Unit-Linked Alternative, the amount to be received upon pay-out of the Life Insurance Policy depends upon the performance of certain investment funds chosen by the Borrower. Under the Savings Alternative, a certain pre-agreed amount is to be received upon pay out of the Life Insurance Policy with the Insurance Savings Participant, and the Savings Premium thereof is calculated in such a manner that, on an annuity basis, the proceeds of the Savings Alternative are equal to the part of the Life Mortgage Loan to which a Life Insurance Policy with a Savings Alternative is connected (the "**Savings Element**") upon maturity of the Life Mortgage Loan.

#### *Savings mortgage loan*

A portion of the Mortgage Loans will be in the form of savings mortgage loans (*spaarhypotheken*), which consist of Mortgage Loans entered into by one of the Originators and the relevant Borrowers combined with a savings insurance policy with the Insurance Savings Participant. A Savings Insurance Policy is a combined risk insurance policy (i.e. a policy relating to an insurance which pays out upon the death of the insured) and capital insurance policy. Under a Savings Mortgage Loan no principal is paid by the Borrower until the maturity of such Savings Mortgage Loan or Loan Part. Instead, the Borrower pays premium on a monthly basis to the Insurance Savings Participant, which consists of a risk element and a savings element. The Savings Premium is calculated in such a manner that, on an annuity basis, the final payment under the Savings Insurance Policy due by the Insurance Savings Participant to the relevant Borrower is equal to the amount due by the Borrower to the Seller at maturity of such Savings Mortgage Loan.

#### *Bank savings mortgage loan*

A portion of the Mortgage Loans will be in the form of Bank Savings Mortgage Loans (*bankspaarhypotheken*), which consist of Mortgage Loans entered into by the Seller and the relevant Borrowers combined with a Bank Savings Account held with Achmea Bank N.V.

Under a Bank Savings Mortgage Loan, the Borrower is only required to pay interest until maturity and is not required to pay principal until maturity. The Borrower undertakes to pay the Bank Savings Deposit Instalment. The Bank Savings Deposit Instalment is calculated in such a manner that, on an annuity basis, the Bank Savings Deposit is equal to the Outstanding Principal Amount of the relevant Bank Savings Mortgage Loan. The rights of the relevant Borrower under the Bank Savings Deposit are pledged to the Seller.

#### *General*

In respect of all repayment types the Borrower is obligated to take out a Life Insurance Policy for the part of the loan above eighty (80) per cent. (in respect of Mortgage Loans granted to a Borrower pursuant to an application for a loan made prior to 1 January 2007) or ninety (90) per cent. (in respect of Mortgage Loans granted to a Borrower pursuant to an application for a loan made on or after 1 January 2007) of the property's foreclosure value.

#### **Interest types**

The Seller offers a number of different types of interest as summarised below.

##### *Floating rate ('Flexi- or Profirente')*

The floating interest rate is fixed for either one calendar quarter or one calendar year. The interest rate can be changed on the first day of a calendar quarter in line with the prevailing daily interest rate. The Borrower can switch to a longer fixed-interest period during the quarter without incurring a penalty.

##### *Fixed interest ('Vaste-, Vaste Switch, TRAM- or Trend rente')*

The Borrower pays the same interest rate throughout the fixed-interest period. Fixed-interest periods are available in terms of one year to thirty (30) years. For terms longer than three years, it is possible to change the term, subject to certain conditions, by means of interest rate averaging. For the one-year interest rate product, there is an option which allows the Borrower to switch to a longer fixed-interest period during the term, as is the case for the quarterly variable interest rate.

##### *Transitional interest rate ('Rentegewenningsrente')*

The fixed-interest period lasts for a total of ten (10) years. With this type of interest rate, the Borrower pays an increasing rate of interest for the first three years. In the fourth to the tenth year, the customer pays the same interest rate. In the first year, the interest rate is 1.5 per cent. lower than in the fourth to the seventh year. In the second and third year, the rate is 1.0 per cent. and 0.5 per cent. lower respectively.

##### *Spread interest rate ('Palet Rente or Rente Egaal Constructie')*

For the spread interest rate product the contracted "fixed" period is five (5) or ten (10) years. Within the contract the loan is split up in 5 or (respectively) 10 parts. Each part has a separate duration. For the 5 years spread interest rate option the 5 parts have durations which range from 1 year up to 5 year fixed. For the 10 year spread interest rate option the durations vary from 1 year up to 10 year fixed. Each duration has its own specific interest rate. During the year the Borrower pays the average interest of the separate parts. During the contract each year a part of the loan is refixed to the current market interest rate, with a duration of the remaining "fixed" period of the mortgage loan. In the standard version of the spread interest rate product, each time 20% or (respectively) 10% of the loan is changed. Apart from the standard version of this type of interest product, the Borrowers have two alternatives. Within these alternatives it is possible to emphasize shorter or longer durations within the 5 or (respectively) 10 parts.

##### *Bandwidth interest rate ('Component- or Renteperfectrente')*

For the bandwidth interest rate product, a contracted rate of interest is agreed for a certain term. The Borrower pays this rate of interest in the first year. In addition to the contracted rate of interest, an upper and a lower limit is set, which is referred to as the bandwidth. Every year, the contracted rate of interest is checked against the prevailing rate of interest. The contracted rate is amended only if the prevailing rate of interest goes above or below the agreed bandwidth. As long as the current bandwidth interest rate remains within the bandwidth, nothing changes. If the bandwidth interest rate is above the limit when it is checked, only the excess is added to the contracted rate of interest. Conversely, the same principle applies, i.e. the amount below the lower limit is deducted from the contracted rate of interest. If the bandwidth interest rate is back in the bandwidth again at the time of the annual check, the original contracted interest rate will be charged.

## 6.3 ORIGINATION AND SERVICING

### Origination

#### *Principles*

The Mortgage Loans in respect of the Mortgage Receivables to be assigned on the Closing Date and, in respect of any New Mortgage Receivables, on the relevant Notes Payment Dates, were each originated by one of the Originators.

The Mortgage Loans in respect of the Mortgage Receivables to be assigned on the Closing Date and, in respect of any New Mortgage Receivables, on the relevant Notes Payment Dates, were originated either through direct marketing (with respect to the Seller under the names Centraal Beheer Achmea and FBTO) or through independent intermediaries (with respect to the Seller under the name Woonfonds Hypotheken).

#### *Procedure of Origination*

The origination procedure starts as soon as the Originator receives a loan application form (in hard copy or electronically (mail, HDN)) from either the prospective Borrower or from an intermediary, such as a mortgage adviser, insurance agent, or real estate broker. The data from the form is entered into the respective automated offering-program system. This system evaluates whether the application meets the requirements for a mortgage loan. The requirements cover income, property valuation, borrower information and some general criteria.

As of 2001, an income test has been implemented which among others takes into account the income of the borrower, the costs of the loan, the real estate tax and the income tax. The net result of the calculation must comply with standards that are based on data of Nibud (the National Institute for Budget guidance). This test is aimed at incorporating tax-deductibility of interest charges and other variables. When granting mortgage loans, Achmea Bank applies the Ministerial Decree (Ministeriele Regeling) and in addition the Code of Conduct on Mortgage Credit (*Gedragscode*) which form the industry body for mortgage lenders. In establishing the loan levels related to income, Achmea Bank uses tables that are published in the Ministerial Decree and are specified by Nibud. Furthermore, the Seller tests a Borrowers income by modelling the mortgage loan on an annuity base and a thirty (30) year maturity date. As off recent change, this is done with an approach on loan part level, instead of on loan level. In this approach calculation is done based on actual burdens. The total sum is not allowed to be higher than the pre-defined maximum amount. Only then the mortgage loan will be granted.

In addition detailed credit information in relation to the applicant is received automatically from the *Bureau Krediet Registratie* ("**BKR**") which provides positive and negative credit information on all Borrowers with credit histories at financial institutions in the Netherlands. A loan is only granted if the Borrower has no outstanding negative credit history.

Moreover, from a regulatory perspective the Dutch ministry of Finance has developed certain rules regarding the maximum mortgage amount a Borrower can borrow. The maximum amount of the mortgage is restricted by the income of the Borrower and by the value of the underlying property. The origination process takes these regulations into account.

Once in case the application meets all criteria, a loan proposal is sent to the applicant or to his intermediary/mortgage broker. The proposal remains valid for acceptance for a period of three (3) weeks. If the Borrower accepts the proposal, then after reception of other relevant documents (such as proof of income and insurance policies) and after succesfull valuation of the underlying property, the loan is granted. The valuation of the real estate has to be performed by an independent certificated valuer except (i) in case of increase of an existing loan in which case the WOZ-value is allowed under strict circumstances and (ii) in case of new constructions where the value is based on a construction or purchase contract.

The Borrower will then be informed that the loan is granted and a notary public will be advised of the exact terms and conditions of the loan and asked to draft a notarial deed for the mortgage loan. The original deed is stored by the notary public, but a digitalised copy of the deed and of all other relevant original documents are stored by the Seller. The notary public is also responsible for registering the mortgage with the central Property Registry (*Kadaster*).

## **Servicing**

### *Mortgage Administration*

Once a Mortgage Loan has been accepted and registered by the notary public the regular administration of the Mortgage Loan commences. Administration refers to those activities that occur during the regular transittime of the mortgage such as changes in interest, making payments out of the construction depot as the construction of the building progresses, administration of (partial) redemption payments, subsequent recalculation of the new interest payments or even termination of the loan if full repayment has been made.

### *Interest Collections*

Payments are typically scheduled to be received by the Seller on the first business day of each month. The percentage of Borrowers paying by way of direct debit is ninety eight and a half (98.5) per cent. This automated process has a fail rate of approximately 1.0 per cent. This can be caused by a change in the bank account of the Borrower of which the Seller may not have been notified or the account may have insufficient funds. If the first initial automatic collection failed, a new batch is automatically generated to perform a repeat try on the eight (8th) business day after such failed automatic collection. This automatic repeat action has a fifty (50) per cent success rate. The Borrower will receive a first reminder on the eight (8th) business day after non-payment. Payment information is monitored daily by personnel in the Arrears Management department (*Debiteuren Beheer*).

### *Arrears management*

The Arrears Management department handles all contact with the Borrower in terms of payments and arrears. Arrears Management reminder letters are automatically generated by the system and sent out to the Borrower first on the eight (8th) day after non-payment and second within fifteen (15) days after the first reminder, at which a penalty interest charge is automatically added to the prevailing interest rate on the mortgage loan. If a check at BKR is done and reveals that the borrower has significant problems elsewhere, the file will be transferred immediately to Default Management (*Bijzonder Beheer*). Otherwise, contact with the Borrower will be made by Arrears Management and the account is given active treatment status. Arrears Management works with the Borrower to ascertain whether a solution with regard to his/her payment problem can then be reached. This is mostly done by telephone. In most cases, the borrower makes full payment shortly after this contact or signs a settlement plan. Settlement plans, which must be signed by the Borrower, typically have a three (3) month horizon with exceptional cases allowing for up to eighteen (18) months. To make this plan, detailed information is collected on the Borrower's current job status, actual income, and monthly outflows. Subsequently the agreed plan is closely monitored and deviation leads to the file being transferred to Default Management. Throughout the Arrears Management process, the aim is to come to a solution with the borrower and to continue the relationship with the client. Restructuring the loan-conditions will be looked into and if necessary the Borrower will get free advice from a financial advisor. If the Arrears Management department is unable to contact the client, a third party will approach the client. Furthermore, if the client has financial problems a "budget coach" will be offered to the client by the bank.

### *Default management*

If no contact can be made a third reminder is sent 45 days after non-payment. If Arrears Management is unsuccessful in its attempts to get the Borrower out of the arrears situation for more than three (3) months after the first missed payment, the file will also be transferred to Default Management. Whereas Arrears Management tries to get payment but also to keep customer satisfaction in mind, Default Management will use all legal means to receive payment. This can include obtaining a letter of lien of salary (the employer will deduct the agreed amount from the Borrower's salary before salary payment is made, and this deduction is paid directly to the Lender) and/or getting a third party guarantor to assist in payment and guaranteeing future payment.

A joint effort to sell the property is often made. The Borrower can choose to sell his/her house at this stage, which will be accepted by the Seller if revenues from a voluntary sale cover the outstanding debt in full, or if it is expected that foreclosure will realise a lower recovery value. Also at this stage the Seller obtains a notarial power of attorney to sell the house.

If all the above measures are unsuccessful the last step is foreclosure. Default Management will try to minimize foreclosures as much as possible (because of a lower return compared to other means of sale of the property) by extending the period of obtaining private sales and by other means to accomplish a successful private sale, amongst others via a real estate broker.

#### *Foreclosure process*

If a workout plan cannot be negotiated with the Borrower or the Borrower fails to comply with the settlement, the foreclosure process starts. A notary public is appointed to initiate the foreclosure process. In general, the decision to foreclose will be taken six (6) to twelve (12) months following the transfer to Default Management. Default Management calculates the best method of maximising the sale value of the property. This could mean that the property is sold either as a private sale or by public auction. A private sale can, and often does, precede a public auction. When the decision is made to foreclose, the head of the department gives formal instruction to the notary public. The date of the sale will be set by the notary public within three weeks of this instruction and, usually, will be four to ten weeks after the decision to foreclose (depending on the region and the number of other foreclosures currently being handled). Throughout the foreclosure process, the Seller's management team works according to guidelines set down by Dutch law, the lender and the BKR.

Past case laws in the Netherlands have emphasized that if the outstanding loan is higher than the expected proceeds of the foreclosure of the property, a foreclosure procedure may only be executed if such foreclosure is the final remedy after the bank has exhaustively taken all other possible measures and actions to recover outstanding arrears, in order to minimize the risk that the Borrower will be left with a remaining debt after foreclosure (which might be considered as unreasonable and unlawful).

#### *Debt after sale or foreclosure*

If amounts are still outstanding after the foreclosure process has been completed, Default Management continues to manage the remaining receivables indirectly. The entire file is handed over to a bailiff who will continue to seek payment from the Borrower through all available means, except when there is an agreement with the client about the payment of the outstanding amounts, in which case Default Management will retain the file.

#### *Pre-emptive arrears management*

Arrears Management and Default Management have recently developed pre-emptive arrears management. This should lead to lower arrears and lower losses at default.

Pre-emptive arrears management consists of a check on early warning signals of arrears, for example when:

- a client is getting a divorce;
- a client expects to lose his job;
- a client expects to sell his house with a loss.

Borrowers have a possibility to contact the Seller for expected pre-emptive arrears issues. Furthermore, with an analysis of the total mortgage portfolio, Arrears Management and Default management aim to identify certain groups of clients with a potentially higher credit risk. Detailed working process descriptions of all the above steps are available and used by the Servicer

## 6.4 DUTCH RESIDENTIAL MORTGAGE MARKET

### Dutch residential mortgage market

Compared to other mortgage markets in Europe, the Dutch residential mortgage market is typified by a range of relatively complex mortgage loan products<sup>1</sup>. Generous tax incentives have resulted in various loan structures. Most of these structures share the common characteristic of bullet repayment of principal at maturity. Historic practices and culture have also shaped the Dutch residential mortgage market in quite a unique way<sup>2</sup>.

Most mortgage loan products reflect the tax deductibility of mortgage loan interest and enable borrowers to defer repayment of principal so as to have maximum tax deductibility. This is evidenced by relatively high LTV values and the extensive use of interest-only mortgage loans (which only need to be redeemed at maturity)<sup>3</sup>. For borrowers who want to redeem their mortgage loan without losing tax deductibility, alternative products such as 'bank saving mortgage loans' were introduced. The main feature of a bank savings mortgage loan is that the borrower opens a deposit account which accrues interest at the same interest rate that the borrower pays on the associated mortgage loan. At maturity, the bank savings are used to redeem the mortgage loan.

In the period prior to the credit crisis increased competition and deregulation of the Dutch financial markets resulted in the development of tailor-made mortgage loans consisting of different loan parts and features, including mortgage loans involving investment risks for borrowers. More focus on transparency and financial predictability have resulted in simpler mortgage loan products in recent years.

Dutch mortgage loans predominantly carry fixed rates of interest that are typically set for a term between 5 and 15 years. Rate term fixings differ by vintage however. Historically low mortgage interest rates in the last decade provided an incentive for households to refinance their mortgage loans with a long-term fixed interest rate (up to as much as 30 years). Compared to countries where floating mortgage rates are the norm, Dutch mortgage borrowers are relatively well-insulated against interest rate fluctuations<sup>4</sup>.

Even though Dutch house prices have declined since 2008, the principal amount outstanding of Dutch mortgage loans has continued to increase until the fourth quarter of 2012. Since then the aggregate outstanding mortgage debt of Dutch households has slightly decreased. The Dutch mortgage market is still supported by a gradual increase in the levels of owner-occupation and an environment of low mortgage loan interest rates.

### Tax deductibility and regulation

Prior to 2001, all interest payments on mortgage loans were deductible in full from taxable income. As from January 2001, tax deductibility was made conditional in three ways. Firstly, deductibility applies only to mortgage loans on the borrower's primary residence (and not to secondary homes such as holiday homes). Secondly, deductibility is only allowed for a period of up to 30 years. Lastly, the highest marginal tax rate was reduced from 60 per cent. to 52 per cent. in 2001. However, these tax changes did not have a significant impact on the rate of mortgage loan origination, mainly because of the ongoing decrease of mortgage interest rates at that time.

On top of these limitations that came into force in 2001, tax deductibility of mortgage loan interest payments has been further restricted for borrowers that relocate to a new house and refinance their mortgage loan as from 1 January 2004. Under this new tax regulation (Bijleenregeling), tax deductibility in respect of interest on the mortgage loan pertaining to the new house is available only for that part of the mortgage loan that equals the purchase price of the new house less the realised net profit on the old house. Other housing related taxes partially unwind the benefits, but even despite restrictions implied in the past, tax relief on mortgage loans is still substantial. More meaningful restrictions to tax deductibility have been imposed per 1 January 2013 (see recent regulatory changes).

