Christophe Tans Irene Florescu

PROSPECTUS
FOR ADMISSION TO TRADING
ON EURONEXT BRUSSELS

EUR 425,000,000 floating rate Class A1 Mortgage-Backed Notes 2023 due 2057, issue price 100%

EUR 425,000,000 floating rate Class A2 Mortgage-Backed Notes 2023 due 2057, issue price 100%

issued by

B-ARENA NV/SA

(*Institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge*)
Acting through its Compartment No. 5

(a Belgian limited liability company (*naamloze vennootschap/société anonyme*))

The date of this Prospectus is 24 January 2023 (the **Prospectus**).

B-Arena NV/SA, *Institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge*, acting through its Compartment No. 5 (the **Issuer**) will issue the Notes, comprising the EUR 425,000,000 Class A1 Mortgage-Backed Floating Rate Notes due 2057 (the **Class A1 Notes**) and the EUR 425,000,000 Class A2 Mortgage-Backed Floating Rate Notes due 2057 (the **Class A2 Notes**) (the Class A1 Notes and the Class A2 Notes together the **Notes**), and **Class** or **Class of Notes** means, in respect of the Notes, the Class A1 Notes or the Class A2 Notes of the Issuer). The Notes will be issued on the Closing Date, expected to be on or about 27 January 2023.

Application has been made to Euronext Brussels to admit the Notes to trading on Euronext Brussels (**Euronext Brussels**). Prior to admission to trading of the Notes, there has been no public market for the Notes.

This Prospectus constitutes a prospectus for the purposes of Article 8 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the **Prospectus Regulation**) and the listing and issuing rules of Euronext Brussels (the **Listing Rules**). No application will be made to list the Notes on any other stock exchange. In accordance with article 23 of the Prospectus Regulation, in the event of a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Notes during the period from the date of approval of the Prospectus to the listing of the Notes, a supplement to this Prospectus shall be published. Any supplement is subject to approval by the FSMA, in the same manner as this Prospectus and must be made public in the same manner as this Prospectus.

The Notes are only offered, directly or indirectly, to holders that satisfy the following criteria (the **Eligible Holders**):

(a) they qualify as qualifying investors (*in aanmerking beleggers/investisseurs éligibles*) within the meaning of Article 5, §3/1 of the Belgian Act of 3 August 2012 on institutions for collective investment that satisfy the criteria of directive 2009/65/EC and on institutions for investment in receivables (*Wet betreffende de instellingen voor collectieve belegging die voldoen aan de criteria van Richtlijn 2009/65/EG en de instellingen voor beleggingen schuldvorderingen/Loi relative aux organismes de placement collectif qui répondent aux conditions de la Directive 2009/65/CE et aux organismes de placement en créances*), as

amended from time to time (the **UCITS Act**) (the **Qualifying Investors**) acting for their own account. A list of Qualifying Investors is attached as Annex 2 (Qualifying Investors under the UCITS Act) to this Prospectus.

(b) they do not constitute investors that, in accordance with the annex, section (I), second indent, of the Royal Decree of 19 December 2017 concerning further rules for implementation for the directive on markets in financial instruments, have registered to be treated as non-professional investors; and

(c) the holders of an exempt securities account (the **X-account**) with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a participant in such system and will use that X-account for the holding of the Notes.

The Notes may only be acquired, by direct subscription, by transfer or otherwise and may only be held by Eligible Holders. Notes may not be acquired by a transferee who is not subject to income tax or which is, as far as interest income is concerned, subject to a tax regime that is deemed by the Belgian tax authorities to be significantly more advantageous than the Belgian tax regime applicable to interest income (within the meaning of Articles 198, §1, 11° the Belgian Income Tax Code 1992 or any successor provision) or by a transferee who is a resident of, or has an establishment in, or acts, for the purposes of the Notes, through a bank account held on a tax heaven jurisdiction or a low-tax jurisdiction or a non-cooperative jurisdiction within the meaning of Article 307, §1/2 of the Belgian Income Tax Code 1992 or any successor provision (the **Excluded Holder**). Any acquisition of a Note by, or transfer of a Note to, a person who is not an Eligible Holder and/or by person who is an Excluded Holder shall be void and not binding on the Issuer and the Security Agent. If a Noteholder ceases to be an Eligible Holder and/or becomes and Excluded Holder, it is obliged to report this to the Issuer and it will promptly transfer the Notes it holds to a person that qualifies as an Eligible Holder and that does not qualify as an Excluded Holder. Each payment of interest on Notes of which the Issuer becomes aware that they are held by a holder that does not qualify as an Eligible Holder or that qualified as an Excluded Holder, will be suspended. Upon issuance of the Notes, the denomination of the Notes is EUR 250,000.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "Securities Act"), or any state securities laws, and may not be offered, sold or delivered within the United States or to, or for the benefit of, United States persons as defined in Regulation S under the Securities Act, except in certain transactions exempt from or not subject to the registration requirements of the Securities Act (see ***Purchase and Sale*** below). None of the Issuing Company (as defined below) nor any Compartment (including the Issuer) has been and neither will be registered as an investment company under the U.S. Investment Company Act of 1940, as amended.

THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("RISK RETENTION U.S. PERSONS"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS DIFFERENT FROM THE DEFINITION OF "U.S. PERSON" IN REGULATION S OF THE SECURITIES ACT. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL DISTRIBUTION OF THE NOTES, BY ITS ACQUISITION OF THE NOTES OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) IS NOT A RISK RETENTION U.S. PERSON, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES). PLEASE REFER TO THE RISK FACTOR ENTITLED "U.S. RISK RETENTION REQUIREMENTS" FOR MORE DETAILS.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**) or in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 ("the PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

The Notes will be solely the obligations of Compartment No. 5 and have been allocated to Compartment No. 5. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, the Seller, the Arranger, the Security Agent, the Manager, the MPT Provider, the Issuer Administrator, the Cap Provider, the Floating Rate GIC Provider, the Liquidity Facility Provider, the Paying Agent, the Reference Agent or the Listing Agent (each as defined herein).

Furthermore, none of the Seller, the Arranger, the Security Agent, the Manager, the MPT Provider, the Issuer Administrator, the Cap Provider, the Floating Rate GIC Provider, the Liquidity Facility Provider, the Paying Agent, the Reference Agent, the Listing Agent, or any other person in whatever capacity acting, (i) has assumed or will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes, or (ii) is or will be under any obligation whatsoever to provide additional funds to the Issuer (except for the limited circumstances described in this Prospectus).

None of the Issuer, the Seller, the Arranger or the Manager makes any representation to any prospective investor in or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable investment or similar laws or regulations. Each of the Notes shall bear interest on its Principal Amount Outstanding from (and including) the Closing Date. Interest on the Notes is payable by reference to successive quarterly Interest Periods. Each successive quarterly interest period will commence on (and include) a Quarterly Payment Date and end on (but exclude) the next following Quarterly Payment Date (each an **Interest Period**) *except* for the first Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the first Quarterly Payment Date.

Interest on each of the Notes shall be payable quarterly in arrears in euro, in each case on the 27th day of January, April, July and October in each year (or, if such day is not a Business Day, the next following Business Day, unless such Business Day would fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Business Day) (each a **Quarterly Payment Date**) commencing on the Quarterly Payment Date falling in April 2023 in respect of its Principal Amount Outstanding. Interest in respect of any Interest Period (or any other period) will be calculated on the basis of the actual number of days elapsed in the Interest Period and a year of 360 days.

Unless previously redeemed, the Issuer shall redeem the Notes in full on the Quarterly Payment Date falling in January 2057 (the **Final Maturity Date**).

On the Quarterly Payment Date falling in January 2028 (the **First Optional Redemption Date**) and on each Quarterly Payment Date thereafter (together with the First Optional Redemption Date, each an **Optional Redemption Date**), the Issuer will have the option to redeem all of the Notes of all Classes at their Principal Amount Outstanding provided that it has sufficient funds available to redeem all the Notes in full on such date, subject to and in accordance with the terms and conditions of the Notes as described in Annex 1 (the **Conditions**).

It is a condition precedent to issuance that the Class A Notes, on issue, be assigned at least an AAA (sf) rating by DBRS (**DBRS**) and an Aaa(sf) rating by Moody's (jointly referred to as the **Rating Agencies** and each as

a **Rating Agency**). As of the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered in accordance with Regulation (EU) No 1060/2009 on credit rating agencies (the CRA Regulation), published on the European Securities and Market Authority's (ESMA) website (http://www.esma.europa.eu[1]).

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. For a discussion of some of the risks associated with an investment in the Notes, see *Risk Factors* therein.

The Notes will (directly and indirectly) be secured by a first ranking right of pledge in favour of the Noteholders and the other Secured Parties, including Stichting Security Agent B-Arena (the **Security Agent**) on behalf of the Noteholders and the other Secured Parties over (i) the Mortgage Receivables (as defined below), (ii) the Issuer's claims under or in connection with the Transaction Documents, and (iii) the balances standing to the credit of the Transaction Accounts (as defined below). Recourse in respect of the Notes is limited to the Mortgage Receivables, any claims of the Issuer under the Transaction Documents and the balances standing to the credit of the Transaction Accounts (excluding the Cap Collateral Accounts) and there will be no other assets of the Issuer, such as any assets that are the property of other compartments of the Issuer, and any rights in connection therewith, available for any further payments.