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<sup>1</sup> Due to new regulation, borrowers have been restricted to annuity or linear mortgage loans since January 2013 if they want to make use of tax deductibility. See paragraph "Recent regulatory changes" below

<sup>2</sup> Rabo Credit Research, Dutch RMBS: a Primer (2013)

<sup>3</sup> Dutch Association of Insurers, Dutch Insurance Industry in Figures (2012)

<sup>4</sup> Maarten van der Molen en Hans Stegeman, "De ongekende stabiliteit van de Nederlandse woningmarkt" (2011)

Underwriting standards follow from the Code of Conduct for Mortgage Lending, which is the industry standard. Since 1 August 2011, the requirements for mortgage lending have been tightened by the Financial Markets Authority (AFM). This has resulted in a revised Code of Conduct for Mortgage Lending (Gedragscode Hypothecaire Financieringen). It limits the risks of over-crediting. Under those tightened requirements, the principal amount of a mortgage loan may not exceed 103 per cent. of the market value of the mortgaged property plus transfer tax (2 per cent.). In addition, only a maximum of 50 per cent. of the market value of the mortgaged property may be financed by way of an interest-only mortgage loan. In addition, the revised Code of Conduct provides less leeway for exceptions using the 'explain' clause<sup>5</sup>. Consequence is that banks are less willing to deviate from the rules set by the revised Code of Conduct. This will make it more difficult for especially first-time buyers to raise financing as they used to be overrepresented as borrowers of mortgage loans subject to an explain clause. In practice, expected income rises of first-time buyers were frequently included, which led to additional borrowing capacity<sup>6</sup>.

### **Recent regulatory changes**

Mortgage loans taken out for houses purchased after 1 January 2013 have to be repaid in full in 30 years and at least on an annuity basis in order to be eligible for tax relief (the linear option is also possible). Tax benefits for mortgage loans, of which the underlying property was bought before 1 January 2013, have remained unchanged. Grandfathering of these tax benefits is possible in case of refinancing and/or relocation. However, any such mortgage loans will again be tested against the Code of Conduct for Mortgage Lending, with the most important condition being that no more than 50 per cent. of the mortgage loan may be repaid on an interest-only basis.

As from 2014, the maximum interest deductibility for mortgage loans for tax purposes will decrease annually at a rate of 0.5 percent-point from the main income tax rate of 52 per cent. down to 38 per cent. in 2042.

In addition, the maximum LTV will be gradually lowered to 100 per cent. in 2018, by 1 per cent. per annum (2015: max LTV: 103 per cent. including transfer tax). This guideline has been inserted in special underwriting legislation, which has become effective per 1 January 2013. This new legislation overrules the Code of Conduct for Mortgage Lending currently.

The transfer tax (stamp duty) was temporarily lowered from 6 per cent. to 2 per cent. on 1 July 2011. With effect from 15 June 2012, it will remain permanently at 2 per cent.

Finally, interest paid on any outstanding debt from a mortgage loan remaining after the sale of a home (negative equity financing) can be deducted for tax purposes for a period of up to 15 years. This measure will be in place for negative equity financings entered into before 2018.

### **Recent developments in the housing market<sup>7</sup>**

The Dutch housing market has shown clear signs of recovery since the second half of 2013. On a quarterly basis, existing house prices (PBK-index) stayed flat in the fourth quarter of 2014, though the annual price increase equalled 2.1%. Since the recovery on the housing market started in the third quarter of 2013, house prices have increased by 2.2%. Compared to the peak in the third quarter of 2008, house prices are still 18.8% lower.

In the fourth quarter of 2014, considerably more houses changed hands than in previous quarters. The Land Registry registered a total of 51,314 transactions, which was the highest number since 2008. In particular December 2014 was good, but the number of sales in this month has been affected by the expiration of a temporary exemption in the gift tax framework. Forward looking indicators, such as the sales figures by the Dutch association of real estate agents (NVM), suggest an ongoing recovery of the Dutch housing market in 2015, though sales momentum is likely to decrease somewhat.

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<sup>5</sup> Under the "explain" clause it is in exceptional cases possible to deviate from the loan-to-income and loan-to-value rules set forth in the Code of Conduct

<sup>6</sup> M.T. van der Molen, "Aanschaffen woning is makkelijker" (2012)

<sup>7</sup> Rabobank Economic Research Department, Dutch Housing Market Quarterly, August 2014

## Forced sales

The number of arrears and involuntary sales of residential property by public auction ("forced sale") in the Netherlands is traditionally very low compared to international standards<sup>8</sup>. Especially in the second half of the 1990s, when the demand for residential property was exceptionally strong, house sales by auction, even in the event of a forced sale, almost never occurred or were required. Moreover, the 1990s were characterised by very good employment conditions and a continuing reduction of mortgage interest rates. In the years before 2001, the total number of forced sales was therefore limited compared to the number of owner-occupied houses.

The relatively prolonged economic downturn from 2001 to 2005 led to a significant rise in the amount of mortgage loan payment arrears and correspondingly forced house sales. The number of forced sales in the Netherlands reported by the Land Registry (Kadaster) rose from 695 in 2002 to about 2,000 forced sales from 2005 onwards. This increase was mainly the result of a structural change in the Dutch mortgage loan market during the nineties: instead of selling single income mortgage loans only, lenders were allowed to issue double income mortgage loans. The subsequent credit crisis and the related upswing in unemployment led to a rise of the number of forced sales. The Land Registry recorded 1,863 forced sales in 2013. In 2014 the number of forced sales amounted to 2,178. Recent numbers on forced sales could be distorted by the fact that originators increasingly attempt to circumvent such sales, for example by selling the property in the normal market using an estate agent.

Recent research confirms that the number of households in payment difficulties in the Netherlands is low from an international perspective and that problems mainly have 'external' causes such as divorce or unemployment as opposed to excessively high mortgage debt<sup>9</sup>.

The proportion of forced sales is of such size that it is unlikely to have a significant impact on house prices. The Dutch housing market is characterised by a large discrepancy between demand and supply, which mitigates the negative effect of the economic recession on house prices. In the unforeseen case that the number of forced sales were to increase significantly, this could have a negative effect on house prices. Decreasing house prices could in turn increase loss levels should a borrower default on his mortgage loan payment obligations.

Even though in a relative sense the increase over the last years is substantial, the absolute number of forced sales is still small compared to the total number of residential mortgage loans outstanding. There is no precise data of the number of residential mortgage loans outstanding in the Netherlands. However, based on the published total amount of residential mortgage debt outstanding<sup>10</sup> and the current average mortgage loan principal amount it is estimated that the total number of residential mortgage loans outstanding in the Netherlands exceeds 3 million. A total of approximately 2,500 forced sales per year since 2005 therefore corresponds to approximately 0.1 per cent. of the total number of residential mortgage loans outstanding.

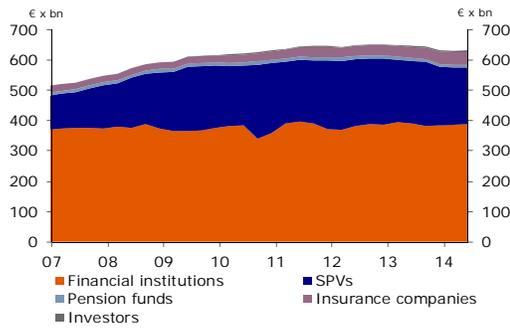
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<sup>8</sup> Comparison of S&P 90+ day delinquency data

<sup>9</sup> Standard & Poor's, Mortgage lending business supports some European banking systems (2010)

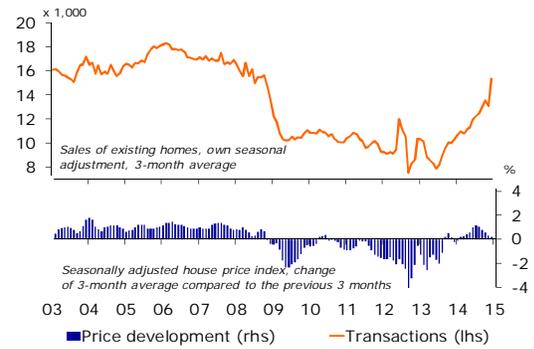
<sup>10</sup> Dutch Central Bank, statistics, households, table T11.1

**Chart 1: Total mortgage debt**



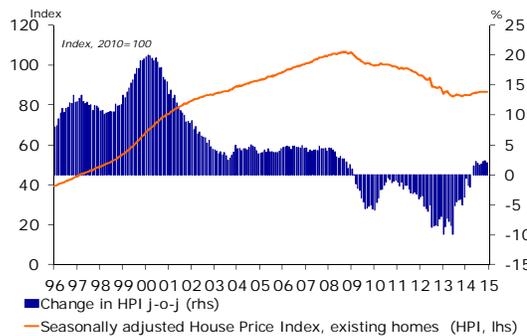
Source: Dutch Central Bank

**Chart 2: Transactions and prices**



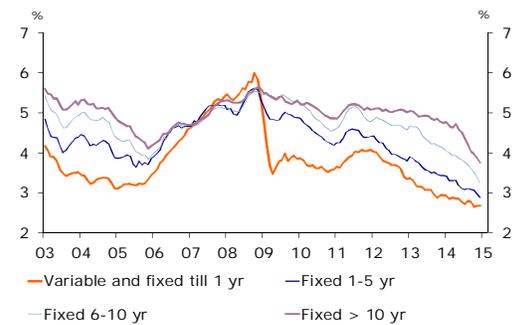
Source: Statistics Netherlands

**Chart 3: Price index development**



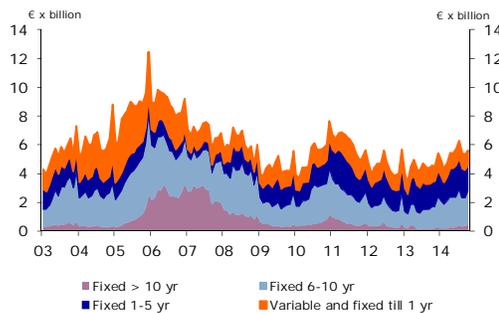
Source: Statistics Netherlands

**Chart 4: Interest rate on new mortgages**



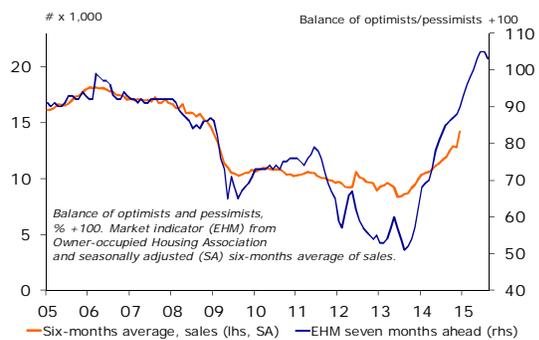
Source: Dutch Central Bank

**Chart 5: Volume of new mortgages by term**



Source: Dutch Central Bank

**Chart 6: Confidence bodes for more sales**



Source: Delft University OTB, Rabobank

## 6.5 NHG GUARANTEE PROGRAMME

### NHG Guarantee

In 1960, the Dutch government introduced the 'municipal government participation scheme' ("*gemeentegarantie*"), 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 Waarborgfonds Eigen Woningen' (the "**Stichting WEW**") (a central privatised entity) is responsible for the administration and granting of the NHG Guarantee 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 decreases on a monthly basis by an amount which is equal to the monthly payments (principal and interest) as if the mortgage loan was being repaid on a thirty year annuity basis. In respect of each mortgage loan, the NHG Guarantee decreases further to take account of scheduled repayments and prepayments under such mortgage loan. Also, amounts paid as savings or investment premium under savings insurance policies or life insurance policies, respectively, are deducted from the amount outstanding on such mortgage loans for purposes of the calculation of the amount guaranteed under the NHG Guarantee (see section 2 (*Risk Factors*)).

### Financing of Stichting WEW

Stichting WEW finances itself, *inter alia*, by a one-off charge to the borrower of 1.00 per cent. of the principal amount of the mortgage loan. 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 pre-determined 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 meets the NHG terms and 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 terms and conditions of the NHG Guarantee, which were applicable at the date of origination of the mortgage loan, unless such non-payment is unreasonable towards the lender.

The specific terms and conditions for the granting of NHG Guarantees, such as eligible income, purchasing or building costs etc., are set forth in published documents by 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 over the past five years that prospective borrowers have entered into with financial institutions are recorded in this register. In addition, as of 1 January 2008 the applicant itself must be verified with the Foundation for Fraud Prevention of Mortgages (*Stichting Fraudepreventie*

*Hypotheeken*, "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 sequential ranking mortgage right in case of a further advance). Furthermore, the borrower is required to take out insurance in respect of the mortgaged property against risk of fire, flood and other accidental damage for the full restitution value thereof. The borrower is also required to create a right of pledge in favour of the lender on the rights of the relevant borrower against the insurance company under the relevant life insurance policy connected to the mortgage loan or to create a right of pledge in favour of the lender on the proceeds of the investment funds. The terms and conditions also require a risk insurance policy which pays out upon the death of the borrower/insured for the period that the amount of the mortgage loan exceeds 80 per cent. of the value of the property.

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 Guarantees**

When a borrower is in arrears with payments under a mortgage loan for a period of three (3) months, a lender informs Stichting WEW in accordance with the *Gedraglijn Intensief Beheer*. 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. Permission of Stichting WEW is required in case of a private sale unless the property is sold for an amount higher than 95 per cent. of the foreclosure value. A forced sale of the mortgaged property is only allowed in case the borrower is in arrears with payments under the mortgage loan for a period of seven or more monthly instalments, unless Stichting WEW has agreed that the forced sale may take place for other reasons or within a period of seven months.

Within one month after receipt of the proceeds of the private or forced sale of the property, the lender must make a formal request to 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, WEW must make payment within two months. If the payment is late, provided the request is valid, 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, 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 to the extent possible.

#### **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 monies drawn down under the additional loan have to be placed on deposit with the relevant lender and may, up to a maximum period of two years, be used for, *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.

#### **Main NHG Underwriting Criteria ("Normen") per January 2015**

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

- The lender has to perform the BKR check. "A", "A1" or "2" registrations are allowed in certain circumstances.
- As a valid source of income, *inter alia*, the following applies: indefinite contract of employment, temporary contract of employment unless the employer has indicated that the employee will not be provided an indefinite contract of employment or that the temporary contract of employment will not be extended, for flexworkers or during a probational period (*proeftijd*), three year history of income statements or, if less than three year history of income statements are available, the available income statements and for self-employed, three year annual statements or, if less than three year annual statements are available, an income forecast prepared by an auditor.
- The maximum allowed mortgage expenses (*maximaal toegestane financieringslast*) of the mortgage loan based on the income will be based on the "mortgage expenses percentage" tables and an annuity style redemption (even if the actual loan is (partially) interest only). The mortgage lender shall calculate the maximum allowed mortgage expenses of a borrower of a mortgage loan with a fixed interest term of less than 10 years on the basis of a percentage determined by the Dutch Authority for Financial Markets (*Stichting Autoriteit Financiële Markten*), which is in turn based on a market share weighted average of the interest on loans applied by at least five of the six largest providers of mortgage loans for mortgage loans (i) with a fixed interest term of 10 years, (ii) with an annuity style redemption and (iii) of which the amount is equal to the Loan-to-Value-ratio. The average interest rate is at least 5 per cent. The mortgage lender may also apply a higher notional interest rate when calculating the borrowing capacity of the borrower. The mortgage lender shall calculate the borrowing capacity for a mortgage loan with a fixed interest term of 10 years or more on the basis of the interest rate actually charged by the mortgage lender during that fixed interest term. In case the mortgage loan consists of multiple loan parts, the average interest rate of all loan parts must be weighted on the basis of the principal amount of each loan part, the interest rate of each loan part and the maturity of each loan part.

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

As of 1 July 2014, the maximum amount of the mortgage loan is €265,000. This amount will be reduced to €245,000 as of 1 July 2015 and to 225,000 as of 1 July 2016. As of 2017, the maximum amount of the mortgage loan will be linked to the average property value. When relating to the improvement of an existing property the maximum loan amount is also €265,000.

- The loan amount is also limited by the amount of income and the market value of the property. With respect to the latter, as of 1 July 2014:
  - 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, (iii) 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 a property to be built, the maximum loan amount is broadly based on the sum of (i) purchase-/construction cost increased with a number of costs such as the cost of construction interest, VAT and architects (to the extent not included already in the purchase-/construction cost), (ii) 6 per cent. of the amount under (i).
- In 2015, the maximum amount of the mortgage loan compared to the market value of the property (the Loan-to-Value-ratio, "LTV-ratio") is 103 per cent. As of January 2016 the LTV-ratio will be 102 per cent. The LTV-ratio will be 100 per cent. as of 2018.
- 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 30 years.

A risk insurance policy should cover at least the amount by which the mortgage loan exceeds 80% of the market value of the mortgaged asset.

In addition, in respect of mortgage loans originated after 1 January 2014, a deductible has been adopted for the mortgage providers. On any loss claim of a mortgage provider vis-à-vis Stichting WEW, a deduction of 10% will be applied to such loss claim, which will be for the account of such mortgage provider.

## 7. PORTFOLIO DOCUMENTATION

### 7.1 PURCHASE, REPURCHASE AND SALE

Under the Mortgage Receivables Purchase Agreement the Issuer will purchase from the Seller and, on the Closing Date, accept the assignment of the Mortgage Receivables, which include NHG Mortgage Loan Receivables, by means of a registered deed of assignment as a result of which legal title to the Mortgage Receivables is transferred to the Issuer. It is a condition precedent of the Issuer for the purchase and acceptance of the assignment of the Mortgage Receivables that any Beneficiary Rights which are connected to the Mortgage Receivables and are to be applied towards redemption of the Mortgage Receivables, to the extent legally possible and required, are assigned to the Issuer together with such Mortgage Receivables. The Seller will agree to assign such Beneficiary Rights to the Issuer and the Issuer will agree to accept such assignment. The assignment of the Mortgage Receivables and the Beneficiary Rights relating thereto from the Seller to the Issuer will not be notified to the Borrowers and the Insurance Companies, except upon the occurrence of an Assignment Notification Event. 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 from and including the Cut-Off Date. The Servicer will pay, or the Seller will pay or procure that the Collection Foundation will pay, to the Issuer (i) on the first Mortgage Collection Payment Date after the Closing Date all proceeds received from and including the Cut-Off Date up to the Closing Date in respect of the relevant Mortgage Receivables and (ii) on each Mortgage Collection Payment Date all proceeds received during the immediately preceding Mortgage Calculation Period in respect of the relevant Mortgage Receivables.

#### **Purchase Price**

The purchase price for the Mortgage Receivables shall consist of the Initial Purchase Price, which shall be payable on the Closing Date or, with respect to New Mortgage Receivables, on the relevant Notes Payment Date, and the Deferred Purchase Price. The Initial Purchase Price payable on the Closing Date will be equal to the aggregate Outstanding Principal Amount of the Mortgage Receivables on the Cut-Off Date, being EUR 1,028,637,077.

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 and accept reassignment of Mortgage Receivable and the Beneficiary Rights relating thereto:

- (i) on the Mortgage Collection Payment Date immediately following the expiration of the relevant remedy period, if any of the representations and warranties given by the Seller in respect of such Mortgage Receivable or its related Mortgage Loan, including the representation and warranty that such Mortgage Receivable or its related Mortgage Loan meets certain criteria set forth in the Mortgage Receivables Purchase Agreement, is untrue or incorrect in any material respect; or
- (ii) on the Mortgage Collection Payment Date immediately following the date on which the Seller has obtained any Other Claim(s) vis-à-vis any Borrower including resulting from a further advance or a loan under a Mortgage Loan, which is secured by the mortgage right which also secures the Mortgage Receivable; or
- (iii) on the Mortgage Collection Payment Date immediately following the date on which the Seller agrees with a Borrower to amend the terms of the Mortgage Loan, which amendment is not a result of a deterioration of the Borrower's creditworthiness, and as a result thereof such Mortgage Loan no longer meets the representations and warranties set forth in the Mortgage Receivables Purchase Agreement; or
- (iv) on the Mortgage Collection Payment Date immediately following the date on which the Insurance Savings Participant agrees with the Borrower of a Savings Mortgage Loan, a Life Mortgage Loan with the possibility of a Savings Element, as the case may be, to switch whole or part of the premia accumulated in the relevant Savings Insurance Policy or Life Insurance Policy with a Savings Alternative, as the case may be, into a Life Insurance Policy, other than a Life Insurance Policy with a Savings Alternative (each a "**Savings Switch**"); or
- (v) on the Mortgage Collection Payment Date immediately following the date on which a Dutch court has ruled in respect of a Mortgage Receivable resulting from a Mortgage Loan originated by Avéro Hypotheken B.V that, upon an interest rate reset thereof, the Mortgage Loan is novated; or

- (vi) on the Mortgage Collection Payment Date immediately following the date on which the relevant Borrower takes the position that the Mortgage Loan has been novated; or
- (vii) on the Mortgage Collection Payment Date immediately following the date on which (a) an NHG Mortgage Loan no longer has the benefit of an NHG Guarantee or (b) in respect of foreclosure of an 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 Servicer.

The purchase price for the Mortgage Receivable in such event will be equal to the Outstanding Principal Amount of the Mortgage Receivable, together with interest accrued up to (but excluding) the date of repurchase and re-assignment of the Mortgage Receivable and reasonable costs, if any (including any costs incurred by the Issuer in effecting and completing such purchase and reassignment), except that in the event of a repurchase set forth in item (vii)(b) above, the purchase price shall be equal to the amount that was not reimbursed under the relevant NHG Guarantee as a result of the terms of the NHG Guarantee not having been met.

The Seller has furthermore undertaken in the Mortgage Receivables Purchase Agreement that, if on any Notes Payment Date after the First Optional Redemption Date, the weighted average interest rate of the Reset Mortgage Receivables falls below the Post-FORD Mortgage Interest Rate, it shall on the immediately following Notes Payment Date, repurchase and accept reassignment from the Issuer Reset Mortgage Receivables having an interest rate lower than the Post-FORD Mortgage Interest Rate at such time. See section 7.4 (*Substitution in view of the weighted average interest rate*).

Other than in the events set out above or in the event that it exercises the Clean-Up Call Option or the Regulatory Call Option, the Seller will not be obliged to repurchase any Mortgage Receivables from the Issuer.

#### **Clean-Up Call Option**

On each Notes Payment Date the Seller may exercise the Clean-Up Call Option. In the Mortgage Receivables Purchase Agreement the Issuer will undertake to sell and assign the Mortgage Receivables (but not some only) to the Seller or any third party appointed by the Seller in respect of the Mortgage Receivables sold by it in its sole discretion, with respect to the exercise of the Clean-Up Call Option for a price set out under *Sale of Mortgage Receivables* below.

#### **Regulatory Call Option**

On each Notes Payment Date the Seller has the option to repurchase the Mortgage Receivables upon the occurrence of a Regulatory Change. A "**Regulatory Change**" will be a change published on or after the Closing Date in Basel II or Basel III or in the international, European or Dutch regulations, rules and instructions (which includes the solvency regulation on securitisation of the Dutch Central Bank) (the "**Bank Regulations**") applicable to the Seller (including any change in the Bank Regulations enacted for purposes of implementing a change to Basel II or Basel III) or a change in the manner in which the Basel II or Basel III or such Bank Regulations are interpreted or applied by the Basel Committee on Banking Supervision or by any relevant competent international, European or national body (including any relevant international, European or Dutch Central Bank or other competent regulatory or supervisory authority) which, in the opinion of the Seller, has the effect of adversely affecting the rate of return on capital of the Seller or increasing the cost or reducing the benefit to the Seller with respect to the transaction contemplated by the Notes.

The Issuer will undertake in the Mortgage Receivables Purchase Agreement to sell and assign the Mortgage Receivables (but not some only) to the Seller or any third party appointed by the Seller in respect of the Mortgage Receivables sold by it in its sole discretion, in the event of the exercise of the Regulatory Call Option for a price set out under *Sale of Mortgage Receivables* below.

#### **Sale of Mortgage Receivables**

##### *General*

The Issuer may not dispose of the Mortgage Receivables, except (a) to comply with its obligations under the Notes in certain circumstances as further provided in the Trust Deed and (b) in accordance with the Mortgage Receivables Purchase Agreement. If the Issuer decides to offer for sale the Mortgage Receivables, or part thereof, it will first offer such Mortgage Receivables to the Seller. The Seller shall within

a period of twenty (20) business days inform the Issuer whether it (or a third party appointed by it) wishes to repurchase the Mortgage Receivables. After such twenty (20) business day period, the Issuer may offer such Mortgage Receivables for sale to any third party.

*Sale of Mortgage Receivables on an Optional Redemption Date falling in April 2020 or July 2020*

In the event of a sale and assignment of Mortgage Receivables on an Optional Redemption Date falling in April 2020 or July 2020, the purchase price of the Mortgage Receivables shall be the higher of (A) an amount which is sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem (i) the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration and (ii) the Class B Notes at their Principal Amount Outstanding less the Principal Shortfall plus accrued interest and costs and (B) at least equal to the sum of the relevant Outstanding Principal Amount in respect of the Mortgage Receivables, together with accrued interest due but unpaid, if any, except that, with respect to Mortgage Receivables which are 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 start foreclosure proceedings, an amount which shall be at least the lesser of (i) an amount equal to the part to which the Issuer would be entitled in case each such Mortgage Receivable would be foreclosed for (a) the foreclosure value of the Mortgaged Assets or (b), if no valuation report of less than twelve (12) months old is available, the indexed foreclosure value and (c) the amount of any other collateral, including, with respect to the NHG Mortgage Loan Receivables, the amount claimable under the NHG Guarantee (irrespective whether the NHG Conditions have been met) and (ii) the sum of the Outstanding Principal Amount of the Mortgage Receivable, together with accrued interest due but unpaid, if any, and any other amounts due under the Mortgage Receivable.

*Sale of Mortgage Receivables on the Optional Redemption Date falling in October 2020 and on any Optional Redemption Date thereafter*

In the event of a sale and assignment of Mortgage Receivables on the Optional Redemption Date falling in October 2020 and on each Optional Redemption Date thereafter, the purchase price of the Mortgage Receivables shall be an amount which is (i) sufficient to, taking into account the balance standing to the credit of the Reserve Account, redeem the Class A Notes at their Principal Amount Outstanding plus accrued interest, costs and any due (but unpaid) Class A Excess Consideration or (ii) such lower purchase price as acceptable to the Class A Noteholders and sanctioned by a resolution in a Meeting of Class A Noteholders in accordance with Condition 14. The amounts standing to the credit of the Reserve Account shall be applied by the Issuer to compensate the Class A Noteholders on a *pro rata* and *pari passu* basis for any difference between (i) the aggregate Principal Amount Outstanding of the Class A Notes plus accrued interest, costs, any due (but unpaid) Class A Excess Consideration and (ii) the available Class A Redemption Amount (without taking into account any drawing from the Reserve Account set out in item (x) of the Available Principal Funds).

*Sale of Mortgage Receivables if the Clean-Up Call Option is exercised*

On each Notes Payment Date, the Seller has the option to exercise the Clean-Up Call Option. If the Seller decides to exercise the Clean-Up Call Option, the Seller or a third party shall repurchase the Mortgage Receivables. In respect of the purchase price, the same as set out above under *Sale of Mortgage Receivables on an Optional Redemption Date falling in April 2020 or July 2020* applies to the purchase price payable for the sale of Mortgage Receivables if the Seller exercises the Clean-Up Call Option. The proceeds of such sale shall be applied by the Issuer towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(b) and subject to, in respect of the Class B Notes, Condition 9(b).

*Sale of Mortgage Receivables for tax reasons*

If the Issuer exercises its option to redeem the Notes, other than the Class C Notes, upon the occurrence of a Tax Change in accordance with Condition 6(f), the purchase price of such Mortgage Receivables will be calculated in the same manner as described in *Sale of Mortgage Receivables if the Clean-Up Call Option is exercised* above. The proceeds of such sale shall be applied by the Issuer towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(f).

*Sale of Mortgage Receivables if the Regulatory Call Option is exercised*

On each Notes Payment Date, the Seller has the option to exercise the Regulatory Call Option. If the Seller decides to exercise the Regulatory Call Option, the Seller shall repurchase the Mortgage Receivables. In respect of the purchase price, the same as set out above under *Sale of Mortgage Receivables if the Clean-Up Call Option is exercised* applies to the purchase price payable for the sale of Mortgage Receivables if the Seller exercises the Regulatory Call Option. The proceeds of such sale shall be applied by the Issuer

towards redemption of the Notes, other than the Class C Notes, in accordance with Condition 6(b) and subject to, in respect of the Class B Notes, Condition 9(b).

#### Assignment Notification Events

If, *inter alia*:

- (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 such failure is not remedied within ten (10) business days after having knowledge thereof or after notice thereof has been given by the Issuer or the Security Trustee to the Seller; or
- (b) the Seller fails duly to perform or comply with any of its obligations under the Mortgage Receivables Purchase Agreement or under any 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 having knowledge thereof or 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 7.1 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 hereto and 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 or threatened against it for its dissolution (*ontbinding*) and liquidation (*vereffening*) or legal demerger (*juridische splitsing*) involving the Seller or for its conversion (*omzetting*) into a foreign entity or any of its assets are placed under administration (*onder bewind gesteld*); or
- (e) the Seller has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its entering into emergency regulations (*noodregeling*) as referred to in the Wft or for bankruptcy or for any analogous insolvency proceedings under any applicable law for the appointment of a receiver or a similar officer of it or of any or all of its assets; or
- (f) 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 Transaction Document to which it is a party; or
- (g) the Seller has given materially incorrect information or has not given material information which was essential for the Issuer and the Security Trustee in connection with the entering into the Mortgage Receivables Purchase Agreement and/or any of the other Transaction Documents; or
- (h) the credit rating by Fitch of the Seller's long-term issuer default rating (IDR) is set below or falls below 'BBB-' or such rating is withdrawn; or
- (i) a Pledge Notification Event occurs; or
- (j) the Collection Foundation has been declared bankrupt (*faillissement*) or been subjected to suspension of payments (*surseance van betaling*) or analogous insolvency procedures under any applicable law,

(any such event an "**Assignment Notification Event**") then the Seller shall, unless the Security Trustee delivers an Assignment Notification Stop Instruction:

- (i) forthwith notify the Borrowers, the Insurance Companies and any other relevant parties indicated by the Issuer and/or the Security Trustee of the assignment of the Mortgage Receivables and the Beneficiary Rights relating thereto or, at the option of the Security Trustee, the Issuer shall be entitled to make such notifications itself.
- (ii) pursuant to the Beneficiary Waiver Agreement (i) use its 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 up to the Outstanding Principal Amount of the relevant Mortgage Receivable (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 (ii) with respect to Insurance Policies where a Borrower Insurance Proceeds Instruction has been given, use its best efforts to forthwith withdraw the Borrower Insurance Proceeds Instruction in favour of the Seller and to issue such instruction up to the Outstanding Principal Amount of the relevant Mortgage Receivable 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, and (iii) if so requested by the Security Trustee and/or the Issuer, forthwith make the appropriate entries in the relevant public registers (*Dienst van het Kadaster en de Openbare Registers*) 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 grants an irrevocable power of attorney to the Issuer and the Security Trustee.

(such actions together the "**Assignment Actions**")

"**Assignment Notification Stop Instruction**" means that upon the occurrence of an Assignment Notification Event, the Security Trustee shall, subject to having received a Credit Rating Agency Confirmation, be entitled to deliver a written notice to the Seller (copied to the Issuer) instructing the Seller not to undertake the Assignment Actions or to take any actions other than the Assignment Actions.

#### **Set-off by Borrowers**

The Mortgage Receivables Purchase Agreement provides that if a Borrower sets off amounts due to it by the Seller against the relevant 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 relevant Mortgage Receivable if no set-off had taken place and the amount actually received by the Issuer in respect of such Mortgage Receivable.

#### **Jointly-held Security Interests**

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 the event of a foreclosure in respect of any of the Mortgage Receivables, 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 in respect of the Mortgage Receivables, increased by interest and costs, if any, and the share of the Seller will be equal to the Net Foreclosure Proceeds less the Outstanding Principal Amount in respect of the Mortgage Receivables, increased by interest and costs, if any.

In addition, it will be agreed in the Mortgage Receivables Purchase Agreement that following a breach by the Seller of its obligations under these agreements or if any of such agreement is dissolved, void, nullified or ineffective for any reason in respect of the Seller, the Seller shall compensate the Issuer and/or the Security Trustee (as applicable) for any and all loss, cost, claim, damage and expense whatsoever which the Issuer and/or the Security Trustee (as applicable) incurs as a result thereof during any Mortgage Calculation Period. Such compensation will have to be paid by the Seller forthwith.

## 7.2 REPRESENTATIONS AND WARRANTIES

On the Closing Date, the Seller will represent and warrant with respect to the Mortgage Receivables and the Mortgage Loans from which such Mortgage Receivables result and the Beneficiary Rights relating thereto that, *inter alia*:

- (a) each of the Mortgage Receivables and the Beneficiary Rights relating thereto is duly and validly existing and 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, the relevant Notes Payment Date;
- (b) it has not been notified and is not aware of anything affecting its title to the Mortgage Receivables and the Beneficiary Rights relating thereto;
- (c) it has full right and title (*titel*) to the Mortgage Receivables and the Beneficiary Rights relating thereto and power (*beschikkingsbevoegdheid*) to sell and assign the Mortgage Receivables and the Beneficiary Rights relating thereto and there are no restrictions on the sale and assignment of the Mortgage Receivables and the Beneficiary Rights relating thereto and the Mortgage Receivables and the Beneficiary Rights relating thereto are capable of being assigned;
- (d) the Mortgage Receivables and the Beneficiary Rights relating thereto are free and clear of any encumbrances and attachments (*beslagen*) and no option rights to acquire the Mortgage Receivables and the Beneficiary Rights relating thereto have been granted in favour of any third party with regard to the Mortgage Receivables and the Beneficiary Rights relating thereto;
- (e) each Mortgage Receivable is fully secured by a Mortgage (*hypotheekrecht*) on a Mortgaged Asset in the Netherlands and, to the extent applicable, a right of pledge (*pandrecht*) granted to the Seller securing the relevant Mortgage Receivable, including a Borrower Insurance Pledge and a Borrower Bank Savings Deposit Pledge (such right of pledge a "**Borrower Pledge**") and is governed by Dutch law;
- (f) each Mortgage Loan is denominated in euro;
- (g) the Mortgage Conditions do not violate any applicable laws, rules or regulations;
- (h) each Mortgaged Asset concerned was valued when the application for a Mortgage Loan was made (i) by an independent qualified valuer not more than twelve (12) months before the application for such Mortgage Loan was made, or (ii) with respect to Mortgage Loans where, at the time of application, the Outstanding Principal Amount did not exceed ninety (90) per cent. of the sale price of the Mortgaged Asset on the basis of an assessment by the Netherlands tax authorities on the basis of the Act on Valuation of Real Property (*Wet Waardering Onroerende Zaken*); notwithstanding the foregoing, for property to be constructed or in construction at the time of application for a Mortgage Loan no valuation is required or performed, rather the loan to value is calculated on the basis of the agreed contract price stated in the relevant construction agreement, increased by, *inter alia*, financing costs and contract extras;
- (i) each Mortgage Receivable, the Mortgage, the Borrower Pledge and any other rights of pledge granted by the Borrower to the Originator, if any, constitute legal, valid, binding and enforceable obligations of the relevant Borrower vis-à-vis the Seller and is governed by Dutch Law;
- (j) each Mortgage Loan was originated by the Seller or the relevant other Originator in the Netherlands;
- (k) all Mortgages and all Borrower Pledges (i) constitute valid mortgage rights (*hypotheekrechten*) and rights of pledge (*pandrechten*) respectively on the Mortgaged Assets purported to be encumbered thereby and the assets which are purported to be pledged by the Borrower Pledges respectively and, to the extent relating to the Mortgages, have been entered in the relevant public register (*Dienst van het Kadaster en de Openbare Registers*), (ii) have first priority (*eerste in rang*) or, as the case may be, have first and immediately sequentially lower priority and (iii) were vested for a principal sum which is at least equal to the Outstanding Principal Amount of the Mortgage Loan when originated, increased by interest, penalties, costs and any insurance premium paid by the Seller on behalf of the Borrower, up to an amount of at least forty (40) per cent. of such Outstanding Principal Amount, therefore in total up to a maximum amount of not less than one hundred and forty (140) per cent. of the Outstanding Principal Amount of the relevant Mortgage Receivables upon origination;
- (l) the mortgage deeds and other agreements between the Seller or any other Originator and the relevant Borrower in respect of the relevant Mortgage Receivable either (i) contain no explicit provision on the issue whether the mortgage right or rights of pledge follows the receivable upon its assignment or pledge, or (ii) contain a confirmation that the mortgage right or rights of pledge will follow in part or in full the Mortgage Receivable upon its assignment or pledge;