The Notes will be issued in the form of dematerialised notes under the Belgian Code of Companies and Associations (*Wetboek van Vennootschappen/Code des Sociétés et des Associations*) (the **Belgian Code of Companies and Associations** or the **BCCA)** and cannot be physically delivered. The Notes will be delivered in the form of an inscription on a securities account. The clearing of the Notes will take place through the X/N securities and cash clearing system operated by the National Bank of Belgium (the NBB) or any of its successors (the **Securities Settlement System**). Access to the Securities Settlement System is available through participants which include certain banks, stock brokers and Euroclear and Clearstream, Luxembourg.

The Seller has undertaken to retain a material net economic interest of not less than 5% in the securitisation transaction contemplated in this Prospectus (the **Transaction**) in accordance with Article 6 of Regulation (EU) No 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060 and (EU) No 648/2012 (the **Securitisation Regulation**). As at the Closing Date, such interest will in accordance with Article 6(3)(d) of the Securitisation Regulation be comprised of an interest in the first loss tranche, and, if necessary, other tranches having the same or a more severe risk profile than those sold to the investors. Any change in the manner in which this interest is held shall be notified to investors. The Seller has provided a corresponding undertaking with respect to the interest to be retained by it during the period wherein the Notes are outstanding to the Issuer and the Security Agent in the Mortgage Receivables Purchase Agreement. After the Closing Date, the Issuer Administrator on behalf of the Issuer will, also on behalf of the Seller, prepare quarterly investor reports wherein relevant information with regard to the Mortgage Receivables will be disclosed publicly together with an overview of the retention of the material net economic interest by the Seller. The Investor Reports will be made available to Noteholders, to the competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors, through European DataWarehouse GmbH which is a securitisation repository has been designated within the meaning of Article 10 of the Securitisation Regulation and which has been appointed for the transaction described in this Prospectus. For the avoidance of doubt, none of the Issuer, the Seller, the Arranger or the Manager makes any representation as to the accuracy or suitability of any financial model which may be used by a prospective investor in connection with its investment decision. Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 5(1)(c) of the Securitisation Regulation and none of the Issuer, the Seller (in its capacity as the Seller and the Servicer), the Issuer Administrator, the Arranger nor the Manager makes any representation that the information described above or in the Prospectus is sufficient in all circumstances for such purposes. In

[1] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

addition, each prospective noteholder should ensure that it complies with the implementing provisions in respect of Article 6 of the Securitisation Regulation in its relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction should seek guidance from their regulator.

This Prospectus is a listing prospectus and has been approved by the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers*) (**FSMA**) on 24 January 2023 in its capacity as competent authority under Article 20 of the Prospectus Regulation. The FSMA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the Notes.

The information on the websites referred to in this Prospectus does not form part of this Prospectus and has not been scrutinized or approved by the FSMA.

Without prejudice to the requirement that the Notes can only be acquired and held by Eligible Holders, given the complexity of the terms and conditions of the Notes, an investment in the Notes is suitable only for experienced and financially sophisticated investors who understand and are in a position to evaluate the merits and risks inherent thereto and who have sufficient resources to be able to bear any losses which may result from such investment.

This Prospectus will be valid until 24 January 2024. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

For the page reference of the definitions of capitalised terms used herein see Index of Defined Terms.

For a description of certain risks that should be considered in connection with any investment in the Notes, see *Risk Factors* herein.

Arranger
Belfius Bank NV/SA

Manager
Bank Nagelmackers NV/SA

IMPORTANT INFORMATION

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 or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date of this Prospectus. Neither the Issuer nor any party have any obligation to update this Prospectus, except when required in accordance with applicable law.

No one is authorised by the Seller, the Issuer, the Arranger or the Manager to give any information or to make any representation concerning the issue, offering and sale of the Notes other than those contained in this Prospectus in accordance with applicable laws and regulations and, if given or made, such information or representation must not be relied upon as having been authorised by the Seller, the Issuer, the Arranger or the Manager.

This Prospectus is to be read and construed in conjunction with the articles of association of the Issuer which are available by means of the website https://cm.intertrustgroup.com/en/default/transactions_reporting/b-arena/62/537/.[2]

The Manager will subscribe or will procure the subscription of the Notes on the Closing Date on the terms set out in the Subscription Agreement (see Section 18 – *Purchase and Sale* below). The minimum investment required per investor acting for its own account is EUR 250,000.

The Manager shall be entitled to cancel its obligations to subscribe the Notes in certain circumstances by notice to the Issuer, the Seller and the Security Agent at any time on or before the Closing Date. As a consequence of such cancellation, the issue of the Notes and all acceptances and sales shall be cancelled automatically and the Issuer and the Manager shall be released and discharged from their obligations and liabilities in connection with the issue and the sale of the Notes.

Neither this Prospectus nor any part thereof constitutes an offer or an invitation to sell or a solicitation of an offer to buy Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. This Prospectus is published exclusively for the purpose of the admission to trading of the Notes on Euronext Brussels.

The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. A fuller description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in Section 17 – *Purchase and Sale* below. Persons into whose possession this Prospectus (or any part thereof) comes, are required to inform themselves about, and to observe, any such restrictions.

Neither this Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or the Manager to subscribe for or to purchase any Notes and neither this Prospectus nor any part hereof may be used for or in connection with an offer or solicitation by any person in any jurisdiction in which such offer or solicitation is not authorised or to any person who is not an Eligible Holder or to whom it is unlawful to make such offer or solicitation.

The information contained in this Prospectus was obtained from the Issuer and other sources, but no assurance can be given by the Arranger or the Manager as to the accuracy or completeness of such information. Subject to the responsibility statements below, none of the Seller, the Issuer Administrator, the Security Agent, the Arranger or the Manager makes any representation, express or implied, or accepts responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus.

[2] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

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. In making an investment decision, investors must rely on their own examination of the terms of this offering and the Notes and the risks and rewards involved. The content of this Prospectus should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisors prior to making a decision to invest in the Notes.

The Notes will be solely the obligations of Compartment No. 5 and will not be obligations or responsibilities of, and will not be guaranteed by, any other entity or person. In particular, the Notes will not be obligations or responsibilities of, and will not be guaranteed by, any of the parties to the Transaction Documents (except for the Issuer). Furthermore, none of such persons or entities or any other person in whatever capacity acting (i) has assumed or will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes, or (ii) is or will be under any obligation whatsoever to provide additional funds to the Issuer (except for the limited circumstances described in this Prospectus).

Any acquisition of a Note by, or transfer of a Note to, a person who is not an Eligible Holder or to a person who is an Excluded Holder shall be void and not binding on the Issuer and the Security Agent. If a Noteholder ceases to be an Eligible Holder or becomes an Excluded Holder, it is obliged to report this to the Issuer and it will promptly transfer the Notes it holds to a person that qualifies as an Eligible Holder and that does not qualify as an Excluded Holder. Each payment of interest on Notes of which the Issuer becomes aware that they are held by a holder that does not qualify as an Eligible Holder or that qualifies as an Excluded Holder, will be suspended. Upon issuance of the Notes, the denomination of the Notes is EUR 250,000.

Furthermore, no Notes may be acquired by a Belgian or foreign transferee that qualifies as an "affiliated company" (within the meaning of Article 1:20 of the Company Code) of the Issuer, save where such transferee also qualifies as a "*financial institution*" referred to in Article 56, §2, 2° of the Belgian Income Tax Code 1992.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**"), or any state securities laws, and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, United States persons as defined in Regulation S under the Securities Act ("**Regulation S**"), except in certain transactions exempt from or not subject to the registration requirements of the Securities Act (see *Purchase and Sale* below). Accordingly, the Notes are being offered, sold or delivered only to non-U.S. persons (within the meaning of Regulation S) in offshore transactions in reliance on Regulation S. None of the Issuer nor any Compartment has been and neither will be registered as an investment company under the U.S. Investment Company Act of 1940, as amended.

Amounts payable under the Notes will be calculated by reference to EURIBOR. As at the date of this Prospectus, the European Money Markets Institute ("**EMMI**") (as administrator of EURIBOR) is included in the ESMA's register of administrators under Article 36 of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

Capitalised terms used in this Prospectus, unless otherwise indicated, have the meaning as set out in this Prospectus. An index of defined terms, including those which are not defined in the Conditions, starts on page 238.

All references in this Prospectus to "**EUR**", "**€**", "**Euro**" and "**euro**" refer to the single currency which was introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community (as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam).

B-Arena NV/SA *institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* consists of several subdivisions (each subdivision a **Compartment**) (see Section 1 (*Risk Factors*) and paragraph 6 (*Compartments*) of Section 7 below). In this Prospectus the term "Issuer" should refer only to B-Arena NV/SA *institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* acting through and for the account of its Compartment No. 5, unless where the context requires, such term may refer to the entire company as such (*i.e.* to the Issuing Company), but in each case without prejudice to the limitation of recourse set out in paragraph 1.1) of the Section *Risk Factors* below.

Parties only have recourse to the Pledged Assets of Compartment No. 5.