- (m) each of the Mortgage Loans meets the Mortgage Loan Criteria and none of the Mortgage Loans is a bridge loan;
- (n) each of the Mortgage Loans and, to the extent offered by it, the Insurance Policy connected thereto, has been granted in accordance with all applicable legal requirements prevailing at the time of origination and the Code of Conduct on Mortgage Loans (as amended from time to time) (*Gedragscode Hypothecaire Financieringen*) including borrower income requirements and each Mortgage Loan meets in all material respects the relevant Originator's standard underwriting criteria and procedures prevailing at that time, which do not materially differ from the criteria and procedures set forth in the Seller's administration manual;
- (o) it has accounted for and distinguished between all interest and principal payments relating to the Mortgage Loans;
- (p) the Borrowers (i) are not in any material breach of any provision of their Mortgage Loans, Mortgage or Borrower Pledge and/or (ii) will not be in any material breach of any provisions of their New Mortgage Loans and related Mortgage or Borrower Pledge, except for any arrears after the Cut-Off Date;
- (q) no amounts due and payable under any of the Mortgage Receivables on the Cut-Off Date were unpaid;
- (r) 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 it;
- (s) the loan files relating to Mortgage Loans which are in electronic format, contain the same information and details with regard to the Mortgage Loans as the loan files relating to such Mortgage Loans which are kept in paper format and include authentic copies of the notarial Mortgage Deeds;
- (t) in the Mortgage Conditions no further drawing and/or further credits have been agreed or anticipated;
- (u) the Mortgage Conditions contain a requirement to have and to maintain a building insurance policy (*opstalverzekering*) for the full reinstatement value (*herbouwwaarde*) of the Mortgaged Assets on which a mortgage to secure the Mortgage Receivable has been vested;
- (v) under each of the Mortgage Receivables interest and, if applicable, principal due in respect of a period of at least one (interest) payment has been received by the Seller;
- (w) the maximum Outstanding Principal Amount of each Mortgage Loan, or all Mortgage Loans secured on the same Mortgaged Asset, as the case may be, does not, at the Cut-Off Date exceed 125 per cent. of the original foreclosure value (*executiewaarde*) of the relevant Mortgaged Assets;
- (x) the maximum Outstanding Principal Amount of each Mortgage Loan, or all Mortgage Loans secured on the same Mortgaged Asset, as the case may be, originated in and after August 2011 did not at origination exceed 106 per cent. of the market value of the relevant Mortgaged Assets or such lower percentage as required at the time of origination, which may, where applicable, be supplemented by the stamp duty payable under the Dutch Legal Transactions (Taxation) Act upon its creation;
- (y) the Mortgage Conditions applicable to Mortgage Loans originated after 1 January 2003 and originated by Avéro Hypotheken B.V. and FBTO Hypotheken B.V. provide that all payments by the relevant Borrowers should be made without any deduction or set-off;
- (z) each of the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element has the benefit of a Savings Insurance Policy and a Life Insurance Policy with a Savings Alternative with the Insurance Savings Participant, respectively, and each of the Life Mortgage Receivables, other than the Life Mortgage Receivables with a Savings Element, has the benefit of a Life Insurance Policy (other than a Life Insurance Policy with a Savings Alternative) with any of the Insurance Companies, respectively, and either (i) the Seller has been validly appointed as beneficiary (*begunstigde*) under such Insurance Policies, upon the terms of the relevant Mortgage Loans and the relevant Insurance Policies, which have been notified to the relevant Insurance Companies or (ii) the relevant Insurance Company has been given a Borrower Insurance Proceeds Instruction;
- (aa) with respect to each of the Mortgage Receivables to which an Insurance Policy with any of the Insurance Companies is connected, the Seller has the benefit of the Borrower Insurance Pledge granted by the relevant Borrower and such right of pledge has been notified to the relevant Insurance Companies, which, to the extent required, has been recorded on the relevant Insurance Policy;
- (bb) with respect to Life Mortgage Loans to which a Life Insurance Policy with an Insurance Company is connected, other than Life Mortgage Loans originated by Interpolis Schade Hypotheken B.V. or Interpolis BTL Hypotheken B.V. with Life Insurance Policies with N.V. Interpolis BTL connected thereto (i) there is no connection, whether from a legal or a commercial point of view, between the Life Mortgage Loan and the relevant Life Insurance Policy other than the relevant Borrower Insurance Pledge and the relevant Beneficiary Rights, (ii) the Life Mortgage Loans and the Life Insurance Policies are not marketed as one product or under one name, (iii) the Borrowers were free to choose

- the relevant Insurance Company and (iv) the Insurance Company is not a group company of the Seller;
- (cc) with respect to Life Mortgage Loans to which a Life Insurance Policy, other than Life Mortgage Loans with the possibility of a Savings Element, with the Insurance Savings Participant is connected, (i) there is no connection, whether from a legal or a commercial point of view, between the relevant Life Mortgage Loan and any Life Insurance Policy, other than the right of pledge securing Life Mortgage Loan and the relevant claims which the Seller or, as the case may be, the Issuer or the Security Trustee has or will have as beneficiary vis-à-vis any of the Life Insurance Companies in respect of the relevant Life Insurance Policies under which the Seller or, as the case may be, the Issuer or the Security Trustee has been appointed as first beneficiary (*begunstigde*) in connection with the Life Mortgage Receivable (ii) the Life Mortgage Loans and the relevant Life Insurance Policies were not marketed as one product and (iii) the Borrowers were free to choose the relevant Insurance Company;
  - (dd) with respect to each of the Bank Savings Mortgage Receivables, the Seller has the benefit of the Borrower Bank Savings Deposit Pledge and such right of pledge has been notified to the Bank Savings Participant;
  - (ee) all Bank Savings Accounts are held with the Bank Savings Participant;
  - (ff) the aggregate Outstanding Principal Amount of all Mortgage Receivables resulting from Employee Mortgage Loans did not exceed 8.4 per cent. of the Outstanding Principal Amount of all Mortgage Receivables on the Cut-Off Date;
  - (gg) it has not, in respect of Mortgage Loans originated by any of the Originators, granted any Further Advance, unless it is a Seller Further Advance;
  - (hh) the Mortgage Loans originated under the brand name Centraal Beheer Achmea, Avéro, FBTO and Woonfonds have been originated between 1 January 1992 and 1 September 2000;
  - (ii) it has no right to annual contributions in respect of the Mortgaged Assets based on the "*Beschikking geldelijke steun eigen woningen*" pursuant to the "*Besluit woninggebonden subsidies*";
  - (jj) with respect to each of the Mortgage Receivables secured by a Mortgage on a long lease, the Mortgage Loan has a maturity that is equal to or shorter than the term of the long lease and becomes due if the long lease terminates for whatever reason;
  - (kk) each Mortgage Loan constitutes the entire mortgage loan granted to the relevant Borrower and not merely one or more loan parts (*leningdelen*);
  - (ll) each receivable under the Mortgage Loan (*hypothecaire lening*) which is secured by the same mortgage right is sold and assigned to the Issuer pursuant to the Mortgage Receivables Purchase Agreement;
  - (mm) on the Cut-Off Date none of the Mortgage Loans was in arrears;
  - (nn) it can be determined in the administration of the Seller without any uncertainty which Beneficiary Rights belong to the Mortgage Receivables and each Mortgage Loan can be easily segregated and identified for ownership and security purposes on any day;
  - (oo) the aggregate Outstanding Principal Amount of all the Mortgage Receivables on the first Cut-Off Date is equal to the Initial Purchase Price on such date;
  - (pp) the Initial Insurance Savings Participation is equal to an amount of Euro 59,728,416 on the first Cut-Off Date;
  - (qq) the Initial Bank Savings Participation is equal to an amount of Euro 2,936,902 on the first Cut-Off Date;
  - (rr) it has no Other Claims;
  - (ss) in respect of a Mortgage Receivable resulting from a Mortgage Loan originated by Avéro Hypotheken B.V., (i) the Mortgage secures all debts of the Borrower of whatever nature now or in the future, (ii) the termination clause in relation to the interest rate reset date is intended and should be interpreted to provide an option to either terminate or extend the term of the Mortgage Loan, but not as a novation and (iii) in case of an interest rate reset the Seller considers such Mortgage Loan to be extended and not novated;
  - (tt) with respect to Investment Mortgage Loans, the relevant investments held in the name of the relevant Borrower have been validly pledged to the Seller and the securities are purchased for the account of the relevant Borrower by a bankruptcy remote securities giro (*effectengiro*), a bank or an investment firm (*beleggingsonderneming*), which is by law obliged to ensure that the securities are held in custody by an admitted institution for Euroclear Netherlands if these securities qualify as securities as defined in the Wge or, if they do not qualify as such, by a separate depository vehicle;

- (uu) none of the savings accounts held by Borrowers with Achmea Bank N.V. have been offered in combination with or as one product with the Mortgage Loans of the relevant Borrower, other than with the Bank Savings Mortgage Loans;
- (wv) in respect of Employee Mortgage Loans, (i) the only connection between the Employee Mortgage Loan and the employment relationship is the right to reduced interest on the Employee Mortgage Loan and (ii) no actual set-off of amounts due under the Employee Mortgage Loan with salary payments is agreed or actually effectuated;
- (ww) it has not been notified and is not aware that any of the relevant Insurance Policies is not in full force and effect nor that the lapse of time will result in any event affecting such force and effectiveness; and
- (xx) the particulars as set forth in the list of loans as referred to in each Deed of Assignment and Pledge relating to the Mortgage Loans are correct and complete in all material respects;
- (yy) with respect to each Mortgage Loan or relevant Loan Part which has the benefit of an NHG Guarantee, (i) the NHG Guarantee is granted for the full amount of relevant Mortgage Loan, excluding, in general, a Further Advance, (ii) 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 Mortgage Loan and (iii) the Seller has not done anything or omitted to do anything which could affect the enforceability of its claim nor is the Seller aware of any reason why any claim under any NHG Guarantee granted by Stichting WEW in respect of the relevant Mortgage Loan should not be met in full and in a timely manner;
- (zz) on the Cut-Off Date, or in case of New Mortgage Receivables the relevant Notes Payment Date, the weighted average original LTV (loan-to-value) of all Mortgaged Assets is not greater than 110 per cent.;
- (aaa) payments made under the Mortgage Receivables are not subject to withholding tax;
- (bbb) the Mortgage Conditions do not contain confidentiality provisions which restrict the Seller in exercising its rights under the Mortgage Loan;
- (ccc) to the best of the Seller's knowledge, the Mortgage Loan has not been subject to any variation, amendment, modification, waiver or exclusion of time of any kind which in any material way adversely affects its enforceability or collectability;
- (ddd) the relevant Mortgage Loan does not include untrue information;
- (eee) at least one of the Borrowers under the relevant Mortgage Loan is not unemployed.

### 7.3 MORTGAGE LOAN CRITERIA

Each of the Mortgage Loans will meet, *inter alia*, the following criteria (the "**Mortgage Loan Criteria**"):

- (a) the Mortgage Loans are in the form of:
  - (1) interest-only mortgage loans (*aflossingsvrije hypotheken*);
  - (2) annuity mortgage loans (*annuïteitenhypotheken*);
  - (3) linear mortgage loans (*lineaire hypotheken*);
  - (4) investment mortgage loans (*beleggingshypotheken*);
  - (5) savings mortgage loans (*spaarhypotheken*);
  - (6) bank savings mortgage loans (*bankspaarhypotheken*);
  - (7) life mortgage loans (*levenhypotheken*) to which a Life Insurance Policy is connected with (a) the Traditional Alternative; or (b) the Unit-Linked Alternative; or (c) the Savings Alternative; or
  - (8) mortgage loans which combine any of the above mentioned mortgage loans,
- (b) the Borrower is a resident of the Netherlands and a natural person and not an employee of Achmea Bank
- (c) the interest rate of each Mortgage Loan is fixed, subject to a reset from time to time, or variable;
- (d) the Mortgaged Assets were not the subject of residential letting and was, or was to be, occupied by the relevant Borrower;
- (e) each Mortgage Loan has been originated after 1 January 1994;
- (f) the legal final maturity of each Mortgage Loan does not extend beyond 1 June 2045;
- (g) the Mortgaged Asset is for residential use or for partial residential and partial commercial use by the Borrower, located in the Netherlands and the value of the commercial part is less than fifty (50) per cent. of the Foreclosure Value of the relevant Mortgaged Asset;
- (h) each Mortgage Loan, or all Mortgage Loans secured on the same Mortgaged Asset, is denominated in euro and has an Outstanding Principal Amount of not more than EUR 1,000,000;
- (i) the Outstanding Principal Amount was in case of each of the Mortgage Loans fully disbursed to the relevant Borrower, whether or not through the relevant civil law notary and no amounts are held in deposit (*depot*) in excess of the Bank Savings Deposit; and
- (j) all Mortgages and all Borrower Pledges have first priority (*eerste in rang*) or, as the case may be, have first (*eerste in rang*) and immediately sequentially lower priority; and
- (k) the Mortgage Receivable has not been based on a self-certified income statement or advisor-verified income statement of the Borrower and does not result from an equity release mortgage loan where the Borrower has monetised its property for either a lump sum of cash or regular periodic income.

## 7.4 PORTFOLIO CONDITIONS

### Substitution

The Mortgage Receivables Purchase Agreement will provide that the Issuer shall on each Notes Payment Date up to (but excluding) the Final Maturity Date use solely (a) amounts received by the Issuer as a result of the mandatory repurchase of Mortgage Receivables by the Seller in accordance with the Mortgage Receivables Purchase Agreement as described in the paragraphs under section 7.1 (*Repurchase and Sale*), to the extent that such amounts relate to principal (less the relevant Participation, if any) and (b), only if to be applied towards the purchase of a New Mortgage Receivable of which a part has been repurchased by the Seller on the immediately preceding Mortgage Collection Payment Date as a result of (i) a Savings Switch having taken place or (ii) the Seller having obtained an Other Claim in respect of the relevant Mortgage Receivable, increased by an additional amount that is required to pay the purchase price for such New Mortgage Receivable provided and to the extent that the Substitution Available Amount is sufficient, subject to the satisfaction of the Substitution Conditions set out below, to purchase and accept the assignment of the New Mortgage Receivables from the Seller, if and to the extent offered by the Seller by means of a Deed of Assignment and Pledge of such New Mortgage Receivables. The purchase price payable by the Issuer as consideration for any New Mortgage Receivables shall be equal to the Initial Purchase Price in respect thereof and the relevant part of the Deferred Purchase Price at the date of completion of the sale and purchase thereof.

### Substitution Conditions

The purchase by the Issuer of New Mortgage Receivables will be subject to a number of conditions (the "**Substitution Conditions**"), which include, *inter alia*, the conditions that on the relevant date of completion of the sale and purchase of the New Mortgage Receivables or, where applicable, after such date:

- (a) the Seller will represent and warrant to the Issuer and the Security Trustee the matters set out in the clauses providing for the representations and warranties relating to the Mortgage Loans, the Mortgage Receivables and the Seller in the Mortgage Receivables Purchase Agreement with respect to the New Mortgage Receivables sold and relating to the Seller (with certain exceptions to reflect that the New Mortgage Receivables are sold and may have been originated after the Closing Date);
- (b) no Assignment Notification Event has occurred and is continuing;
- (c) not more than 1.00 per cent. of the aggregate Outstanding Principal Amount of the Mortgage Loans is in arrears for a period exceeding 60 days;
- (d) the weighted average of the aggregate proportions of the Original Loan to Original Foreclosure Value Ratio in respect of each Mortgage Loan and New Mortgage Loan may not increase as a result of the sale and purchase of New Mortgage Receivables (for the avoidance of doubt, on a weighted average and aggregate basis in respect of all Mortgage Loans);
- (e) the aggregate Outstanding Principal Amount of the New Mortgage Receivables purchased by the Issuer (starting from the Closing Date) shall not exceed 15.00 per cent. of the aggregate Principal Amount Outstanding of the Notes on the Closing Date. The Issuer and the Seller may agree to a higher percentage, subject to Credit Rating Agency Confirmation;
- (f) the aggregate Outstanding Principal Amount of the interest-only Mortgage Loans as a percentage of the aggregate Outstanding Principal Amount of all Mortgage Loans on the Cut-Off Date shall not increase by more than 1.00 per cent. compared to the percentage at the Cut-Off Date as a result of the sale and purchase of New Mortgage Receivables;
- (g) 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;
- (h) the Substitution Available Amount is sufficient to pay the purchase price for the New Mortgage Receivables;
- (i) there is no debit balance on the Principal Deficiency Ledger;
- (j) the aggregate Realised Loss does not exceed 0.40 per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables at the Closing Date;
- (k) the aggregate Outstanding Principal Amount of all Mortgage Receivables resulting from Employee Mortgage Loans as a percentage of the aggregate Outstanding Principal Amount of all Mortgage Loans on the Cut-Off Date shall not increase by more than 1.00 per cent. compared to the percentage at the Closing Date as a result of the sale and purchase of New Mortgage Receivables;
- (l) the aggregate Outstanding Principal Amount of the Self-Employed Mortgage Loans as a percentage of the aggregate Outstanding Principal Amount of all Mortgage Loans on the Cut-Off Date shall not

- increase by more than 1.00 per cent. compared to the percentage at the Closing Date as a result of the sale and purchase of New Mortgage Receivables;
- (m) after such date the interest rate on the Mortgage Loans is not lower than the Post-FORD Mortgage Interest Rate;
  - (n) the aggregate Outstanding Principal Amount of all NHG Mortgage Receivables shall not fall below 45 per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables at the relevant Notes Payment Date.

except that Substitution Condition (c) and (f) will not apply if, as a consequence of the purchase of New Mortgage Receivables, in respect of item (c), the percentage of Mortgage Loans in arrears for a period exceeding 60 days is maintained or lowered and, in respect of item (f), the percentage of interest-only Mortgage Loans will be maintained or decreased.