RESPONSIBILITY STATEMENTS

The Issuer is responsible for the information contained in this Prospectus. The responsibility of the Issuer is based on Article 11 of the Prospectus Regulation. To the best of the knowledge of the Issuer, the information contained in this Prospectus, is in accordance with the facts and does not omit anything likely to affect the import of such information. 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 the information published by that third party, does not omit any facts which would render the reproduced information inaccurate or misleading. The registered office of the Issuer is located at Marnixlaan 23, 5de verdieping, 1000 Brussels.

The Seller is responsible for the paragraph relating to Article 6 of the Securitisation Regulation on pages 4 and 5 of this Prospectus and for the information contained in the following sections of the Prospectus: Section 5 (*Mortgage Loan Underwriting and Mortgage Services*), Section 13 (*Overview of the mortgage and housing market in Belgium*), Section 14 (*The Seller*), Section 15 (*Issuer Services Agreement*), Section 17 (*Purchase and Sale*), Section 20.1 (*The Seller*) and Section 20.4 (*The MPT Provider*) of this Prospectus. To the best of the knowledge of the Seller, the information contained and specified as such in these paragraphs is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in these sections has been accurately reproduced and as far as the Seller is aware and is able to ascertain from information published by that third-party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Seller accepts responsibility accordingly. The registered office of the Seller is located at Montoyerstraat 14, 1000 Brussels.

The Security Agent is responsible solely for the information contained in paragraph 3 (*The Security Agent*) of Section 20 (*Related Party Transactions – Material Contracts*) of this Prospectus. To the best of the knowledge of the Security Agent, the information contained and specified in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in these sections has been accurately reproduced and as far as the Security Agent is aware and is able to ascertain from information published by that third-party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Security Agent accepts responsibility accordingly. The registered office of the Security Agent is located at Basisweg 10, 1043 AP Amsterdam, the Netherlands.

The Issuer Administrator is responsible solely for the information contained in paragraph 2 (*The Issuer Administrator*) of Section 20 (*Related Party Transactions – Material Contracts*) and for the information contained in paragraph 1 (*Issuer Administrator*) of Section 21 (*Main Transaction Expenses*) of this Prospectus. To the best of the knowledge of the Issuer Administrator, the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in these sections has been accurately reproduced and as far as the Issuer Administrator is aware and is able to ascertain from information published by that third-party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Issuer Administrator accepts responsibility accordingly. The registered office of the Issuer Admistrator is located at Basisweg 10, 1043 AP Amsterdam, the Netherlands.

The Paying Agent, the Listing Agent and the Reference Agent are responsible solely for the information contained in paragraph 6 (*The Paying Agent – the Listing Agent – the Reference Agent*) of Section 20 (*Related Party Transactions – Material Contracts*). To the best of the knowledge of the Paying Agent, the Listing Agent and the Reference Agent, the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in these sections has been accurately reproduced and as far as the Paying Agent, the Listing Agent and the Reference Agent are aware and are able to ascertain from information published by that third-party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Paying Agent, the Listing Agent and the Reference Agent accept responsibility accordingly. The registered office of the Paying Agent, the Listing Agent and the Reference Agent is located at 11, place Rogier, 1210 Brussels, Belgium.

The Floating Rate GIC Provider is responsible solely for the information contained in paragraph 5 (*The Floating Rate GIC Provider*) of Section 20 (*Related Party Transactions – Material Contracts*) of this Prospectus. To the best of the knowledge of the Floating Rate GIC Provider, the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in these sections has been accurately reproduced and as far as the Floating Rate GIC Provider is aware and are able to ascertain from information published by that third-party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Floating Rate GIC Provider accepts responsibility accordingly. The registered office of the Floating Rate GIC Provider is located at 11, place Rogier, 1210 Brussels, Belgium.

The Liquidity Facility Provider is responsible solely for the information contained in paragraph 11 (*The Liquidity Facility Provider*) of Section 20 (*Related Party Transactions – Material Contracts*) of this Prospectus. To the best of the knowledge of the Liquidity Facility Provider, the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in these sections has been accurately reproduced and as far as the Liquidity Facility Provider is aware and is able to ascertain from information published by that third-party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Liquidity Facility Provide accepts responsibility accordingly. The registered office of the Liquidity Facility Provider is located at 11, place Rogier, 1210 Brussels, Belgium.

The Cap Provider is responsible solely for the information contained in paragraph 8 (*The Cap Provider*) of Section 20 (*Related Party Transactions – Material Contracts*) of this Prospectus. To the best of the knowledge of the Cap Provider, the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in this section has been accurately reproduced and as far as the Cap Provider is aware and is able to ascertain from information published by that third-party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Cap Provider accepts responsibility accordingly. The registered office of the Cap Provider is located at 11, place Rogier, 1210 Brussels, Belgium.

Neither the Arranger nor the Manager has independently verified the information contained herein. Accordingly, the Arranger and the Manager make no representation, warranty or undertaking, express or implied, or accept any responsibility or liability, with respect to the accuracy and completeness of any of the information in this Prospectus or part thereof or any other information provided by the Issuer in connection with the Notes. The Arranger, the Manager and the Seller expressly do not undertake to review the financial conditions or affairs of the Issuer during the life of the Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial conditions and affairs of the Issuer and should review, among other things, the most recent financial statements of the Issuer for the purposes of making its own appraisal of the creditworthiness of the Issuer and when deciding whether or not to purchase hold or sell any Notes during the life of the Notes.

This Prospectus is a prospectus within the meaning of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutinity and

approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.

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Annex

Section 1 - Risk Factors

The Issuer believes that the following risk factors are specific to the Issuer and/or the Notes and are material for taking an informed investment decision with respect to the Notes. However, 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.

If you are considering purchasing a class of Notes, you should carefully read and consider all the information contained in this Prospectus, including the risk factors set out in this section, prior to making any investment decision. The first risk factors described in each category below are the risk factors that the Issuer deems most material, taking into account the negative impact on the Issuer and the Notes, and the probability of their occurrence. Some risk factors can be grouped into more than one category. In that case, the Issuer has only mentioned that risk factor in the most appropriate category, and not in the other categories. Potential investors should consult the risk factors in all categories.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Prospectus.

Any of the risks described below or additional risks not currently known to the Issuer could have a significant or material adverse effect on the business, financial condition, operations or prospects of the Issuer and could result in a corresponding decline in the value of the Notes or the temporary or permanent inability of the Issuer to repay the Notes or pay interests or other amounts due to the Noteholders. As a result of any inability of the Issuer to make payments, investors could lose all or a substantial part of their investment.

Given the complexity of the terms and conditions of the Notes, an investment in the Notes is suitable only for experienced and financially sophisticated investors who understand and are in a position to evaluate the merits and risks inherent thereto and who have sufficient resources to be able to bear any losses which may result from such investment.

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

1. RISK FACTORS RELATED TO THE ISSUER

1.1 The Issuer has limited resources available to it to meet its obligations (Materiality: high)

The obligations of the Issuer under the Notes are limited recourse obligations and 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 under the Mortgage Receivables, the proceeds of the sale of any Mortgage Receivables, the receipt by it of payments under the Cap Agreement and the receipt by it of interest in respect of the balances standing to the credit of the Transaction Accounts (excluding the Cap Collateral Accounts). In addition, the Issuer will have available to it the balances standing to the credit of the Reserve Account and the amounts that can be drawn under the Liquidity Facility Agreement (or, as the case may be, the balances standing to the credit of the Liquidity Facility Stand-by Drawing Account) for certain of its interest obligations. See further Section 6 – Credit Structure.

Other than the foregoing, the Issuer will not have any sources of funds available to meet its obligations under the Notes and/or any other payments ranking in priority to the Notes. The activities of the Issuer

are restricted and the Issuer will not be able to develop other activities or change its operating model. If the resources described above are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Parties subject to the applicable Priority of Payments, without any further recourse against the Issuer or any other person.

1.2 The Issuer is highly dependent on Bank Nagelmaeckers NV/SA and other third parties to comply with its obligations under the Notes and the Transaction Documents (Materiality: high)

The ability of the Issuer to duly perform its obligations under the Notes will depend to a large extent on the due performance by other Transaction Parties of their obligations and duties under the Transaction Documents. A default by a counterparty may result in the Issuer not being able to meet its obligations under the Notes and the Transaction Documents to which it is a party.

Noteholders should note that the Issuer will in particular be dependent on Bank Nagelmackers NV/SA given its various roles under the Transaction respectively as Seller and MPT Provider. Due to the dependency on the performance of the relevant counterparties of their obligations in connection with the Transaction, a deterioration of the credit quality of any of these counterparties may also have an adverse effect on the rating of the Notes.

1.3 Liabilities under the Notes (Materiality: low)

The Notes will be solely obligations of the Issuer. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity or person, in whatever capacity acting, including (without limitation), any of the Transaction Parties (other than the Issuer). Furthermore, none of the Transaction Parties (other than the Issuer) or any other person, in whatever capacity acting, will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes or is or will be under any obligation whatsoever to provide additional funds to the Issuer (except in limited circumstances described herein). Therefore the recourse of the Noteholders is limited to assets of the Issuer.

2. RISK FACTORS REGARDING THE NOTES

2.1 The value of Mortgaged Assets may decline and result in losses for the Noteholders (Materiality: high)

The security for the Notes created under the Pledge Agreement may be affected by, among other things, a decline in the value of the Mortgaged Assets given as security for the Notes below the level at which they were on the date of origination of the related Mortgage Receivables. A decline in value may result in losses to the Noteholders if any of the relevant security rights over the Mortgaged Assets are required to be enforced. Enforcement of a Mortgage in Belgium is a lengthy process that in most cases can take between six months and two years or longer from the start of the enforcement until receipt of the enforcement proceeds. This may lead to a delay or reduction of payments of principal or interest of the Notes.

2.2 Default on the Mortgage Receivables may affect the Issuer's ability to make principal and interest payments on the Notes (Materiality: high)

There is a risk of loss on principal and interest on the Notes due to losses on principal and interest on the Mortgage Receivables. The ability of the Issuer to meet its obligations in full to pay principal of and interest on the Notes will be dependent on the receipt by it of funds under the Mortgage Receivables (as well as on the proceeds of the sale of any Mortgage Receivables, the receipt by it of payments under the Cap Agreement and the receipt by it of interest in respect of the balances standing to the credit of the Issuer Collection Account. See further Section 6 (*Credit Structure*). In addition, the Issuer will have available to it the balances standing to the credit of the Reserve Account and the amounts that can be drawn under the Liquidity Facility Agreement (or, as the case may be, the balances

standing to the credit of the Liquidity Facility Stand-by Drawing Account) for certain of its interest obligations.

This risk is increased by the fact that the Notes will be solely the obligations of the Issuer and will not be obligations or responsibilities of, and will not be guaranteed by, the Seller, the Cap Provider, the Liquidity Facility Provider or any other entity or person, in whatever capacity acting.

The risk regarding the payments on the Mortgage Receivables is influenced by, 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 could ultimately have an adverse impact on the ability of Borrowers to repay their Mortgage Receivables. This risk is exacerbated by the current environment of high price levels and high inflation rates, which disproportiantely affects Borrowers with a lower income and/or limited financial reserves.

2.3 Delay or failure in the payment of interest and/or principal under the Mortgage Receivables may trigger a liquidity shortfall in respect of the Issuer (Materiality: high)

There is a risk that interest and/or principal on the underlying Mortgage Receivables is not received (or transferred into the Issuer Collection Account) on a timely basis thus causing temporary liquidity problems to the Issuer. For payment of interest, this risk is mitigated to some extent by: (a) first, the Reserve Account, (b) second, the amounts that can be drawn under the Liquidity Facility Agreement and (c) third the Notes Redemption Available Amount which in accordance with the Principal Priority of Payments can be applied to cover any Class A Interest Shortfall. See Section 6 (*Credit Structure*) below.

In light of the recent energy crisis, the Belgian financial sector has agreed that private borrowers who are financially affected by the energy crisis may under certain conditions apply for a payment deferral under their mortgage loan. Such payment deferral entails that the relevant borrower will not be required to repay any principal under its mortgage loan for a period of twelve (12) months. Payment deferral can only be requested for future capital repayments, whether paid on a monthly basis or otherwise. Future interest payments cannot be deferred and will remain payable when due. When such payment deferral is granted, the term of the loan will also be extended with a period of 12 months. Private borrowers meeting the eligibility criteria can apply for a payment deferral until 31 March 2023. Measures such as these allowing certain Borrowers to temporarily defer their principal payment obligations under the Mortgage Loans may negatively impact the Issuer's liquidity.

2.4 Prepayment of the Mortgage Receivables may lead to unexpected amounts and timings of repayments of Notes (Materiality: medium)

The ability of the Issuer to meet its obligations in full to pay principal on each of the Notes on the maturity of each Class of Notes will depend on, *inter alia*, the amount and timing of payment of principal (including full and partial prepayments, the sale by the Issuer of the Mortgage Receivables, Net Proceeds upon enforcement of a Mortgage Receivable and repurchase by the Seller of Mortgage Receivables) under the Mortgage Receivables. The average maturity of the Notes may be affected by a higher or lower than anticipated rate of prepayments on the Mortgage Receivables. In accordance with applicable law, the mortgage loans provide for a contractual penalty in the event of a Prepayment (each a Prepayment Penalty) which in most cases of prepayment is payable by the Borrower (except that no Prepayment Penalty might be due if the Prepayment is made in the context of the refinancing of a mortgage loan by a new mortgage loan originated under the same credit facility).

The rate of prepayment of Mortgage Receivables is influenced by a wide variety of economic, social and other factors including prevailing market interest rates, changes in tax laws (including but not limited to mortgage payments tax deductibility), local and regional economic conditions and changes in Borrowers' behaviour (including but not limited to home owner mobility). No guarantee can be given as to the level of prepayments of principal on any Mortgage Receivable prior to its scheduled

due date in accordance with the provisions for prepayments provided for in the relevant loan documents relating to the Mortgage Receivables (each a **Prepayment**) that the Mortgage Receivables may experience, and variation in the rate of prepayments of principal on the Mortgage Receivables may affect each Class of Notes differently by shortening the term of the Notes.

The yield to maturity of the Notes will depend on, *inter alia*, the amount and timing of (p)repayment of principal on the Mortgage Receivables. The average maturity of the Notes may be adversely affected by a higher or lower than anticipated rate of prepayments on the Mortgage Receivables.

2.5 Maturity Risk (Materiality: high)

The ability of the Issuer to redeem all the Notes in full/or to pay all amounts due to the Noteholders on an Optional Redemption Date, or on the Final Maturity Date will depend on whether the value of the Mortgage Receivables sold or otherwise realised is sufficient to redeem the Notes (for early redemption on the First Optional Redemption Date or thereafter) in accordance with Condition 4.5, and on its ability to find a purchaser for the Mortgage Receivables.

2.6 No assurance that Notes intended to be eligible as Eurosysyem eligible collateral will in fact be admitted as and remain Eurosystem eligible collateral (Materiality: medium)

The Notes have been structured in a manner so as to allow Eurosystem eligibility. However, there is no assurance that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as amended from time to time and, in accordance with its policies, will not be given prior to issue of the Notes. If the Notes are accepted for such purposes, the Eurosystem may amend or withdraw any such approval in relation to the Notes at any time.

In the event that the Notes are not recognised (or cease to be recognised) as an eligible collateral for Eurosystem operations, the holders of the Notes may ultimately suffer a lack of liquidity.

2.7 There is no guarantee that the Issuer will exercise its right to redeem the Notes on the First Optional Redemption Date or on any later Optional Redemption Date (Materiality: medium)

The exercise by the Issuer of its right to redeem the Notes on the First Optional Redemption Date or on any later Optional Redemption Date will, *inter alia*, depend on whether or not the Issuer has sufficient funds available to redeem the Notes, for example, through a sale or other realisation of Mortgage Receivables still outstanding at that time and on its ability to find a purchaser for the Mortgage Receivables.

2.8 Value of the Notes and limited liquidity of the Notes (Materiality: medium)

Prior to this offering, there has been no public secondary market for the Notes and there can be no assurance that the issue price of the Notes will correspond with the price at which the Notes will be traded after the offering of the Notes. Furthermore, there can be no assurance that active trading in the Notes will commence or continue after the offering. A lack of trading in the Notes could adversely affect the price of the Notes, as well as the Noteholders' ability to sell the Notes.

There is not at present, any active and/or liquid market for any Class of Notes. There can be no assurance that a secondary market for the Notes will develop or, if a secondary market does develop that it will provide Noteholders with liquidity of investment or that it will continue for the life of the Notes. The Manager has not entered into an obligation to establish and/or maintain a secondary market in the Notes.

A decrease in liquidity of the Notes may cause an increase in the volatility associated with the price of the Notes. Investors may not be able to sell their Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

2.9 The Security Agent may agree to modifications, waivers and authorisations without the Noteholders' prior consent (Materiality: low)

Pursuant to the terms of the Common Representative Appointment Agreement, the Security Agent may agree without the consent of the Noteholders and the other Secured Parties, to

(i) any modification of any of the provisions of the Pledge Agreement, the Notes or any other Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of Belgian law,

(ii) any modification to the Transaction Documents which in the opinion of the Security Agent is required to enable the Issuer to comply with its obligations under EMIR; or

(iii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Pledge Agreement, the Notes or any other Transaction Documents,

which, in the opinion of the Security Agent, is not materially prejudicial to the interests of the Noteholders and the other Secured Parties.

Any such modification, authorisation or waiver shall be binding on the Noteholders and the other Secured Parties. The Security Agent shall have regard to the general interests of the Noteholders as a whole, or where applicable of the Noteholders of a Class of Notes, but shall not have regard to any interests arising from circumstances particular to individual Noteholders or the consequences of any such exercise for individual Noteholders. Accordingly, a conflict of interest may arise to the extent that the interests of a particular Noteholder are not aligned with those of the Noteholders generally.

2.10 Suspension of the interest payment for investors that are not Eligible Holders (Materiality: low)

Investors should be aware that they may lose their right to receive interests on their Notes if they are no longer considered as Eligible Holders. In the event that the Issuer becomes aware that particular Notes are held by investors other than Eligible Holders acting for their own account in breach of the requirements, the Issuer will suspend interest payments relating to these Notes until such Notes will have been transferred to and held by Eligible Holders. Any transfers of Notes effected in breach of the above requirement will be unenforceable vis-à-vis the Issuer.