**Substitution in view of the weighted average interest rate**

The Mortgage Receivables Purchase Agreement will provide that if on a Notes Payment Date after the First Optional Redemption Date, the weighted average interest rate of the Reset Mortgage Receivables falls below the Post-FORD Mortgage Interest Rate, the Seller shall, on the immediately following Notes Payment Date, (i) repurchase and the Issuer will sell and assign such Reset Mortgage Receivables having an interest rate lower than the Post-FORD Mortgage Interest Rate at such time and (ii) sell and assign and the Issuer shall purchase New Mortgage Receivables and any Beneficiary Rights relating thereto having an aggregate outstanding principal amount equal to or not more than 5 per cent. below (but never in excess of) the Outstanding Principal Amount of the Mortgage Receivables repurchased by the Seller at such time, such that following such repurchase and sale the weighted average interest rate of the remaining Reset Mortgage Receivables and the New Mortgage Receivables purchased on such date shall be at least the Post-FORD Mortgage Interest Rate.

Any repurchase by the Seller and sale by the Issuer and any sale by the Seller and purchase by the Issuer in view of the weighted average interest rate on the Reset Mortgage Receivables shall be subject to the Substitution Conditions.

## 7.5 SERVICING AGREEMENT

### Services

In the Administration Agreement (i) the Servicer will agree to provide (a) administration and management services and other 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 direction of amounts received by the Seller to the Issuer Collection Account and the production of monthly reports in relation thereto, (b) the implementation of arrears procedures including the enforcement of Mortgages and Borrower Pledges (see Section 6.3 (*Origination and Servicing*)) and (c) the Issuer Administrator with certain statistical information prepared by it regarding the Issuer as required by law for submission to the relevant governmental authorities.

The initial Servicer, being Achmea Bank, is a licensed bank under the Wft and will be obliged to administer the Mortgage Loans and the Mortgage Receivables with the same level of skill, care and diligence as it administers mortgage loans in its own portfolio.

The Servicer 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 Servicer 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.

### Termination

The appointment of the Servicer 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 Servicer 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 Servicer 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, (c) the Servicer and/or the Issuer Administrator taking any corporate action or the taking of any steps or the instituting of legal proceedings or threats against it for its entering into emergency regulations (*noodregeling*) as referred to in Chapter 3 of the Wft (only in respect of the Servicer) 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 or (d) the Servicer no longer holding a licence as intermediary (*bemiddelaar*) or offeror (*aanbieder*) under the Wft.

The termination of the appointment of the Servicer under the Administration Agreement by the Security Trustee or the Issuer will only become effective if a substitute servicer and/or issuer administrator as the case may be, is appointed, and such substitute servicer, as the case may be, has entered into an agreement with the Issuer and the Security Trustee substantially on the terms of the Administration Agreement, provided that such substitute servicer, as the case may be, shall have the benefit of a fee at a level then to be determined. Any such substitute servicer must (i) have experience of administering mortgage loans and mortgages of residential property in the Netherlands and (ii) hold a licence as intermediary (*bemiddelaar*) or offeror (*aanbieder*) 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 appointment of the Servicer under the Administration Agreement may be terminated by the Servicer or the Issuer and/or the Security Trustee upon the expiry of not less than six (6) months' notice of termination given by the Servicer to each of the Issuer and the Security Trustee or by the Issuer and/or the Security Trustee to the Servicer and/or the Issuer Administrator provided that – *inter alia* – (a) the Security Trustee consents in writing to such termination and (b) a substitute servicer and/or issuer administrator, as the case may be, shall be appointed, such appointment to be effective not later than the date of termination of the Administration Agreement and the Servicer, as the case may be, shall not be released from its obligations under the Administration Agreement until such substitute servicer, as the case may be, has entered into such new agreement.

## 7.6 SUB-PARTICIPATION

### **Insurance Savings Participation Agreement**

Under the Insurance Savings Participation Agreement the Issuer will grant to the Insurance Savings Participant and the Insurance Savings Participant will acquire a participation in each of the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element.

#### *Insurance Savings Participation*

In the Insurance Savings Participation Agreement the Insurance Savings Participant will undertake to pay to the Issuer:

- (i) the Initial Insurance Savings Participation at (a) the Closing Date in respect of each Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element or (b) thereafter in each case of the purchase and assignment of new Savings Mortgage Receivables and new Life Mortgage Receivables with a Savings Element by the Issuer on the relevant Notes Payment Date, or (c) in respect of a Savings Switch from any type of Mortgage Loan into a Savings Mortgage Loan or Life Mortgage Receivable with a Savings Alternative, the immediately succeeding Mortgage Collection Payment Date; and
- (ii) on each Mortgage Collection Payment Date, an amount equal to the amount received by the Insurance Savings Participant as Savings Premium during the immediately preceding Mortgage Calculation Period in respect of the relevant Savings Insurance Policies or Life Insurance Policies with a Saving Alternative, as the case may be,

provided that in respect of each relevant Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element no amounts will be paid to the extent that, as a result thereof, the Insurance Savings Participation in such relevant Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element would exceed the relevant Outstanding Principal Amount.

As a consequence of such payments, the Insurance Savings Participant will acquire the Insurance Savings Participation in respect of each of the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element, which will be equal on any date to the Initial Insurance Savings Participation as increased during each Mortgage Calculation Period with the of the Insurance Savings Participation Increase.

In consideration for the undertaking of the Insurance Savings Participant described above, the Issuer will undertake to pay the Insurance Savings Participant on each Mortgage Collection Payment Date in respect of each of the Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element in respect of which amounts have been received during the relevant Mortgage Calculation Period up to the relevant Insurance Savings Participation (i) all amounts received by means of repayment and prepayment in full under the relevant Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding any prepayment penalties and interest penalties, (ii) all amounts received in connection with a repurchase of any Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element pursuant to the Mortgage Receivables Purchase Agreement to the extent that such amounts relate to principal, (iii) all amounts received in connection with a sale of Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element pursuant to the Trust Deed and to the extent that such amounts relate to principal and (iv) all amounts received as Net Foreclosure Proceeds on any Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element to the extent that such amounts relate to principal (together, the "**Insurance Savings Participation Redemption Available Amount**") which amount will never exceed the amount of the Insurance Savings Participation.

#### *Reduction of Insurance Savings Participation*

If:

- (i) a Borrower invokes a defence, including, but not limited to, a right of set-off or counterclaim in respect of a Savings Mortgage Loan or Life Mortgage Loan with the possibility of a Savings Element based upon a default in the performance, in whole or in part, by the Insurance Savings Participant or, for

- whatever reason, the Insurance Savings Participant does not pay the insurance proceeds when due and payable, whether in full or in part, in respect of the relevant Savings Insurance Policy; or
- (ii) the Seller fails to pay any amount due by it to the Issuer pursuant to the Mortgage Receivables Purchase Agreement in respect of a Savings Mortgage Receivable or a Life Mortgage Receivable with a Savings Element,

and, as a consequence thereof, the Issuer has not received any amount which was in respect of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element outstanding prior to such event, the Insurance Savings Participation of the Insurance Savings Participant in respect of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element will be reduced by an amount equal to the amount which the Issuer has failed to receive as a result of such defence or failure to repay accordingly.

#### **Bank Savings Participation Agreement**

Under the Bank Savings Participation Agreement the Issuer will grant to the Bank Savings Participant and the Bank Savings Participant will acquire a participation in each of the Bank Savings Mortgage Receivables.

#### *Bank Savings Participation*

In the Bank Savings Participation Agreement the Bank Savings Participant will undertake to pay to the Issuer:

- (i) the Initial Bank Savings Participation at (a) the Closing Date in respect of each Bank Savings Mortgage Receivable or (b) thereafter in each case of the purchase and assignment of new Bank Savings Mortgage Receivables by the Issuer on the relevant Notes Payment Date; and
- (ii) on each Mortgage Collection Payment Date an amount equal to the amount received by the Bank Savings Participant as Bank Savings Deposit Instalment during the immediately preceding Mortgage Calculation Period in respect of the relevant Bank Savings Mortgage Receivable,

provided that in respect of each relevant Bank Savings Mortgage Receivable no amounts will be paid to the extent that, as a result thereof, the Bank Savings Participation in such relevant Bank Savings Mortgage Receivable would exceed the relevant Outstanding Principal Amount.

As a consequence of such payments, the Bank Savings Participant will acquire the Bank Savings Participation in respect of each of the Bank Savings Mortgage Receivables.

In consideration for the undertaking of the Bank Savings Participant described above, the Issuer will undertake to pay 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 up to the relevant Bank Savings Participation (i) all amounts received by means of repayment and prepayment in full under the relevant Bank Savings Mortgage Receivables from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding any prepayment penalties and interest penalties, (ii) all amounts received in connection with a repurchase of any Bank Savings Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement to the extent that such amounts relate to principal, (iii) all amounts received in connection with a sale of Bank Savings Mortgage Receivables pursuant to the Trust Deed and to the extent that such amounts relate to principal and (iv) all amounts received as Net Foreclosure Proceeds on any Bank Savings Mortgage Receivables to the extent that such amounts relate to principal (together, the "**Bank Savings Participation Redemption Available Amount**" and together with the Insurance Savings Participation Redemption Available Amount, the "**Participation Redemption Available Amount**"), which amount will never exceed the amount of the Bank Savings Participation.

#### *Reduction of Bank Savings Participation*

If:

- (i) (a) a Borrower invokes a defence, including, but not limited to, a right of set-off or counterclaim in respect of a Bank Savings Mortgage Loan based upon a default in the performance, in whole or in part, by the Bank Savings Participant or, for whatever reason, the Bank Savings Participant does not pay the amounts standing to the credit of the relevant Bank Savings Account when due and payable, whether in full or in part, in respect of the relevant Bank Savings Mortgage Receivable or (b) a Bank

- Savings Mortgage Loan is reduced by operation of law by means of set-off with the related Bank Savings Deposit; or
- (ii) the Seller fails to pay any amount due by it to the Issuer pursuant to the Mortgage Receivables Purchase Agreement in respect of a Bank Savings Mortgage Receivable,

and, as a consequence thereof, the Issuer has not received any amount which was in respect of such Bank Savings Mortgage Receivable outstanding prior to such event, 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 receive as a result of such defence or failure to repay accordingly.

## **General**

### *Enforcement Notice*

If an Enforcement Notice is served by the Security Trustee to the Issuer, then and at any time thereafter the Security Trustee on behalf of the Insurance Savings Participant or, as the case may be, the Bank Savings Participant, may and, if so directed by the Insurance Savings Participant or, as the case may be, the Bank Savings Participant, shall by notice to the Issuer:

- (i) declare that the obligations of the Insurance Savings Participant under the Insurance Savings Participation Agreement or, as the case may be, the Bank Savings Participant under the Bank-Savings Participation Agreement are terminated; and
- (ii) declare the Participation in respect of each of the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element or, as the case may be, the Bank Savings Mortgage Receivables, to be immediately due and payable, whereupon it shall become so due and payable, but the resulting payment obligations shall be limited to the Savings Participation Enforcement Available Amount received or collected by the Issuer or, in the event of enforcement, the Security Trustee under the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element or, as the case may be, the Bank Savings Mortgage Receivables.

### *Termination*

If one or more of the Savings Mortgage Receivables or the Life Mortgage Receivables with a Savings Element or, as the case may be, Bank Savings Mortgage Receivables are (i) repurchased by the Seller from the Issuer pursuant to the Mortgage Receivables Purchase Agreement or (ii) sold by the Issuer to a third party pursuant to the Trust Deed, the Participation in such Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element or, as the case may be, Bank Savings Mortgage Receivables will terminate and the Participation Redemption Available Amount in respect of such Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element or, as the case may be, Bank Savings Mortgage Receivables will be paid by the Issuer to the Insurance Savings Participant or, as the case may be, the Bank Savings Participant. If so requested by the Insurance Savings Participant or, as the case may be, the Bank Savings Participant, the Issuer will use its best efforts to ensure that the acquirer of the Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element or, as the case may be, Bank Savings Mortgage Receivables will enter into a participation agreement with the Insurance Savings Participant in a form similar to the Insurance Savings Participation Agreement or, as the case may be, the Bank Savings Participation Agreement. Furthermore, a Participation shall terminate if at the close of business on any Mortgage Collection Payment Date the Insurance Savings Participant or, as the case may be, the Bank Savings Participant has received an amount equal to the Participation in respect of the relevant Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element or, as the case may be, 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 or about 21 May 2015.
2. Application has been made to the Irish Stock Exchange for all Notes to be admitted to the Official List and trading on its regulated market. The estimated expenses relating to the admission to trading of the Notes on the regulated market of the Irish Stock Exchange are approximately EUR 6,041.20.
3. The Class A1 Notes have been accepted for clearance through Euroclear Netherlands and will bear common code 120654748 and ISIN code NL0011220041.
4. The Class A2 Notes have been accepted for clearance through Euroclear Netherlands and will bear common code 120655485 and ISIN code NL0011220058.
5. The Class A3 Notes have been accepted for clearance through Euroclear Netherlands and will bear common code 120655531 and ISIN code NL0011220066.
6. The Class B Notes have been accepted for clearance through Euroclear Netherlands and will bear common code 120655612 and ISIN code NL0011220074.
7. The Class C Notes have been accepted for clearance through Euroclear Netherlands and will bear common code 120655698 and ISIN code NL0011220082.
8. The address of the clearing system is: Euroclear Netherlands, Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.
9. There are no legal, arbitration or governmental proceedings neither is the Issuer aware of any such proceedings which may have, or have had, significant effects on the Issuer's financial position or profitability nor, so far as the Issuer is aware, are any such proceedings pending or threatened against the Issuer.
10. As long as any of the Notes are outstanding, copies of the following documents may be inspected in physical form at the specified offices of the Security Trustee and the Paying Agent during normal business hours:
  - (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 Agreements;
  - (v) the Paying Agency Agreement;
  - (vi) the Trust Deed;
  - (vii) the Issuer Mortgage Receivables Pledge Agreement;
  - (viii) the Issuer Rights Pledge Agreement;
  - (ix) the Administration Agreement;
  - (x) the Insurance Savings Participation Agreement;
  - (xi) the Bank Savings Participation Agreement;
  - (xii) the Issuer Account Agreement;
  - (xiii) the Interest Rate Cap Agreement;
  - (xiv) the Cash Advance Facility Agreement;
  - (xv) the Beneficiary Waiver Agreement; and
  - (xvi) the Incorporated Definitions, Terms and Conditions.
11. 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.
12. The audited annual financial statements of the Issuer will be made available, free of charge, from the specified office of the Issuer.

13. US Taxes:

*The Notes will bear a legend to the following effect: "any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Section 165(j) and 1287(a) of the Internal Revenue Code".*

The sections referred to in such legend provide that a United States person who holds a Note will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

14. None of the website addresses contained in this Prospectus form part of this Prospectus.

15. 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 listed on Irish Stock Exchange 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.

16. The Issuer will provide the following post-issuance transaction information on the transaction:

- (i) on a monthly basis, a Portfolio and Performance Report, which includes information on the performance of the Mortgage Receivables, including the arrears and the losses;
- (ii) on ultimately the 3<sup>rd</sup> Business Day prior to each Notes Payment Date, a Notes Report; and
- (iii) on each Notes Payment Date, a Notes and Cash Report,

in each case to be obtained at: [www.dutchsecuritisation.nl](http://www.dutchsecuritisation.nl) (or any other website as disclosed by the Issuer in the Investor Reports and/or in accordance with the Trust Deed) and the Issuer confirms that the transaction information under item (i) and (ii) will remain available until redemption in full of the Notes. The Investor Reports will contain a glossary of the defined terms used in such report.

17. The Issuer will, provided it has received the required information from the Seller:

(A) disclose in the first Notes and Cash Report the amount of the Notes:

- (I) privately-placed with investors which are not the Seller;
- (II) retained by the Seller; and
- (III) publicly-placed with investors which are not the Seller;

(B) disclose (to the extent permissible) such placement in the next Notes and Cash Report in relation to any amount initially retained by the Seller, but subsequently placed with investors which are not the Seller.

18. Intertrust Administrative Services, as Issuer Administrator on behalf of the Issuer, will make available loan-by-loan information (i) on the Mortgage Receivables prior to the issue date which information can be obtained upon request from Achmea Bank and (ii) after the issue date, on a quarterly basis, which information can be obtained at the website of the European Data Warehouse <http://www.eurodw.eu/edwin.html> within one month after the relevant Notes Payment Date.

19. Intertrust Administrative Services B.V., as Issuer Administrator on behalf of the Issuer, will make available to investors and the Cash Advance Facility Provider from the issue date until redemption in full of the Notes a cash flow model of the transaction described in this Prospectus via Bloomberg.

20. The accountants at PriceWaterhouseCoopers Accountants N.V. are registered accountants (*registeraccountants*) and are a member of the Netherlands Institute for Registered Accountants ("*NIVRA*").

21. Matheson is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of these Notes to the Official List of Irish Stock Exchange or to

trading on its regulated market for the purposes of the Prospectus Directive.

22. Important Information and responsibility statements:

The Issuer is responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Issuer accepts such responsibility accordingly. 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 Seller is also responsible for the information contained in the following sections of this Prospectus: '*Seller*', '*Portfolio Information*', '*Servicing Agreement*', the paragraph '*Average life*' in section 1.4 '*Transaction Overview*' and each paragraph dealing with article 405 of the CRR and article 51 of the AIFMR. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these paragraphs is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Seller accepts responsibility accordingly.