2.11 Events of Default and Enforcement (Materiality: low)

Noteholders should be aware that they will not have individual rights to trigger an enforcement of the Notes or to take enforcement action against the Issuer or the Pledged Assets. Upon the occurrence of certain specified events of default (including payment default, insolvency events and loss of status as institutional VBS/SIC having an adverse effect on the Transaction), the Security Agent may, and shall if so requested in writing by the Noteholders holding not less than twenty-five (25) per cent. in aggregate Principal Amount Outstanding of the Notes outstanding or by an Extraordinary Resolution of the holders of the Notes outstanding, serve an Enforcement Notice. In the event that the Issuer were to breach other contractual obligations not amounting to an Event of Default, the Noteholders will however not have a right to accelerate the Notes under the Conditions or the Transaction Documents.

2.12 The Notes may be redeemed prior to their scheduled maturity date as a result of the exercise of the option for a Clean-Up Call, the Regulatory Call Option, the Optional Redemption in case of Change of Law or for Tax Reasons (Materiality: low)

The Issuer will have the option to redeem the Notes in case of Change of Law, for tax reasons or in case the aggregate Principal Amount Outstanding of the Notes is less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes on the Closing Date and the Issuer shall redeem the Notes in case the Seller exercises the option to repurchase to Mortgage Receivables in case of a Regulatory Change, on any Quarterly Payment Date, whether or not falling before or after the First Optional Redemption Date, in accordance with the Conditions. If the Issuer or the Seller exercises any of such options, the Notes may be redeemed prior to the First Optional Redemption Date and will be redeemed prior to the Final Maturity Date, as applicable. The Issuer will give notice to the Noteholders in accordance with the Conditions.

2.13 Voting rights (Materiality: low)

There may be potential conflicts of interest between the interests of Bank Nagelmackers as holder of part of the Notes and the interests of external investors.

Bank Nagelmackers will acquire a substantial part of the Notes, which may result in Bank Nagelmackers holding a participation substantially exceeding 75% of the Principal Amount Outstanding of the Notes. While Bank Nagelmackers remains the owner of those Notes, it will be entitled to vote in respect of them, except that with respect to the voting of any Basic Term Modification, specific quorum- and majority requirements, as set out in Condition 4.13, will apply in order to protect the interest of external investors.

Where Bank Nagelmackers as Noteholder exercises its voting rights, due to its interests in the transaction as Seller, MPT Provider and other transaction roles, its interests may not be aligned with the interests of other Noteholders.

3. RISK FACTORS REGARDING THE MORTGAGE RECEIVABLES

3.1 Risks of losses associated with declining values of Mortgaged Assets (Materiality: high)

The Security for the Notes created under the Pledge Agreement may be affected by, among other things, a decline in the value of the Mortgaged Assets, as a result of which the value of the Mortgaged Assets may not be at the same level as the level at which they were on the date of origination of the related Mortgage Receivables. A decline in value of the relevant Mortgaged Assets may result in losses to the relevant Noteholders if the relevant security rights on the relevant Mortgaged Asset are required to be enforced. Enforcement of a Mortgage in Belgium is a lengthy process that in most cases can take up to 18 months or longer from the start of the enforcement until receipt of the enforcement proceeds. This may lead to a delay or reduction of payments of principal or interest of the Notes.

The Seller will not be liable for any losses incurred by the Issuer in connection with the Mortgage Receivables.

3.2 Defaults on the Mortgage Receivables may affect the Issuer's ability to make principal and interest payments on the Notes (Materiality: high)

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

3.3 Set-off and defense of non-performance (Materiality: low)

Set-off following the sale of the Mortgage Receivables

The sale of the Mortgage Receivables to the Issuer and the pledge of the Mortgage Receivables to the Security Agent and the other Secured Parties will not be notified to the Borrowers or to the Insurance Companies nor to third party providers of a Loan Security, except in certain circumstances. Set-off rights may therefore continue to arise in respect of cross-claims between a Borrower (or third party provider of collateral) and the Seller, as soon as such cross-claims exist and are fungible, liquid (*vaststaand/liquide*) and payable (*opeisbaar/exigible*), potentially reducing amounts receivable by the assignee and the beneficiaries of the Pledge.

However pursuant to the provisions of the act of 3 August 2012 on various measures to facilitate the mobilisation of receivables in the financial sector (*wet betreffende diverse maatregelen ter vergemakkelijking van de mobilisering van schuldvorderingen in de financiële sector/loi relative à des mesures diverses pour faciliter la mobilisation de créances dans le secteur financier*) as amended from time to time, (the **Mobilisation Act**) the Issuer (and the Secured Parties) will no longer be subject to set-off risk: (a) following notification of the assignment of the Mortgage Receivables (and/or the Loan Security) to the assigned Borrowers (or acknowledgement thereof by the assigned Borrower), to the extent the conditions for set-off are only satisfied after such notification (or acknowledgment); and (b) regardless of any notification or acknowledgement of the assignment, following the start of insolvency proceedings or the occurrence of a situation of concurrence of creditors (*samenloop/concours*) in relation to the Seller, to the extent the conditions for set-off are only satisfied following or as a result of such insolvency proceedings or concurrence of creditors.

To mitigate this risk under the MRPA and the Issuer Services Agreement the Seller will agree to indemnify the Issuer if a Borrower or provider of Loan Security, claims a right to set-off against the Issuer. The rights to payment of such indemnity will be pledged in favour of the Secured Parties.

To the extent the Seller would be declared bankrupt or would no longer be able to indemnify the Issuer, if set-off rights would arise, this could limit the amounts received by the Issuer, which could in its turn prevent the Issuer from fulfilling its payment obligations under the Notes towards the Noteholders.

Defense of non-performance

Under Belgian law a debtor may in certain circumstances in case of default of its creditor invoke the defence of non-performance, pursuant to which it would be entitled to suspend payment under its obligations until its counterparty has duly discharged its obligations due and payable to the debtor. The exception of non-performance is subject to various conditions.

Although the Mobilisation Law limits the circumtances when the assigned debtor can invoke the defence of non-performance, this right is not fully excluded and in such case this defence could limit the amounts received by the Issuer, which could in its turn prevent the Issuer from fulfilling its payment obligations under the Transaction, to the extent the Seller would be declared bankrupt or would no longer be able to indemnify the Issuer.

3.4 Certain mortgage Receivables only partially secured by a Mortgage, and partially by a Mortgage Mandate, which provides less legal certainty than a Mortgage (Materiality: low)

Certain Mortgage Receivables are only partly secured by a Mortgage (meaning that the mortgage inscription is for a lower amount than the initial loan amount). Where a Mortgage Receivable is only partly secured by a Mortgage, the Borrower of the relevant Mortgage Receivable or a third party provider of Loan Security may have granted a Mortgage Mandate. A Mortgage Mandate does not constitute an actual security which creates a priority right of payment out of the proceeds of a sale of the Mortgaged Asset, but would first need to be converted into a Mortgage.

The **Mortgage Mandate** is an irrevocable power of attorney granted by a Borrower or a third party provider of Loan Security to certain attorneys enabling them to create a Mortgage as security for the Loan, or, as the case may be, for other existing or future loans or all other sums owed by the Borrower to the Seller at any stage.

A Mortgage will only become enforceable against third parties upon registration of the Mortgage at the Mortgage Registration Office. The ranking of the Mortgage is based on the date of registration. The Mortgage that is recorded first at the Mortgage Register will rank first. Mortgages recorded on the same day will rank *pari passu*. The registration is dated the day on which the mortgage deed pertaining to the creation of the Mortgage and the "registration extracts" (*borderellen/bordereaux*) are registered at the Mortgage Registration Office in the mortgage register. When a Mortgage Mandate is transformed into a Mortgage, stamp duties (*registratierechten/droits d'enregistrement*) and other costs will be payable, which, in the absence of payment by the Borrower, will have to be advanced by the Issuer and recovered from the Borrower.

The following limitations, amongst others, exist in relation to the conversion of Mortgage Mandates:

(a) the Borrower or the third party collateral provider that has granted a Mortgage Mandate, may grant a mortgage to a third party that will rank ahead of the Mortgage to be created pursuant to the conversion of the Mortgage Mandate, although this would generally constitute a contractual breach of the Standard Loan Documentation;

(b) if a conservatory or an executory attachment of the real property covered by the Mortgage Mandate has been filed by a third party creditor of the Borrower or, as the case may be, of the third party collateral provider, a Mortgage registered pursuant to the exercise of the Mortgage Mandate after the writ of attachment has been recorded at the Mortgage Register, will not be enforceable against the creditor who filed the attachment;

(c) if the Borrower or the third party collateral provider is an enterprise:

  (i) the Mortgage Mandate can no longer be converted following the bankruptcy of the Borrower or, as the case may be, the third party collateral provider and any Mortgage registered at the Mortgage Register after the bankruptcy judgement is void;

  (ii) a Mortgage registered at the Mortgage Register pursuant to the exercise of a Mortgage Mandate during the pre-bankruptcy investigation period (i.e. after the date of cessation of payments that may be fixed by the court) for a pre-existing loan will not be enforceable against the bankrupt estate. Under certain circumstances, the clawback rules are not limited in time, for example where a Mortgage has been granted pursuant to a Mortgage Mandate and in order to fraudulently prejudice creditors;

  (iii) mortgages registered after the day of cessation of payments of debt can be declared void by the bankruptcy court, if the registration was made more than fifteen (15) days after the creation of the mortgage; and

  (iv) the effect of a judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*) of a Borrower or of a third party collateral provider on the Mortgage Mandate is uncertain.

(d) if the Borrower or the third party collateral provider, as the case may be, is a private person and started collective debt settlement proceedings, a Mortgage registered at the Mortgage Register after the judge has declared the request admissible, is not enforceable against the other creditors of the Borrower or of the third party collateral provider;

(e) besides the possibility that the Borrower or the third party collateral provider may grant a Mortgage to another lender discussed above, the Mortgage to be created pursuant to a Mortgage Mandate may also rank behind certain statutory mortgages (such as e.g. the statutory mortgage of the tax and the social security authorities) to the extent these mortgages are registered before the exercise of the Mortgage Mandate. In this respect, it should be noted that the notary involved in preparing the mortgage deed will need to notify the tax administration, and, as the case may be, the social security administration before finalising the mortgage deed pertaining to the creation of the mortgage.

(f) if the Borrower or the third party collateral provider, as the case may be, is a private person, certain limitations apply to the conversion of the Mortgage Mandate into a Mortgage if the Borrower or third party collateral provider dies before the conversion; certain limitations also apply in case of a dissolution of the Borrower or third party collateral provider that is a legal person.

If any of the events described above occurs, the Issuer may receive less money than anticipated from the Mortgage Receivables which may affect the ability of the Issuer to repay the Notes.

3.5 The Issuer (and the Noteholders as beneficiary of the Security over the Mortgage Receivables) may not have the benefit of the assignment of salary granted as part of the Loan Security, and the assignment of salary may not be first-ranking (Materiality: low)

The Loan Security in relation to a Mortgage Loan may include an assignment by a Borrower (who is an employee) of his/her salary. The assignment of salary is governed by special legislation (Articles 27 to 35 of the Belgian Act of 12 April 1965 on the protection of the salary of employees (the **Salary Protection Act**)).

In respect of such assignment of salary, it should be noted that the Borrower may have assigned his/her salary as security for debts other than the Mortgage Loans; the assignee who first starts actual enforcement of the assignment against the Borrower would have priority over the other assignees.

In the absence of reported precedents, it is not absolutely certain to which extent the Seller can validly transfer the benefit of such assignment to the Issuer. Therefore, there is the risk that the Issuer may not have the benefit of such arrangement in case of insolvency of the Seller, which may adversely affect the ability of the Issuer to meet its obligations in full to pay interest and principal in respect of the Notes.

3.6 No searches or investigations by the Issuer, the Security Agent or the Issuer Administrator (Materiality: low)

None of the Issuer, the Security Agent or the Issuer Administrator have made or caused to be made nor will any of them make or cause to be made, any enquiries, investigations or searches to verify the details of the Mortgage Receivables, the Mortgages or other Related Security originated and sold by the Seller pursuant to the MRPA, or to establish the creditworthiness of any Borrower, or any other enquiries, investigations or searches which a prudent purchaser of the Mortgage Receivables would ordinarily make, and each will rely instead on the representations and warranties given by the Seller in the MRPA. These representations and warranties will be given in relation to the Mortgage Receivables, the Mortgages, other Related Security and all rights related thereto.

If there is an unremedied material breach of any representation and/or warranty in relation to any Mortgage Receivable and Related Security relating thereto and, to the extent the breach can be remedied, the Seller has not remedied this within thirty (30) calendar days of the earlier of (i) receipt of written notice thereof from the Issuer or (ii) the date of a notice by the Seller relating to such misrepresentation in accordance with the Mortgage Receivables Purchase Agreement, the Seller shall, if such matter is not capable of being remedied, on the Monthly Calculation Date immediately

following the date of the relevant notice, or, if such matter is remediable but not remedied within the said period of 30 calendar days, on the Monthly Calculation Date immediately following the end of the 30 calendar day period, repurchase and accept re-assignment of such Mortgage Receivable and Related Security for a price equal to the then Outstanding Principal Amount of the Mortgage Receivable plus accrued interest thereon and costs (including any costs incurred by the Issuer for effecting and completing such repurchase and reassignment) up to (but excluding) the date of completion of the repurchase. The Issuer and the Security Agent will have no other remedy in respect of such breach if the Seller fails to effect such repurchase in accordance with the Mortgage Receivables Purchase Agreement. This may affect the quality of the Mortgage Receivables and the Related Security and accordingly the ability of the Issuer to make payments on the Notes.

3.7 Limited provision of information (Materiality: low)

Except for certain loan-by-loan and aggregate reporting requirements under the Securitisation Regulation (when applicable to the Notes) and other applicable laws and the provision of certain reports as set out in Section 20 (General Information), the Issuer will not be under any obligation to disclose to the Noteholders any financial or other information in relation to the Mortgage Receivables. The Issuer will not have any obligation to keep any Noteholder or any other person informed as to matters arising in relation to the Mortgage Receivables, except as set out above.

4. RISK FACTORS RELATING TO THE STRUCTURE OF THE PROGRAMME

4.1 Risks relating to the Cap Agreement (Materiality: medium)

Interest Rate Risk

The Issuer will receive, amongst other things, interest payments pursuant to the Mortgage Receivables calculated by reference to fixed interest rates, subject to a reset. The Notes will bear a floating rate of interest based on three-month EURIBOR plus a margin.

The interest on the Notes will not be capped.

If the Issuer has not exercised the Optional Redemption Call, as from the First Optional Redemption Date, the Notes will bear a floating rate of interest based on three-month EURIBOR plus a margin, which will be capped at a maximum rate (however, Coupon Excess Consideration may be due, see Section 6 (*Credit Structure*).

The Issuer will enter into a Cap Agreement with the Cap Provider and the Security Agent on or before the Closing Date until (but excluding) the First Optional Redemption Date, in order to mitigate its interest rate risk, as the Mortgage Receivables owned by the Issuer bear interest at fixed rates (subject to a reset) while the Notes will bear interest at floating rates (subject to a maximum rate, as set out here above). It should however be noted that the Cap Notional Amount might be lower than the outstanding balance of the Notes.

If three-month EURIBOR is substantially higher than the Cap Strike Rate, the Issuer will be more dependent on receiving payments from the Cap Provider in order to make interest payments on the Notes.

The Issuer makes one single payment of a nominal amount under the Cap Agreement to the Cap Provider on the Closing Date. Depending on the level of three month EURIBOR relative to the Cap Strike Rate, if three month EURIBOR on the relevant Interest Determination Date for the relevant Interest Period exceeds the Cap Strike Rate, the Cap Provider will have to make a payment on the third (3rd) Business Day before the correspondingly Quarterly Payment Date, while the Cap Agreement is in force.

Termination of the Cap Agreement

The Cap Agreement generally may not be terminated except upon, inter alia:

(a) the failure of either party to make payments when due;

(b) the occurrence of an Event of Default (as defined in the Conditions) that results in the service of an Enforcement Notice;

(c) the early redemption of the Notes (i) following the exercise of a Regulatory Call, (ii) as a result of an Optional Redemption in case of Change of Law or (iii) as a result of an Optional Redemption for Tax Reasons;

(d) the insolvency of either party;

(e) illegality;

(f) certain tax events;

(g) the making of an amendment to the Transaction Documents that adversely affects the Cap Provider without its consent; or

(h) the failure of the Cap Provider to post collateral, to assign the Cap Agreement to an eligible substitute cap provider or to take other remedial action if the Cap Provider's credit ratings drop below the minimum cap provider rating levels required to support the then current ratings of the Notes.

Upon early termination of the Cap Agreement, a termination payment may be due to the Issuer. Any such termination payment could be substantial if market interest rates and other conditions have changed materially. To the extent not paid by the Cap Provider and to the extent an upfront payment to a replacement cap provider is needed, the Issuer may not be able to enter into a replacement cap agreement and payments on the Notes may be reduced or delayed.

If the Cap Provider’s credit rating falls below certain ratings and a termination event occurs under the Cap Agreement because the Cap Provider fails to take one of the possible corrective actions, the Rating Agencies may place the ratings on the Notes on watch or reduce or withdraw their ratings if the Issuer does not replace the Cap Provider, as the case may be. In these circumstances, ratings on the Notes could be adversely affected.

As from the First Optional Redemption Date, no cap agreement or other hedging agreement is in place or is intended to be in place or be put in place in order to mitigate the interest rate risk for the Issuer. As a consequence, there is a risk that the interest received in respect of the Mortgage Receivables is not sufficient to pay the interest on the Class A1 Notes and the Class A2 Notes.

4.2 Commingling Risk (Materiality: low)

The Issuer's ability to make payments in respect of the Notes and to pay its operating and administrative expenses depends on funds being made available by the Borrowers and such funds subsequently being swept on a daily basis by the Seller or the MPT Provider to the Issuer Collection Account. In case of insolvency of the Seller, the recourse the Issuer would have against the Seller would be an unsecured claim against the insolvent estate of the Seller for collection moneys obtained by the Seller from the Borrowers (by direct debit of the accounts of the Borrowers) in connection with the Mortgage Receivables and not yet transferred to the Issuer Collection Account. This risk is mitigated by a daily sweep of the cash representing the collection of moneys in respect of the Mortgage

Receivables by the Seller or the MPT Provider, on behalf of the Issuer, to the Issuer Collection Account.