## GLOSSARY OF DEFINED TERMS

The defined terms used in this Glossary of Defined Terms, to the extent applicable, conform to the standard published by the Dutch Securitisation Association on (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 'NA' in front of the relevant defined term and/or moving it to a separate list in the Prospectus.

### 1 DEFINITIONS

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

+ "**Achmea Bank**" means Achmea Bank N.V., a public company (*naamloze vennootschap*) organised under the laws of the Netherlands and with its registered office in The Hague, the Netherlands or its successor or successors;

+ "**Achmea Group**" means the group of companies to which the Seller belongs, consisting of companies of which all shares are held directly or indirectly by Achmea B.V.;

\* "**Administration Agreement**" means the administration agreement between the Issuer, the Issuer Administrator, the Servicer and the Security Trustee dated the Signing Date;

"**AFM**" means the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*);

"**AIFMD**" means the Directive No 2011/61/EU of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010;

"**AIFMR**" means the Commission Delegated Regulation No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;

"**All Moneys Mortgage**" means any mortgage right (*hypothekrecht*) which secures not only the loan granted to the Borrower to purchase the mortgaged property, but also any other liabilities and moneys that the Borrower, now or in the future, may owe to the relevant Originator 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 Originator;

"**All Moneys Pledge**" means any right of pledge (*pandrecht*) which secures not only the loan granted to the Borrower to purchase the mortgaged property, but also any other liabilities and moneys that the Borrower, now or in the future, may owe to the relevant Originator 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 Originator;

"**All Moneys Security Rights**" means any All Moneys Mortgages and All Moneys Pledges jointly;

"**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;

"**Annuity Mortgage Receivable**" means the Mortgage Receivable resulting from an Annuity Mortgage Loan;

+ "**APL**" means Achmea Pensioen- en Levensverzekeringen N.V.;

"**Arranger**" means ABN AMRO Bank N.V. or any successor or successors;

"**Assignment Actions**" means any of the actions specified as such in section 7.1 *Purchase, Repurchase and Sale* in section 7 *Portfolio Documentation* of this Prospectus;

"**Assignment Notification Event**" means any of the events specified as such in section 7.1 *Purchase, Repurchase and Sale* in section 7 *Portfolio Documentation* of this Prospectus;

"**Assignment Notification Stop Instruction**" has the meaning ascribed thereto in section 7.1 *Purchase, Repurchase and Sale* in section 7 *Portfolio Documentation* of this Prospectus;

+ "**Available Funds**" means the Available Principal Funds and the Available Revenue Funds or any of them;

"**Available Principal Funds**" has the meaning ascribed thereto in section 4.1 *Terms and Conditions* of this Prospectus;

"**Available Revenue Funds**" has the meaning ascribed thereto in section 1.5 *Credit Structure* of this Prospectus;

+ "**Available Termination Amount**" means on any Notes Payment Date prior to the First Optional Redemption Date:

- (i) if (x) a new interest rate cap agreement has been entered into prior to such Notes Payment Date and the Initial Interest Rate Cap Payment due from the Issuer has been paid in full or (y) the Class A Notes and the Class B Notes have been redeemed in full, the full amount standing to the credit of the Interest Rate Cap Termination Payment Ledger; or
- (ii) if (x) an Initial Interest Rate Cap Payment is due and payable to a new interest rate cap provider on such Notes Payment Date and (y) the Available Revenue Funds are insufficient to satisfy items (a) up to and including (e) of the Revenue Priority of Payments on such Notes Payment Date, an amount equal to the sum of the amount payable under (ii)(x) and the shortfall under (ii)(y) (subject to a maximum of the amount standing to the credit of the Interest Rate Cap Termination Payment Ledger on such Notes Payment Date);

"**Bank Savings Account**" means, in respect of a Bank Savings Mortgage Loan, a blocked savings account in the name of a Borrower held with the Bank Savings Participant;

"**Bank Savings Deposit**" means in relation to a Bank Savings Mortgage Loan the balance standing to the credit of the relevant Bank Savings Account;

+ "**Bank Savings Deposit Instalment**" means, in respect each Bank Savings Mortgage Receivable, a deposit transferred by the Borrower in the Bank Savings Account which is connected to such Bank Savings Mortgage Receivable which deposit is calculated in such a way that the Bank Savings Mortgage Receivable can be redeemed with the Bank Savings Deposit at maturity;

"**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 Achmea Bank;

"**Bank Savings Participation**" means, on any Mortgage Calculation Date, in respect of each Bank Savings Mortgage Receivable, an amount equal to (i) the Initial Bank Savings Participation in respect of such Bank

Savings Mortgage Receivable increased with (ii) each Bank Savings Participation Increase up to (and including) the Mortgage Calculation Period immediately preceding such Mortgage Calculation Date, but (i) and (ii) jointly not exceeding, the Outstanding Principal Amount of such Bank Savings Mortgage Receivable;

\* **"Bank Savings Participation Agreement"** means the bank savings participation agreement between the Issuer and Achmea Retail Bank as Bank Savings Participant and the Security Trustee dated the Signing Date;

**"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:  $(P \times I) + S$ , whereby:

P = 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 scheduled to be 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 (*Insurance Savings Participation Agreements*) of the Prospectus;

+ **"Banking Regulations"** means the international, European or Dutch banking regulations, rules and instructions;

**"Basel Accord"** means the Basel Capital Accord promulgated by the Basel Committee on Banking Supervision;

+ **"Basel II"** means the capital accord under the title "Basel II: International Convergence of Capital Measurement and Capital Standards: a 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;

**"Basic Terms Change"** has the meaning ascribed thereto in Condition (14) (*Meetings of Noteholders; Modification; Consents; Waiver*);

**"Beneficiary Rights"** means all claims which the (relevant) 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 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 National Credit Register (*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 Bank Savings Deposit Pledge"** means a right of pledge (*pandrecht*) in favour of the Seller on the rights of the relevant Borrower against the Bank Savings Participant in respect of the relevant Bank Savings Deposit securing the relevant Bank Savings Mortgage Receivables;

**"Borrower Insurance Pledge"** means a right of pledge (*pandrecht*) created in favour of the relevant Originator 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 Mortgage Loan, an investment account in the name of the relevant Borrower;

**"Borrower Pledge"** means a right of pledge (*pandrecht*) securing the relevant Mortgage Receivable, including a Borrower Insurance Pledge;

\* **"Business Day"** means (i) when used in the definition of Notes Payment Date and in Condition 4(e) (*Euribor*), a TARGET 2 Settlement Day, and provided that such day is also a day on which commercial banks and foreign currency deposits in Amsterdam, Dublin and London and (ii) in any other case, a day on which banks are generally open for business in Amsterdam;

+ **"Cap Notional Amount"** has the meaning ascribed thereto in section 5.4 *Hedging* in this Prospectus;

+ **"Cap Required Ratings"** means (i) 'A3' (long-term unsecured, unsubordinated and unguaranteed debt obligations) by Moody's and (ii) 'A' (long-term issuer default rating) and 'F1' (its short-term issuer default rating) by Fitch;

+ **"Cap Strike Rate"** means a three months Euribor rate of 3.5 per cent;

**"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 Maximum Amount"** means an amount equal to (a) until the date mentioned in (b) the greater of (i) 2.00 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes on such date and (ii) 1.00 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes as at the Closing Date and (b) on the date whereon the Class A Notes have been or are to be redeemed in full, zero;

**"Cash Advance Facility Provider"** means BNP Paribas, a public limited liability company (*société anonyme*) organised under the laws of France and with its registered office in Paris, France or its successor or successors;

**"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 Stand-by Drawing Event occurs;

**"Cash Advance Facility Stand-by Drawing Account"** means the bank account of the Issuer designated as such in the Issuer Account Agreement;

+ **"Class"** means either the Class A Notes, or the Class B Notes or the Class C Notes, as the case may be;

+ **"Class A Additional Amount"** means, on any Notes Payment Date, after the First Optional Redemption Date, an amount equal to the Available Revenue Funds less any amount drawn under or released from the Reserve Account pursuant to item (vi) of the Available Revenue Funds, remaining after the amounts payable under the items (a) up to and including (h) of the Revenue Priority of Payments have been fully satisfied on such Notes Payment Date;

+ **"Class A Euribor Excess Consideration"** means on each Notes Payment Date after the First Optional Redemption Date, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by Euribor for three months deposit for the relevant Interest Period to the extent Euribor exceeds the 5 per cent. per annum (Euribor Agreed Rate);

+ "**Class A Excess Consideration**" means the sum of the applicable Class A Step-up Consideration and the Class A Euribor Excess Consideration;

+ "**Class A Excess Consideration Deficiency Ledger**" means the class A excess consideration deficiency ledger relating to the Class A Notes;

+ "**Class A Excess Consideration Shortfall**" means, on any Notes Calculation Date, after the Class A Notes have been redeemed in full, an amount equal to the lower of (a) the Available Principal Funds excluding item (xii) of such definition and (b) the Class A Excess Consideration due on the Class A Notes on the immediately succeeding Notes Payment Date after application of the Available Revenue Funds, excluding item (xii) of such definition;

+ "**Class A Managers**" means ABN AMRO Bank N.V., HSBC Bank plc and The Royal Bank of Scotland plc;

+ "**Class A Noteholders**" means holders of the Class A Notes;

"**Class A Notes**" means the Class A1 Notes, the Class A2 Notes and the Class A3 Notes;

+ "**Class A Notes Purchase Agreement**" means the purchase agreement relating to the Class A Notes, between the Class A Managers, the Issuer and the Seller dated the Signing Date;

+ "**Class A Redemption Amount**" means the Class A1 Redemption Amount, the Class A2 Redemption Amount and the Class A3 Redemption Amount;

+ "**Class A Step-up Consideration**" means, on each Notes Payment Date after the First Optional Redemption Date, in respect of each of the Class A1 Notes, the Class A2 Notes and the Class A3 Notes, a consideration equal to, in respect of each sub Class of the Class A Notes, the relevant Principal Amount Outstanding of such sub Class of the Class A Notes multiplied by the relevant Class A Step-up Margin;

+ "**Class A Step-up Margin**" means (i) in respect of the Class A1 Notes, 0.20 per cent. per annum, (ii) in respect of the Class A2 Notes, 0.27 per cent. per annum and (iii) in respect of the Class A3 Notes, 0.39 per cent. per annum;

"**Class A1 Notes**" means the EUR 161,500,000 class A1 mortgage-backed notes 2015 due 2047;

+ "**Class A1 Redemption Amount**" means the principal amount so redeemable in respect of each Class A1 Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class A1 Notes subject to such redemption (rounded down to the nearest euro);

"**Class A2 Notes**" means the EUR 505,100,000 class A2 mortgage-backed notes 2015 due 2047;

+ "**Class A2 Redemption Amount**" means the principal amount so redeemable in respect of each Class A2 Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class A2 Notes subject to such redemption (rounded down to the nearest euro);

"**Class A3 Notes**" means the EUR 183,400,000 class A3 mortgage-backed notes 2015 due 2047;

+ "**Class A3 Redemption Amount**" means the principal amount so redeemable in respect of each Class A3 Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class A3 Notes subject to such redemption (rounded down to the nearest euro);

+ "**Class B and C Manager**" means Achmea Bank;

+ "**Class B and C Notes Purchase Agreement**" means the notes purchase agreement relating to the Class B and C Notes between the Class B and C Manager, the Issuer and the Seller dated the Signing Date;

+ "**Class B Interest Deficiency Ledger**" means the Interest Deficiency Ledger relating to the Class B Interest Notes;

+ "**Class B Noteholders**" means holders of the Class B Notes;

"**Class B Notes**" means the EUR 115,900,000 class B mortgage-backed notes 2015 due 2047;

+ "**Class B Principal Shortfall**" means 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;

+ "**Class B Redemption Amount**" means the principal amount so redeemable in respect of each Class B Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class B Notes subject to such redemption (rounded down to the nearest euro);

+ "**Class C Available Principal Funds**" means on any Notes Payment Date, an amount equal to the lesser of:

- (i) the aggregate Principal Amount Outstanding of the Class C Notes; and
- (ii) the Available Revenue Funds remaining after all payments ranking above item (i) in the Revenue Priority of Payments have been made in full on such Notes Payment Date;

+ "**Class C Noteholders**" means holders of the Class C Notes;

"**Class C Notes**" means the EUR 16,600,000 class C notes 2015 due 2047;

+ "**Class C Redemption Amount**" means the principal amount so redeemable in respect of each Class C Note on the relevant Notes Payment Date which shall be equal to the Class C Available Principal Funds divided by the number of Class C Notes subject to such redemption (rounded down to the nearest euro);

"**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 Principal Amount Outstanding of the Notes (in the case of a Principal Shortfall in respect of any Class of Notes, less such aggregate Principal Shortfall) is not more than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes on the Closing Date;

"**Closing Date**" means 28 May 2015 or such later date as may be agreed between the Issuer and Achmea Bank;

"**Code of Conduct**" means the Mortgage Code of Conduct (*Gedragcode Hypothecaire Financieringen*) introduced in January 2007 by the Dutch Association of Banks (*Nederlandse Vereniging van Banken*);

+ "**Collection Bank Required Rating**" has the meaning ascribed thereto in section 5.1 (*Available Funds*) of this Prospectus;

"**Collection Foundation**" means Stichting Incasso Achmea Hypotheken, a foundation (stichting) organised under the laws of the Netherlands and with its registered office in Amsterdam or its successor or successors;

"**Collection Foundation Account Pledge Agreement**" means the pledge agreement between, among others, the Issuer, the Security Trustee, the Previous Outstanding Transaction SPVs, the Previous Outstanding Transaction Security Trustees dated on or about 20 May 2015, or, the pledge agreement or pledge agreements entered into by one or more of the aforementioned parties in replacement of the relevant collection foundation accounts pledge agreement or collection foundation accounts pledge agreements in force at that time, and/or in addition to the existing collection foundation accounts pledge agreements in force at that time;

"**Collection Foundation Accounts**" means the bank account maintained by the Collection Foundation;

**"Collection Foundation Agreements"** means the Collection Foundation Account Pledge Agreement and the Receivables Proceeds Distribution Agreement;

**"Conditions"** means the terms and conditions of the Notes set out in Schedule 4 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;

**"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;

**"CPR"** means Constant Prepayment Rate;

**"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 ratings to the Notes, from time to time, which as at the Closing Date includes 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 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 each Credit Rating Agency that its then current ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter (a **"confirmation"**);
- (b) if no confirmation is forthcoming from any Credit Rating Agency, a written indication, by whatever means of communication, from such Credit Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an **"indication"**); or
- (c) if no confirmation and no indication is forthcoming from any Credit Rating Agency and such Credit Rating Agency has not communicated that the then current ratings of the Notes will be adversely affected by or withdrawn as a result of the relevant matter or that it has comments in respect of the relevant matter:
  - (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 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.

**"CRR"** means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013;

**"Cut-Off Date"** means (i) 31 January 2015 and (ii) in respect of New Mortgage Receivables the first day of the month preceding the month in which the relevant Notes Payment Date falls;

+ **"Daily Euribor Rate"** means Euribor for three months deposit at 11.00am CET on each Business Day;

**"Deed of Assignment and Pledge"** means a deed of assignment and pledge in the form set out in the Mortgage Receivables Purchase Agreement, as the same may be amended, restated, novated, supplemented or otherwise modified from time to time;

**"Defaulted Mortgage Loan"** means a Mortgage Loan that is in arrears for at least 30 days;

**"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;

\* **"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;

+ **"ECB"** European Central Bank;

**"EMIR"** means Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories;

+ **"Employee Mortgage Loans"** means Mortgage Loans granted by the Seller to any employees within the Achmea Group;

+ **"Enforcement Available Amount"** means amounts corresponding to the sum of:

- (a) amounts recovered (*verhaald*) in accordance with article 3:255 of the Dutch Civil Code by the Security Trustee under any of the Pledge Agreements to which the Security Trustee is a party (i) on the Pledged Assets, other than the Savings Mortgage Receivables, the Bank Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element which are subject to a Participation, including, without limitation, amounts recovered under or in connection with the trustee indemnification under the Mortgage Receivables Purchase Agreement; plus (ii) on each Insurance Savings Mortgage Receivable, each Bank Savings Mortgage Receivable and each Life Mortgage Receivable with a Savings Element which is subject to a Participation, including, without limitation, amounts recovered under or in connection with the trustee indemnification under the Mortgage Receivables Purchase Agreement, but only to the extent such amounts exceed the Participation in such Savings Mortgage Receivable, Bank Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element which is subject to a Participation; and, without double counting, and
- (b) any amounts received by the Security Trustee (i) in connection with the Parallel Debt and (ii) as creditor under the Mortgage Receivables Purchase Agreement in connection with the trustee indemnification under the Mortgage Receivables Purchase Agreement, less a part pro rata to the proportion the aggregate Participation in all Insurance Savings Mortgage Receivables, Bank Savings Mortgage Receivables and the Life Mortgage Receivables with Savings Element which are subject to a Participation bears to the Outstanding Principal Amount of all Mortgage Receivables;

in each case less the sum of (i) any amounts paid by the Security Trustee to the Secured Creditors, other than to the Insurance Savings Participant and Bank Savings Participant, pursuant to the Trust Deed and (ii) a part pro rata to the proportion the Outstanding Principal Amount of all Mortgage Receivables minus the aggregate Participation in all Insurance Savings Mortgage Receivables, Bank Savings Mortgage Receivables and the Life Mortgage Receivables with Savings Element which are subject to a Participation bears to the Outstanding Principal Amount of all Mortgage Receivables 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. For the avoidance of doubt the Enforcement Available Amount shall exclude any amounts provided by the Interest Rate Cap Agreement as collateral (if any) unless it may be applied in accordance with the Trust Deed, any Tax Credit and any other amounts standing to the credit of the Interest Rate Cap Collateral Account;

"**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 (*Events of Default*);

"**EONIA**" means the Euro Overnight Index Average as published jointly by the European Banking Federation and ACI/The Financial Market Association;

"**ESMA**" means the European Securities and Markets Authority;

"**EUR**", "**euro**" or "**€**" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended from time to time;

"**Euribor**" or "**EURIBOR**" has the meaning ascribed thereto in Condition 4(c) (*Interest*);