Notwithstanding the mitigating element of the daily sweep, in case of an insolvency of the Seller, the recourse the Issuer would have against the Seller would be an unsecured claim against the insolvent estate of the Seller for money received by the Seller (as MPT Provider) from the Borrowers (or the Insurance Companies or providers of Related Security) in connection with the Mortgage Receivables at such time. This could have a significant adverse effect on the Issuer and hence on its obligations under the Notes.

4.3 No notification of the Sale and Pledge (Materiality: low)

Except as described below, the sale of the Mortgage Receivables to the Issuer and the pledge of the Mortgage Receivables to the Noteholders and the other Secured Parties will not be notified to or acknowledged by the Borrowers or to the Insurance Companies or third party providers of additional collateral until the occurrence of a Notification Event.

Until such notice to (or acknowledgement by) the Borrowers, the Insurance Companies and third party providers of collateral is given:

(a) the liabilities of the Borrowers under the Mortgage Receivables (and the liabilities of the Insurance Companies or, as the case may be, the third party providers of Related Security) will be validly discharged by payment to the Seller (or, following notification of the assignment of the Mortgage Receivables but prior to the notification of the pledge of the Mortgage Receivables, to the Issuer) and the Issuer (or the Secured Parties, as applicable) will have no further recourse against the Borrower (or the Insurance Company or provider of additional collateral, as the case may be) even if the Seller (or the Issuer, as applicable) does not transfer such payments to the Issuer (or to the Security Agent on behalf of the Secured Parties, as applicable) or if the appointment of the Seller as MPT Provider is terminated;.

(b) the Seller (or, following notification of the assignment of the Mortgage Receivables but prior to the notification of the pledge of the Mortgage Receivables, to the Issuer) can agree with the Borrowers, the Insurance Companies or the other third party providers of Related Security to vary or waive the terms and conditions of the Mortgage Receivables, the Related Security or the Insurance Policies or the other collateral without the consent of the Issuer (or the Secured Parties, as applicable) and such variation or waiver is binding on the Issuer and the Secured Parties even if made in violation of the restrictions on such variations and waivers in the relevant documents;

(c) if the Seller were to transfer or pledge its Mortgage Receivables in respect of the same Mortgage Receivables, Insurance Policies or other collateral to a party other than the Issuer either before or after the Closing Date (or if the Issuer were to transfer or pledge the same to a party other than the Security Agent), the assignee or pledgee who first notifies the Borrowers or, as the case may be, the Insurance Companies or, as the case may be, the providers of Related Security and acts in good faith would have the first claim to the relevant Loan, Insurance Policies or the Related Security, even if such assignment or pledge is given in violation of representations or restrictions relating to such assignments or pledges to third parties in the relevant documents;

(d) payments made by Borrowers, Insurance Companies or other providers of Related Security to creditors of the Seller, will validly discharge their respective obligations under the Mortgage Receivables, the Insurance Policies or the Related Security provided that the Borrowers or, as the case may be, the Insurance Companies or, as the case may be, the other collateral providers and such creditors act in good faith at the time such payment was made;

(e) Borrowers, Insurance Companies or other providers of Related Security may raise against the Issuer (or the Security Agent) all rights and defences, which existed against the Seller prior to the notification of the transfer or pledge, including any set-off rights with respect to claims of the Borrower, Insurance Company or other provider of Related Security on the Seller and any defence of non-performance (unless the Seller has become subject of insolvency proceedings or a situation of concurrence of creditors (*samenloop / concours*), to the extent that the conditions for set-off or the defence of non-performance were only satisfied following or as a result of such insolvency proceedings or concurrence of creditors).

Even after notice of the assignment of Mortgage Receivables (and the Insurance Policies and Related Security) is given, the Borrowers (or the Insurance Companies and third party providers of Related Security, as the case may be) can still invoke set-off or the defence of non-performance against the Issuer (and the Secured Parties) to the extent that the conditions for set-off or the defence of non-performance were already satisfied prior to such notification.

The MRPA provides that upon the occurrence of certain Notification Events, including the giving of a notice by the Security Agent under Condition 4.9 (*Events of Default*) declaring that the Notes are immediately due and repayable (an **Enforcement Notice**), the Seller, unless otherwise instructed by the Security Agent, (i) will be required to give notice to the Borrowers, the Insurance Companies or any other debtor of any assigned right or collateral (as described in paragraph 7 (*Notification Events*) of Section 12 (*Mortgage Receivables Purchase Agreement*) below) and (ii) might instruct the relevant Borrowers of the Mortgage Receivables and any other relevant parties indicated by the Issuer and/or the Security Agent, including the Insurance Companies or other third party collateral providers to pay any amounts due directly to a specified account. If the Seller fails to comply with any such request of the Security Agent forthwith upon (a) receipt of such Enforcement Notice or (b) the occurrence of another Notification Event, the Issuer and the Security Agent shall (at the expense of the Seller) be entitled to give such notice(s).

There may be a delay between (i) the occurrence of a Notification Event, (ii) the Seller, the Issuer, the Security Agent and/or any other relevant party becoming aware of the occurrence of the Notification Event, and (iii) practical measures being taken and completed for the actual notification of the Borrowers, Insurance Companies and other debtors of Related Security.

If any of the events described in paragraphs (a) to (e) above would occur prior the Borrowers, the Insurance Companies and third party providers of Related Security having been notified of the assignment or pledge of the Mortgage Receivables, the Issuer or the Secured Parties (as applicable) would not have any recourse against the relevant Borrowers, Insurance Companies or third party providers of Related Security. In such cases, the Issuer or the Secured Parties (as applicable) may suffer losses or payment delays in respect of the relevant Mortgage Receivables (and related Insurance Policies and Related Security) and, consequently, this could affect the ability of the Issuer to repay the Notes.

4.4 Risks in relation to negative interest rates on the Transaction Accounts (Materiality: low)

Pursuant to the Floating Rate GIC the interest rate accruing on the balances standing to the credit of any of the Transaction Accounts could be less than zero in case the interest under the Floating Rate GIC (which is linked to 1-month EURIBOR) is below zero. Any negative interest will be payable by the Issuer to the Floating Rate GIC Provider, in accordance with the relevant Priority of Payments. If the Issuer has the obligation to pay interest accruing on the balances standing to the credit of any of the Transaction Accounts to the Floating Rate GIC instead of receiving interest thereon, this will reduce the income of the Issuer and its possibility to generate further income on the assets held in the form of cash in the Transaction Accounts. This risk increases if the amount deposited on the Transaction Accounts becomes (more) substantial. Ultimately such negative interest rate and/or an enduring obligation of the Issuer to make such payments in respect thereof to the Floating Rate GIC could result in the Issuer having insufficient funds to pay any amounts due under the Notes.

5. LEGAL AND REGULATORY RISKS

5.1 Change in law (Materiality: low)

The structure of the Transaction described in this Prospectus and, *inter alia*, the issue of the Notes are based on law, tax rules, regulations, guidelines, rates and procedures, and administrative practice in effect at the date of this Prospectus. No assurance can be given that there will be no change to such law, tax rules, rates, procedures or administrative practice after the date of this Prospectus which change might have an adverse impact on the Notes and the expected payments of interest and repayment of principal in respect of the Notes. See also Condition 4.5(g) on Optional Redemption in case of Change of Law.

5.2 Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes (Materiality: low)

In Europe 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, amongst other things, affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Manager, the Arranger or the Seller makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment or other regulatory treatment of their investment in the Notes on the Closing Date or at any time in the future.

5.3 Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes (Materiality: low)

Investors should note in particular that the Basel Committee on Banking Supervision (**BCBS**) has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as **Basel III**, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect.

5.4 Securitisation Regulation regime applies to the Notes and non-compliance with this regime may have an adverse impact on the regulatory treatment of Notes and/or decrease liquidity of the Notes (Materiality: low)

The Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes). The Securitisation Regulation has direct effect in Member States of the EU.

The Securitisation Regulation requirements apply to the Notes. As such, certain European-regulated institutional investors, including relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities (UCITS) and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under Article 5 of the

Securitisation Regulation with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements.

If the relevant European-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Prospective investors should make themselves aware of requirements applicable to them and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements under the Securitisation Regulation and any corresponding national measures which may be relevant.

Various parties to the securitisation transaction described in this Prospectus (including the Seller and the Issuer) are also subject to the requirements of the Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to national regulators.

Prospective investors are referred to the sections 7.15 (*Information to investors – availability of information*) and 19.2 (*Information made available to investors*) for further details and should note various parties to the securitisation transaction described in this Prospectus (including the Seller and the Issuer) undertake to comply only with the requirements of the Securitisation Regulation relating to the risk retention, transparency and reporting. There can be no assurance that such undertakings, the information in this Prospectus or information to be made available to investors in accordance with such undertakings, will be adequate for any prospective institutional investors required to comply with their due diligence obligations under the Securitisation Regulation.