+ "**Euribor Agreed Rate**" means a rate of 5 per cent. per annum;

\* "**Euroclear Netherlands**" means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. or its successor or successors;

"**Euronext Amsterdam**" means Euronext N.V. in Amsterdam;

"**Events of Default**" means any of the events specified as such in Condition 10 (*Events of Default*);

+ "**Excess Interest Rate Cap Collateral**" means (x) in respect of the date the Interest Rate Cap Agreement is terminated an amount equal to the amount by which (i) the value of the Credit Support Balance (as defined in the credit support annex forming part of the Interest Rate Cap Agreement) exceeds (ii) the value of the amounts owed by the Interest Rate Cap Provider (if any) to the Issuer pursuant to section 6(e) of the Interest Rate Cap Agreement, provided that for the purposes of this calculation under this limb (x)(ii) only, the value of the Credit Support Balance (as defined in the credit support annex forming part of the Interest Rate Cap Agreement) shall be deemed to zero and (y) in respect of any other valuation date under the Interest Rate Cap Agreement an amount equal to the amount by which the Credit Support Balance exceeds the Interest Rate Cap Provider's collateral posting requirements under the credit support annex forming part of the Interest Rate Cap Agreement on such date;

"**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**" has the meaning ascribed thereto in Condition (14) (*Meetings of Noteholders; Modification; Consents; Waiver*);

"**FATCA**" means the United States Foreign Account Tax Compliance Act of 2009;

"**Final Maturity Date**" means the Notes Payment Date falling in July 2047;

"**First Optional Redemption Date**" means the Notes Payment Date falling in April 2020;

"**Fitch**" means Fitch Ratings Ltd., and includes any successor to its rating business;

"**Foreclosure Value**" means the foreclosure value of the Mortgaged Asset;

"**Further Advance**" means a loan or a further advance to be made to a Borrower under a Mortgage Loan, which is secured by the same Mortgage;

"**Further Advance Receivable**" means the Mortgage Receivable resulting from a Further Advance;

"**Global Note**" means any Temporary Global Note or Permanent Global Note;

+ **"Incorporated Definitions, Terms and Conditions"** means the incorporated definitions, terms and conditions signed for acknowledgement and acceptance by, amongst others, the Seller, the Issuer, the Security Trustee dated the Signing Date;

\* **"Indexed Foreclosure Value"** means the value of the Mortgaged Asset calculated by indexing the latest registered Foreclosure Value with a property price index (weighted average of houses and apartments prices), as provided by the CBS for the province where the Mortgaged Asset is located;

**"Initial Bank Savings Participation"** means at the Closing Date, in respect of each of the Bank Savings Mortgage Receivables, an amount equal to the Bank Savings Deposit connected to such Bank Savings Mortgage Receivable received by the Bank Savings Participant increased by  $(IR: 12) \times S$  for each month on a capitalised basis from the month of first payment of the Bank Savings Deposit Instalment by the relevant Borrower up to (and including) the Cut-Off Date, being the amount of EUR 2,936,902, whereby,

IR = the interest rate on such Bank Savings Mortgage Receivable;

S = the Bank Savings Deposit;

or, in the case of the purchase and assignment of New Bank Savings Mortgage Receivables, at the relevant Notes Payment Date, an amount equal to the sum of the amounts received from the relevant Borrowers as Bank Savings Deposit Instalments and accrued and capitalised interest thereon under the respective New Savings Mortgage Loans up to and including the last day of the calendar month immediately preceding the relevant Notes Payment Date;

**"Initial Insurance Savings Participation"** means at the Closing Date, in respect of each of the Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element, an amount equal to the Savings Premium in respect of the Savings Insurance Policies or a Life Insurance Policy with a Savings Alternative received by the Insurance Savings Participant increased by  $(IR: 12) \times S$  for each month on a capitalised basis from the month of first payment of Savings Premium by the relevant Borrower up to (and including) the Cut-Off Date, being the amount of EUR 59,728,416, whereby,

IR = the interest rate on such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element;

S = the Savings Premium;

or, in the case of the purchase and assignment of New Mortgage Receivables or New Life Mortgage Receivables with a Savings Alternative, at the relevant Notes Payment Date or in case of a Savings Switch the immediately succeeding Mortgage Collection Payment Date, an amount equal to the sum of the amounts received from the relevant Borrowers as Savings Premiums and accrued interest thereon under the respective New Mortgage Loans or New Life Mortgage Receivables with a Savings Alternative up to and including the last day of the calendar month immediately preceding the relevant Notes Payment Date or, in respect of a Savings Switch from any type of Mortgage Loan into a Savings Mortgage Loan or Life Mortgage Receivable with a Savings Alternative, the immediately succeeding Mortgage Collection Payment Date;

+ **"Initial Interest Rate Cap Payment"** means the premium payment to be made by the Issuer (a) to the Interest Rate Cap Provider on the Closing Date under the Interest Rate Cap Agreement or (b) to a replacement interest rate cap provider upon entry into a replacement interest rate cap agreement;

**"Initial Purchase Price"** means, in respect of any Mortgage Receivable, its Outstanding Principal Amount on (i) the Cut-Off Date or (ii) in case of a New Mortgage Receivable, the first day of the month immediately preceding the month wherein the relevant New Mortgage Receivable is purchased;

+ **"Initial Purchase Price Underpaid Amount"** means on the Notes Payment Date falling in July 2015 an amount equal to the excess (if any) of (a) the Initial Purchase Price of the Mortgage Receivables purchased on the Closing Date over (b) the sum of the aggregate proceeds of the issue of the Notes, other than the Class C Notes, and the Initial Participation in respect of the Savings Mortgage Receivables, Life Mortgage

Receivables with a Savings Element and Bank Savings Mortgage Receivables purchased on the Closing Date and thereafter zero;

**"Initial Savings Participation"** means an Initial Bank Savings Participation and/or an Initial Insurance Savings Participation;

**"Insurance Company"** means any insurance company established in the Netherlands (other than the Insurance Savings Participant);

**"Insurance Policy"** means a Life Insurance Policy and/or a Risk Insurance Policy and/or Savings Insurance Policy and/or Savings Investment Insurance Policy;

**"Insurance Savings Participant"** means Achmea Pensioen- en Levensverzekeringen N.V., a public company organised under the laws of the Netherlands and with its registered office in Apeldoorn and any successor or successors;

**"Insurance Savings Participation"** means, on any Mortgage Calculation Date, in respect of each Savings Mortgage Receivable and each Life Mortgage Receivable with a Savings Element, an amount equal to the Initial Insurance Savings Participation in respect of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element increased with the Insurance Savings Participation Increase up to (and including) the Mortgage Calculation Period immediately preceding such Mortgage Calculation Date, but not exceeding the Outstanding Principal Amount of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element;

\* **"Insurance Savings Participation Agreement"** means the insurance savings participation agreement between the Issuer, the Insurance Savings Participant and the Security Trustee dated the Signing Date;

**"Insurance Savings Participation Increase"** means, an amount calculated for each Mortgage Calculation Period on the relevant Mortgage Calculation Date by application of the following formula:  $(P \times I) + S$ , whereby:

P= Participation Fraction,

S = the amount received by the Issuer pursuant to the Insurance Savings Participation Agreement on the Mortgage Collection Payment Date immediately succeeding the relevant Mortgage Calculation Date in respect of the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element from the Insurance Savings Participant; and

I = the amount of interest due by the Borrower on the Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element and actually received by the Issuer in such Mortgage Calculation Period;

**"Insurance Savings Participation Redemption Available Amount"** has the meaning ascribed thereto in section 7.6 (*Insurance Savings Participation Agreements*) of the Prospectus;

**"Interest Amount"** has the meaning ascribed thereto in Condition 4(f) (*Interest*);

+ **"Interest Deficiency Ledger"** means the interest deficiency ledger relating to the relevant Classes of Notes and comprising sub-ledgers for each such Class of Notes;

**"Interest Determination Date"** means the day that is two (2) Business Days preceding the first (1st) day of each Interest Period;

**"Interest-only Mortgage Loan"** means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity;

**"Interest-only Mortgage Receivable"** means the Mortgage Receivable resulting from an Interest-only Mortgage Loan;

**"Interest Period"** means the period from (and including) the Closing Date to (but excluding) the Notes Payment Date falling in July 2015 and each successive period from (and including) a Notes Payment Date to (but excluding) the next succeeding Notes Payment Date;

**"Interest Rate"** means the rate of interest applicable from time to time to a Class of Notes as determined in accordance with Condition 4 (*Interest*);

+ **"Interest Rate Cap Agreement"** means the interest rate cap agreement (documented under a 1992 ISDA master agreement, including the schedule thereto, a credit support annex and a confirmation) between the Issuer, the Interest Rate Cap Provider and the Security Trustee, dated the Signing Date;

+ **"Interest Rate Cap Collateral"** means, at any time, any cash which is paid or transferred by the Interest Rate Cap Provider to the Issuer as collateral to secure the performance by the Interest Rate Cap Provider of its obligations under the Interest Rate Cap Agreement together with any income or distributions received in respect of such cash;

+ **"Interest Rate Cap Collateral Account"** means the bank account of the Issuer designated as such in the Issuer Account Agreement;

+ **"Interest Rate Cap Provider"** means ABN AMRO Bank N.V. or its successor or successors;

+ **"Interest Rate Cap Termination Payment Ledger"** means the ledger created in the Issuer Collection Account for the purpose of recording any amount received by the Issuer from the Interest Rate Cap Provider upon early termination of the Interest Rate Cap Agreement (whether or not through application of any collateral standing to the credit of the Interest Rate Cap Collateral Account);

+ **"Interest Reconciliation Ledger"** means the ledger specifically created for such purpose on the Issuer Collection Account as set forth in the Administration Agreement;

+ **"Investment Alternative"** means the alternative whereby the premiums paid are invested in certain investment funds selected by the Borrower;

**"Investment 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 Mortgage Loan;

+ **"Investor Report"** means any of (i) the Notes and Cash Report and (ii) the Portfolio and Performance Report;

**"ISDA"** means the International Swaps and Derivatives Association, Inc.;

**"Issue Price"** means 100%;

**"Issuer"** means Dutch Residential Mortgage Portfolio I B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) organised under the laws of the Netherlands and with its registered office in Amsterdam, the Netherlands and any successor or successors;

**"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 BNP Paribas Fortis SA/NV, Netherlands Branch, a public limited liability company a public limited liability company (*société anonyme*) organised under the laws of Belgium and with its registered office in Amsterdam, the Netherlands;

**"Issuer Account"** means any of the Issuer Transaction Accounts, the Interest Rate Cap Collateral Account and the Cash Advance Facility Stand-by Drawing Account;

**"Issuer Administrator"** means Intertrust Administrative Services B.V, a private company (*besloten vennootschap met beperkte aansprakelijkheid*) organised under the laws of the Netherlands and established in Amsterdam, or its successor or successors;

**"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. or its successor or successors;

**"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 between the Issuer and the Security Trustee dated the Signing Date;

**"Issuer Rights"** means any and all rights of the Issuer under and in connection with the Mortgage Receivables Purchase Agreement, the Issuer Account Agreement including the balance on the Issuer Accounts, the Insurance Savings Participation Agreement, the Bank Savings Participation Agreement, the Administration Agreement, the Cash Advance Facility Agreement, the Paying Agency Agreement, the Interest Rate Cap Agreement and the Receivables Proceeds Distribution Agreement;

**"Issuer Rights Pledge Agreement"** means the issuer rights pledge agreement between, amongst others, the Issuer, the Security Trustee, 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;

+ **"Issuer Services"** means the services to be provided by the Issuer Administrator to the Issuer and the Security Trustee, as set out in the Administration Agreement;

**"Issuer Transaction Account"** means any of the Issuer Collection Accounts and the Reserve Account;

**"Land Registry"** means the Dutch land registry (*het Kadaster*);

**"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 Insurance Policy with a Savings Element"** means an insurance policy taken out by any Borrower comprised of a risk insurance element and a capital insurance element with a savings 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;

**"Life Mortgage Receivable"** means the Mortgage Receivable resulting from a Life Mortgage Loan;

+ **"Life Mortgage Receivable with a Savings Element"** means the Mortgage Receivable resulting from a Life Mortgage Loan with a Savings Element;

**"Linear Mortgage Loan"** means a mortgage loan or part thereof in respect of which the Borrower each month pays a fixed amount of principal towards redemption of such mortgage loan (or relevant part thereof) until maturity;

**"Linear Mortgage Receivable"** means the Mortgage Receivable resulting from a Linear Mortgage Loan;

**"Listing Agent"** means Matheson;

**"Loan Parts"** means one or more of the loan parts (*leningdelen*) of which a mortgage loan consists;

"**Local Business Day**" has the meaning ascribed thereto in Condition 5(c) (*Payment*);

"**Management Agreement**" means any of (i) the Issuer Management Agreement, (ii) the Shareholder Management Agreement and (iii) the Security Trustee Management Agreement;

"**Managers**" means each of the Class A Managers and the Class B and C Manager;

"**Market Value**" means (i) the market value (*marktwaarde*) of the 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;

+ "**Meeting**" means a meeting of Noteholders of all Classes or a Class or two or more Classes, as the case may be;

"**Moody's**" means Moody's Investors Service Ltd., and includes any successor to its rating business;

"**Mortgage**" means a mortgage right (*hypothekerecht*) securing the relevant Mortgage Receivables;

"**Mortgage Calculation Date**" means in relation to a Mortgage Collection Payment Date, the 9<sup>th</sup> 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 Cut-Off Date (under limb (i) of such definition) and ends on (and includes) the last day of May 2015;

"**Mortgage Collection Payment Date**" means the 9<sup>th</sup> 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;

+ "**Mortgage Deeds**" means notarially certified copies of the notarial deeds constituting the Mortgage Loans;

"**Mortgage Loan Criteria**" means the criteria relating to the Mortgage Loans set forth as such in section 1.6 *Eligibility Criteria* in *Portfolio Information* of this Prospectus;

\* "**Mortgage 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 Administration Agreement;

"**Mortgage Loans**" means (i) 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 loans attached to the Mortgage Receivables Purchase Agreement and (ii) after any purchase and assignment of any New Mortgage Receivables or Further Advance Receivables has taken place in accordance with the Mortgage Receivables Purchase Agreement, the relevant New Mortgage Loans, in each case to the extent any and all rights under and in connection therewith are not retransferred or otherwise disposed of by the Issuer;

"**Mortgage Receivable**" means any and all rights of the Seller (and after assignment of such rights to the Issuer, of the Issuer) against the Borrower under or in connection with a Mortgage Loan, 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;

"**Mortgage Receivables Purchase Agreement**" means the mortgage receivables purchase agreement between, amongst others, the Seller, the Issuer and the Security Trustee dated the Signing Date;

+ "**Mortgage Reports**" means each monthly mortgage report given by the Servicer to the Issuer, the Issuer Administrator, the Participants and the Security Trustee in the form set out in Schedule 2 to the Administration Agreement;

"**Mortgaged Asset**" means (i) a real property (*onroerende zaak*), (ii) an apartment right (*appartementsrecht*) or (iii) a long lease (*erfpachtsrecht*) situated in the Netherlands on which a Mortgage is vested;

"**Most Senior Class of Notes**" has the meaning ascribed thereto in Condition 2(d) (*Status and Relationship between the Classes of Notes and Security*);

"**Municipality Guarantee**" means a guarantee pursuant to the 'municipal government participation scheme' introduced in 1956 by the Dutch government;

"**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 foreclosure on any other assets of the relevant Borrower, in each case after deduction of foreclosure costs in respect of such Mortgage Receivable;

+ "**New Bank Savings Mortgage Receivable**" means the Mortgage Receivable resulting from a new Bank Savings Mortgage Loan;

+ "**New Insurance Savings Mortgage Receivable**" means the Mortgage Receivable resulting from a new Insurance Savings Mortgage Loan;

\* "**New Mortgage Loan**" means a mortgage loan granted by the Seller to the relevant borrower, which may consist of one or more Loan Parts (and further advances) as set forth in the list of loans attached to any Deed of Assignment and Pledge other than the initial Deed of Assignment and Pledge;

"**New Mortgage Receivable**" means the Mortgage Receivable resulting from a New Mortgage Loan;

"**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 or a guarantee pursuant to the Municipal Guarantee (*gemeentegarantie*);

"**NHG Mortgage Loan Receivable**" means the Mortgage Receivable resulting from an NHG Mortgage Loan;

\* "**NHG Mortgage Loans**" means a Mortgage Loan that has the benefit of an NHG Guarantee;

"**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 and the Class C Notes;

"**Notes and Cash Report**" means the report which will be published quarterly by the Issuer, or the Issuer Administrator on its behalf, and which report will comply with the standard created by the DSA;

"**Notes Calculation Date**" means, in relation to a Notes Payment Date, the 3<sup>rd</sup> Business Day prior to such Notes Payment Date;

"**Notes Calculation Period**" means, in relation to a Notes Calculation Date, the three successive Mortgage Calculation Periods immediately preceding such Notes Calculation Date except for the first notes calculation period which will commence on the Cut-Off Date (under limb (i) of such definition) and ends on (and includes) the last day of June 2015;

**"Notes Payment Date"** means the 26<sup>th</sup> day of January, April, July and October of each year or, if such day is not a Business Day, the immediately succeeding Business Day unless it would as a result fall in the next calendar month, in which case it will be the Business Day immediately preceding such day;

\* **"Notes Purchase Agreements"** means the Class A Notes Purchase Agreement and the Class B and C Notes Purchase Agreement;

+ **"Notes Report"** means the report which will be published quarterly by the Issuer, or the Issuer Administrator on its behalf, ultimately on the Notes Calculation Date;

**"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 relevant Originator at the time of granting the Mortgage Loan;

**"Original Loan to Original Foreclosure Value Ratio"** means the ratio calculated by dividing the original principal amount of a Mortgage Receivable at the moment of origination by the Original Foreclosure Value of the Mortgaged Asset;

**"Original Market Value"** means the Market Value of the Mortgaged Asset as assessed by the relevant Originator at the time of granting the Mortgage Loan;

**"Originator"** means (i) Avéro Hypotheken B.V., Centraal Beheer Hypotheken B.V., Centraal Beheer Woninghypotheken B.V., FBTO Hypotheken B.V. and Woonfonds Nederland B.V., each incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) and, in each case, merged into the Seller, (ii) Interpolis Schade Hypotheken B.V. and Interpolis BTL Hypotheken B.V., each incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) and in each case acquired by and merged into the Seller and (iii) the Seller;

**"Other Claim"** means any claim of the relevant Originator and/or Seller, as applicable, has against the Borrower, other than a Mortgage Receivable, which is secured by the Mortgage and/or Borrower Pledge;

**"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 the type (a) and (b) in respect of such Mortgage Receivable, zero;

**"Parallel Debt"** has the meaning ascribed thereto in section 4.7 *Security* of this Prospectus;

**"Participation"** means, in respect of each Savings Mortgage Receivable and each Life Mortgage Receivable with a Savings Element, the Insurance Savings Participation and in respect of each Bank Savings Mortgage Receivable, the Bank Savings Participation;

**"Participation Agreement"** means the Bank Savings Participation Agreement or the Insurance Savings Participation Agreement;

**"Participation Fraction"** means in respect of each Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or Bank Mortgage Receivable, an amount equal to the relevant Participation on the first day of the relevant Mortgage Calculation Period divided by the Outstanding Principal Amount of such Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or Bank Mortgage Receivable, on the first day of the relevant Mortgage Calculation Period;

**"Participation Redemption Available Amount"** has the meaning ascribed thereto in section 7.6 (*Sub-Participation*) of the Prospectus;

**"Paying Agency Agreement"** means the paying agency agreement between the Issuer, the Paying Agent, the Reference Agent and the Security Trustee dated the Signing Date;

**"Paying Agent"** means ABN AMRO Bank N.V., a public company (*naamloze vennootschap*) organised under the laws of the Netherlands and with its registered office in Amsterdam, the Netherlands or its successor or successors;

**"PCS"** means Prime Collateralised Securities (PCS) UK Limited;

**"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 and the Beneficiary Rights relating thereto and the Issuer Rights;

**"Pledge Notification Event"** means any of the events specified in Clause 5.1 of the Issuer Mortgage Receivables 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 created by the DSA;

**"Post-Enforcement Priority of Payments"** means the priority of payments set out as such in section 1.5 *Credit Structure* of this Prospectus;

+ **"Post-FORD Mortgage Interest Rate"** means, after the First Optional Redemption Date, the weighted average of the Daily Euribor Rates during a Notes Calculation Period, as determined three (3) Business Days prior to a Notes Payment Date, plus 100 basis points;

**"Prepayment Penalties"** means any prepayment penalties (*boeterente*) 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 Outstanding Transaction Security Trustees"** means Stichting Security Trustee SGML II, Stichting Security Trustee DMPL VI, Stichting Security Trustee DMPL VIII, Stichting Security Trustee DMPL IX, Stichting Security Trustee DMPL X, Stichting Security Trustee DMPL XI, Stichting Security Trustee DMPL XII, Stichting Trustee Achmea Covered Bond Company and Stichting Trustee Achmea Hypotheekbank;

+ **"Previous Outstanding Transaction SPVs"** means Securitized Guaranteed Mortgage Loans II B.V., Dutch Mortgage Portfolio Loans VI B.V., Dutch Mortgage Portfolio Loans VIII B.V., Dutch Mortgage Portfolio Loans IX B.V., Dutch Mortgage Portfolio Loans X B.V., Dutch Mortgage Portfolio Loans XI, Dutch Mortgage Portfolio Loans XII and Achmea Covered Bond Company B.V.;

**"Principal Amount Outstanding"** has the meaning ascribed thereto in Condition 6(h) (*Redemption*);

**"Principal Deficiency"** means the debit balance, if any, of the relevant Principal Deficiency Ledger;

**"Principal Deficiency Ledger"** means the principal deficiency ledger relating to the relevant Classes of Notes and comprising sub-ledgers for each such Class of Notes;

+ **"Principal Reconciliation Ledger"** means the ledger specifically created for such purpose on the Issuer Collection Account as set forth in the Administration Agreement;

**"Principal Shortfall"** means an amount equal to the balance of the Principal Deficiency Ledger of the relevant Class divided by the number of Notes of the relevant Class of Notes on the relevant Notes Payment Date;

**"Priority of Payments"** means any of the Revenue Priority of Payments, the Redemption Priority of Payments and the Post-Enforcement Priority of Payments;

**"Professional Market Party"** means a professional market party (*professionele marktpartij*) as defined in the Wft;

**"Prospectus"** means this prospectus dated 26 May 2015 relating to the issue of the Notes;

**"Prospectus Directive"** means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended by the Directive 2010/73/EC of the European Parliament and of the Council of 24 November 2010, as the same may be further amended;

**"Realised Loss"** has the meaning ascribed thereto in section 1.5 *Credit Structure* of this Prospectus;

**"Receivables Proceeds Distribution Agreement"** means the receivables proceeds distribution agreement between, amongst others, Achmea Bank, Collection Foundation, the Previous Outstanding Transaction SPVs, the Previous Outstanding Transaction Security Trustees, dated 28 May 2010 as acceded by the Issuer and the Security Trustee on or about 20 May 2015;

**"Redemption Amount"** means the principal amount redeemable in respect of each integral multiple of a Note as described in Condition 6 (*Redemption*);

**"Redemption Priority of Payments"** means the priority of payments set out as such in section 1.5 *Credit Structure* in this Prospectus;

**"Reference Agent"** means ABN AMRO Bank N.V., a public company (*naamloze vennootschap*) organised under the laws of the Netherlands and with its registered office in Amsterdam, the Netherlands or its successor or successors;

+ **"Reference Banks"** has the meaning ascribed thereto in Condition 4(e) (*Interest*);

**"Regulation S"** means Regulation S of the Securities Act;

**"Regulatory Call Option"** means, upon the occurrence of a Regulatory Change, the right of the Seller to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables;

+ **"Regulatory Change"** has the meaning ascribed thereto in section 7.1 (*Purchase, Repurchase and Sale*);

**"Requisite Credit Rating"** means the rating of (i) 'Prime-1' (short-term) by Moody's and (ii) 'F1' (short-term issuer default rating) and 'A' (long-term issuer default rating) by Fitch;

**"Reserve Account"** means the bank account of the Issuer designated as such in the Issuer Account Agreement;

\* **"Reserve Account Target Level"** means on any Notes Calculation Date a level equal to: (i) until the date mentioned in (ii) below, EUR 14,600,000 or (ii) from (and including) the Notes Payment Date on which the Class A Notes, have been or are to be redeemed in full, zero;

+ **"Reset Mortgage Receivables"** means, on a Notes Payment Date, the Mortgage Receivables in respect of which the interest rates have been reset in the immediately preceding Notes Calculation Period;

**"Revenue Priority of Payments"** means the priority of payments set out in section 1.5 *Credit Structure* 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;

+ "**Savings Alternative**" means the alternative whereby the premiums paid are deposited into an account held in the name of the relevant Insurance Company with the Seller;

+ "**Savings Element**" means part of a Life Mortgage Loan to which a Life Insurance Policy with a Savings Alternative is connected;

"**Savings Insurance Company**" means Insurance Savings Participant;

"**Savings Insurance Policy**" means an insurance policy taken out by any Borrower, in connection with a Savings Mortgage Loan, 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;

"**Savings Investment Insurance Policy**" means an insurance policy taken out by any Borrower, in connection with a Life Mortgage Loan with a Savings Element, 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;

"**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 pays on a monthly basis a premium to the relevant Savings Insurance Company;

"**Savings Mortgage Receivable**" means the Mortgage Receivable resulting from a Savings Mortgage Loan;

+ "**Savings Participation Enforcement Available Amount**" means amounts corresponding to the sum of:

- (a) amounts equal to the Participation in each Savings Mortgage Receivable, each Bank Savings Mortgage Receivable and each Life Mortgage Receivable with a Savings Element which is subject to a Participation, or if the amount recovered is less than the Participation, an amount equal to the amount actually recovered, including, without limitation, amounts recovered in connection with the trustee indemnification; and, without double counting,
- (b) part of any amounts received by the Security Trustee (i) in connection with the Parallel Debt and (ii) as creditor under the Mortgage Receivables Purchase Agreement in connection with the trustee indemnification, whereby the relevant part will be equal to a part pro rata to the proportion the aggregate Participation in all Insurance Savings Mortgage Receivables, Bank Savings Mortgage Receivables and Life Mortgage Receivables which are subject to a Participation bears to the Outstanding Principal Amount of all Mortgage Receivables:

in each case less the sum of (i) any amount paid by the Security Trustee to the Insurance Savings Participant and Bank Savings Participant pursuant to the Trust Deed and (ii) a part pro rata to the proportion the aggregate Participation in all Insurance Savings Mortgage Receivables, Bank Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element which are subject to a Participation bears to the Outstanding Principal Amount of all Mortgage Receivables 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. For the avoidance of doubt, the Savings Participation Enforcement Available Amount shall exclude any amounts provided by the Interest Rate Cap Provider as collateral (if any) unless it is applied in accordance with the Trust Deed, any Tax Credit and any other amounts standing to the credit of the Interest Rate Cap Collateral Account;

"**Savings Premium**" means the savings part of the premium due and any extra saving amounts paid by the relevant Borrower, if any, to the relevant Savings Insurance Company on the basis of the Savings Insurance Policy or the Savings Investment Insurance Policy or the Life Insurance Policy with a Savings Element;

+ "**Savings Switch**" means, in respect of a Savings Mortgage Loan or a Life Mortgage Loan with Savings Alternative, the switch of whole or part of the premiums accumulated in the relevant Savings Insurance Policy or Life Insurance Policy with a Savings Alternative into the value of a Life Insurance Policy, other than a Life Insurance Policy with a Savings Alternative;

**"Secured Creditors"** means (i) the Directors, (ii) the Servicer, (iii) the Issuer Administrator, (iv) the Paying Agent, (v) the Reference Agent, (vi) the Cash Advance Facility Provider, (vii) the Interest Rate Cap Provider, (viii) the Issuer Account Bank, (ix) the Noteholders, (x) the Seller, (xi) the Insurance Savings Participant and (xii) the Bank Savings Participant;

**"Securities Act"** means the United States Securities Act of 1933 (as amended);

**"Security"** means any and all security interest created pursuant to the Pledge Agreements;

**"Security Trustee"** means Stichting Security Trustee DRMP I, a foundation (*stichting*) organised under the laws of the Netherlands and with its registered office in Amsterdam, the Netherlands or its successor or successors;

**"Security Trustee Director"** means SGG Securitisation Services B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) organised under the laws of the Netherlands and with its registered office in Amsterdam, the Netherlands or its successor or successors;

**"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;

+ **"Self-Employed Mortgage Loans"** means Mortgage Loans granted by the Seller to one or more persons that are on the date on which the Mortgage Loan was advanced self-employed (i.e. not employed by any person or company);

**"Seller"** means Achmea Bank;

+ **"Seller Further Advance"** means a Further Advance granted to a Borrower of a Mortgage Loan originated by: (i) Centraal Beheer Hypotheken B.V. (prior to its merger into Achmea Bank), provided that such further advance or further loan only relates to withdrawals of principal prepayments previously made by the relevant Borrower; (ii) Woonfonds Nederland B.V. (prior to its merger into Achmea Bank) or (iii) by Achmea Bank (and not any of the other Originators which have merged into Achmea Bank);

**"Servicer"** means Achmea Bank;

+ **"Services"** means the Mortgage Loan Services and the Issuer Services;

**"Shareholder"** means Stichting Holding DRMP I, a foundation (*stichting*) organised under Dutch law and established in Amsterdam, the Netherlands or its successor or successors;

**"Shareholder Director"** means Intertrust Management B.V. a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) organised under Dutch law and established in Amsterdam, the Netherlands or its successor or successors;

**"Shareholder Management Agreement"** means the shareholder management agreement between the Shareholder, the Shareholder Director and the Security Trustee dated the Signing Date;

**"Signing Date"** means (i) in respect of the Incorporated Definitions, Terms and Conditions, the Mortgage Receivables Purchase Agreement, the Management Agreements, the Notes Purchase Agreements, the Participation Agreements, the Interest Rate Cap Agreement, the Issuer Account Agreement, the Beneficiary Waiver Agreement, the Cash Advance Facility Agreement, the Administration Agreement, the Pledge Agreements, the Paying Agency Agreement and the Trust Deed, 26 May 2015 and (ii) in respect of the initial Deed of Assignment and Pledge, 28 May 2015 or in the case of both (i) and (ii) such later date as may be agreed between the Issuer and Achmea Bank;

**"Solvency II"** means the European Parliament legislative resolution of 22 April 2009 on the amended proposal for a directive of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance;

+ "**Special Measures Financial Institutions Act**" means the *Wet bijzondere maatregelen financiële ondernemingen*

+ "**SRM Regulation**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 June 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;

+ "**SRM**" means the single resolution mechanism and a single bank resolution fund pursuant to the SRM Regulation;

"**Stichting WEW**" means Stichting Waarborgfonds Eigen Woningen;

"**Subordinated Notes**" means the Class B Notes and the Class C Notes;

+ "**Substitution Available Amount**" means, at any Notes Calculation Date up to, but excluding, the Notes Calculation Date immediately preceding the Final Maturity Date, (A) any amounts received by the Issuer as a result of a repurchase of Mortgage Receivables by the Seller, other than in case of a repurchase of all Mortgage Receivables, to the extent such amounts relate to principal during the immediately preceding Notes Calculation Period less the Participation in such Mortgage Receivables and (B), only if to be applied towards the purchase of a New Mortgage Receivable of which a part has been repurchased by the Seller on the immediately preceding Mortgage Collection Payment Date as a result of (i) a Savings Switch having taken place or (ii) the Seller having obtained an Other Claim in respect of the Mortgage Receivable, increased by an additional amount that is required to pay the purchase price for such New Mortgage Receivable provided and to the extent that the Available Principal Funds (without taking into account the calculation of this additional amount) are sufficient;

+ "**Substitution Conditions**" means the conditions specified as such in *Portfolio Conditions* in *Portfolio Information* in this Prospectus;

"**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 Credit**" has the meaning ascribed thereto in the Interest Rate Cap Agreement;

"**Temporary Global Note**" means a temporary global note in respect of a Class of Notes;

+ "**Traditional Alternative**" means the alternative in respect of a Life Mortgage Loan whereby a guaranteed amount is paid to the Borrower when the Life Insurance Policy pays out;

"**Transaction Documents**" means the Incorporated Definitions, Terms and Conditions, the Mortgage Receivables Purchase Agreement, the Deed of Assignment and Pledge, any Deed of Assignment and Pledge of New Mortgage Receivables, the Deposit Agreement, the Administration Agreement, the Interest Rate Cap Agreement, the Issuer Account Agreement, the Cash Advance Facility Agreement, the Participation Agreements, the Pledge Agreements, the Beneficiary Waiver Agreement, the Notes Purchase Agreements, the Notes, the Paying Agency Agreement, the Management Agreements, the Collection Foundation Agreements, and the Trust Deed;

"**Trust Deed**" means the trust deed between the Security Trustee, the Issuer and the Shareholder dated the Signing Date;

"**Unit-Linked Alternative**" has the meaning ascribed thereto in section 1.6 *Portfolio Information* in *Transaction Overview* of this Prospectus;

"**Wft**" means the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and its subordinate and implementing decrees and regulations as amended from time to time;

"**Wge**" means the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*); and

"**WOZ**" means the Valuation of Immovable Property Act (*Wet waardering onroerende zaken*).

## 2 INTERPRETATION

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.

2.2 Any reference in this Prospectus to:

a "**Class**" of Notes shall be construed as a reference to the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class B Notes or the Class C Notes, as applicable;

a "**Class A**", "**Class B**" or "**Class C**" Noteholder, Principal Deficiency, Principal Deficiency Ledger, Temporary Global Note or Permanent Global Note shall be construed as a reference to a Noteholder of, or a Principal Deficiency, the Principal Deficiency Ledger or a redemption pertaining to, as applicable, the relevant Class of Notes;

"**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**" shall be construed as any law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order 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, statute or treaty 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 "**Notes**", the "**Conditions**", any "**Transaction Document**" or any other agreement or document shall be construed as a reference to the Notes, the Conditions, such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, restated, varied, novated, supplemented or replaced;

a "**person**" shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing or any successor or successors of such party;

a reference to "**preliminary suspension of payments**", "**suspension of payments**" or "**moratorium of payments**" shall, where applicable, be deemed to include a reference to the suspension of payments ("*voorlopige surséance van betaling*") as meant in the Dutch Bankruptcy Act ("*faillissementswet*") or any emergency regulation ("*noodregeling*") on the basis of the Wft; and, in respect of a private individual, any debt restructuring scheme ("*schuldsanering natuurlijke personen*");

"**principal**" shall be construed as the English translation of "*hoofdsom*" or, if the context so requires, "*pro resto hoofdsom*" and, where applicable, shall include premium;

"**repay**", "**redeem**" and "**pay**" shall each include both of the others and "**repaid**", "**repayable**" and "**repayment**", "**redeemed**", "**redeemable**" and "**redemption**" and "**paid**", "**payable**" and "**payment**" shall be construed accordingly;

a "**statute**" or "**treaty**" shall be construed as a reference to such statute or treaty as the same may have been, or may from time to time be, amended or, in the case of a statute, 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.

- 2.3 In this Prospectus, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.
- 2.4 Headings used in this Prospectus are for ease of reference only and do not affect the interpretation of this Prospectus.

3 *DSA DEFINITIONS NOT USED*

**"Arrears"**

**"Coupons"**

**"Principal Paying Agent"**

**"Servicing Agreement"**

**"Sub-servicer"**

REGISTERED OFFICES

**ISSUER**

**Dutch Residential Mortgage Portfolio I B.V.**

Prins Bernardplein 200  
1097 JB Amsterdam  
The Netherlands

**SECURITY TRUSTEE**

**Stichting Security Trustee DRMP I**

Claude Debussylaan 24  
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**SELLER, SERVICER, CLASS B AND C MANAGER**

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