5.5 STS designation impacts on regulatory treatment of the Notes (Materiality: low)

The Securitisation Regulation (and the associated Regulation (EU) 2017/2401 (**CRR Amendment Regulation**)) also includes provisions intended to implement the revised securitisation framework developed by BCBS (with adjustements) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as STS securitisation.

The STS securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment under various EU regimes that were amended (or will be amended in due course) to take into account the STS framework.

The Notes are not intended to be designated as STS securitisation for the purposes of the Securitisation Regulation. Prospective investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the consequence from a regulatory perspective of the Notes not being considered an STS securitisation, including (but not limited to) that the lack of such designation may negatively affect the regulatory position of, and the capital charges on, the Notes and, in addition, have a negative effect on the price and liquidity of the Notes in the secondary market.

5.6 Risks related to the regulatory status of the Issuer as Institutional VBS/SIC (Materiality: low)

The Issuing Company has been established so as to have and maintain the status of an Institutional VBS/SIC such as the Issuer must ensure that securities it issues are being acquired and held at all times by Qualifying Investors only. The Issuer has in its view taken appropriate measures in this respect. If such measures would be considered not to be adequate or the Issuer would for any other reason lose its regulatory status as an Institutional VBS/SIC, this could negatively impact the holders of the Notes,

as an Institutional VBS/SIC benefits from certain special rules for the assignment of receivables and from a special tax regime. The status as Institutional VBS/SIC is in particular a requirement for the absence of corporate tax on the revenues of the Issuer and, in principle, for an exemption of VAT on certain expenses of the Issuer and facilitates the assignment of the Mortgage Receivables to or by the Issuer. The loss of such Institutional VBS/SIC status would impact adversely on the Issuer's ability to satisfy its payment obligations to the Noteholders.

5.7 The Belgian bank recovery and resolution regime (Materiality: low)

Directive 2014/59/EU of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the **Bank Recovery and Resolution Directive** or **BRRD**) as substantially transposed into Belgian law in the Credit Supervision Act provides for the establishment of a new European-wide framework for the recovery and resolution of credit institutions and investment firms. The BRRD provides supervisory and resolution authorities, including the resolution college of the National Bank of Belgium within the meaning of Article 21*ter* of the Law of 22 February 1998 establishing the organic statute of the National Bank of Belgium, or any successor body or authority (the **National Resolution Authority** and, together with the national resolution authorities of other participating Member States, the **NRAs**), with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

Under the Belgian bank recovery and resolution regime, the supervisory and resolution authorities (which includes the National Resolution Authority) are able to take a number of measures in respect of any credit institution it supervises if deficiencies in such credit institution's operations are not remedied. Such measures include: the appointment of a special commissioner whose consent is required for all or some of the decisions taken by all the institution's corporate bodies; the complete or partial suspension or prohibition of the institution's activities and the revocation of the institution's licence.The Credit Institutions Supervision Law also allows the NRA to take resolution actions, which include amongst others: (i) directing the sale of the financial institution or whole or part of its business, (ii) transfering all or part of the business of the relevant financial institution to a bridge institution and (iii) separating assets by transferring impaired or problem assets to a bridge institution or one or more asset management vehicles. In addition, the Credit Institutions Supervision Act grants a "bail in" power to the NRA, which enables them to impose losses on certain financial liabilities of the failing credit institution, by writing them down or by converting them into equity. Due to the bail-in mechanism, shareholders and creditors will thus have to contribute to the losses of the failing institution.

In principle, the Issuer does not fall within the scope of BRRD and its Belgian implementation as it does not qualify as a credit institution. Therefore, the Issuer is not subject to any resolution actions as stated in this paragraph, including any "bail in" action in relation to the Notes.

Although the exercise of powers by the National Bank of Belgium under the Credit Institutions Supervision Law could not affect the transfer of legal title to the Mortgage Receivables to the Issuer, there is a risk that such exercise of powers could adversely affect the proper performance by each of the Originator, the Seller, and the MPT Provider of its payment and other obligations to the Issuer and enforcement thereof against the parties under the Transaction Documents, which could have a negative impact on the Notes and the Noteholders.

5.8 Impact of recent derivative reforms on the Cap Agreement (Materiality: low)

As noted above, the Notes will have the benefit of certain derivative instrument, namely the Cap Agreement. In this regard, it should be noted that the derivatives markets are subject to extensive regulation in a number of jurisdictions, including Europe pursuant to Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on "over the counter" (**OTC**) derivatives,

central counterparties and trade repositories, as amended from time to time (**EMIR**) and in the U.S. under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

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

With respect to the risks referred to above, see also "*Impact of the European Market Infrastructure Regulation*" below for further details.

5.9 Impact of the European Market Infrastructure Regulation (Materiality: low)

The European Market Infrastructure Regulation No. 648/2012 of the European Parliament and or the Council of 4 July 2012 on "over the counter" (**OTC**) derivatives, central counterparties and trade repositories (as amended from time to time) (**EMIR**) by Regulation (EU) No 2019/834 (**EMIR Refit 2.1**)) prescribes a number of regulatory requirements for OTC derivatives contracts , including (i) a mandatory clearing obligation (the **Clearing Obligations**); (ii) margin posting (the **Collateral Obligation**); and (iii) certain reporting requirements. In general, the application of such regulatory requirements in respect of any derivative transactions under the Cap Agreement will depend on the classification of the counterparties to such derivative transactions.

Pursuant to EMIR, counterparties can be classified as: (i) financial counterparties (**FCs**) (which, following changes made by EMIR Refit 2.1, includes a sub-category of small FCs (**SFCs**)), and (ii) non-financial counterparties (**NFCs**). The category of "NFC" is further split into: (i) non-financial counterparties above the "clearing threshold" (**NFC+s**), and (ii) non-financial counterparties below the "clearing threshold" (**NFC-s**). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the relevant derivative transactions are not subject to clearing, to the Collateral Obligation, such obligations do not apply in respect of NFC- entities.

The Issuer expects to be an NFC- for the purposes of EMIR, although a change in its position cannot be ruled out. Should the status of the Issuer change to NFC+ or FC, this may result in the application of the Clearing Obligation or the Collateral Obligation, although it seems unlikely that the Cap Agreement would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date. It should also be noted that the Collateral Obligation should not apply in respect of derivative transactions entered into prior to the relevant application date, unless such derivative transaction is materially amended on or after that date.

Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with the Clearing Obligation and the Collateral Obligation were they to be applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to the Cap Agreement (possibly resulting in a restructuring or termination of the derivative transactions entered into under the Cap Agreement) or to enter into alternative derivative agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge interest rate risks in respect of the Notes. As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR in making any investment decision in respect of the Notes.

5.10 Changes or uncertainty in respect of EURIBOR may affect the value, liquidity or payment of interest under the Notes (Materiality: low)

Interest rates and indices deemed to be "benchmarks" (including the euro interbank offered rate (*EURIBOR*)) are the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes referencing such benchmark.

Regulation (EU) 2016/1011 (the **Benchmarks Regulation**) could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The above may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Condition 4.4(q) (*Benchmark replacement*) provides for certain fall-back arrangements in the event that a Benchmark Event occurs, for example where a published benchmark (including any page on which such benchmark may be published (or any successor service)) becomes unavailable. The Benchmark Events also include the situation where the administrator of the relevant benchmark announces that the methodology to calculate such benchmark has materially changed. If a Benchmark Event occurs, the Issuer may, after appointing and consulting with an Independent Adviser, determine a Successor Rate or Alternative Reference Rate to be used in place of the relevant benchmark where that relevant benchmark has been selected as the Euro Reference Rate to determine the Rate of Interest. The use of any such Successor Rate or Alternative Reference Rate to determine the Rate of Interest may result in Notes linked to or referencing the relevant benchmark performing differently (including paying a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply in its current form.

Furthermore, if a Successor Rate or Alternative Reference Rate for the relevant benchmark is determined by the Issuer Administrator, the Conditions provide that the Issuer Administrator may vary the Conditions, as necessary, to ensure the proper operation of such Successor Rate or Alternative Reference Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Reference Rate is determined by the Issuer Administrator, the Conditions also provide that an Adjustment Spread will be determined by the Issuer Adminsitartor to be applied to such Successor Rate or Alternative Reference Rate. The aim of the Adjustment Spread is to reduce or eliminate, so far as is practicable, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the relevant benchmark with the Successor Rate or the Alternative Reference Rate. However, it is possible that the application of an Adjustment Spread will not reduce or eliminate economic prejudice to Noteholders.

In addition, if the relevant benchmark is discontinued permanently and the Issuer, for any reason, is unable to determine the Successor Rate or Alternative Reference Rate, the Rate of Interest may revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before the relevant benchmark was discontinued and such Rate of Interest will continue to apply until maturity. This will result in the Notes, in effect, becoming fixed rate notes.

Any of the above matters or any other significant change to the setting, existence or replacement of EURIBOR could affect the ability of the Issuer to meet its obligations under the Notes and/ or could have a material adverse effect on the value or the liquidity of, and the amount payable under the Notes.

Investors should consider these matters when making their investment decision with respect to the Notes.

5.11 EURIBOR discontinuation and the Cap Agreement (Materiality: low)

Pursuant to the Cap Agreement, the Cap Provider is obliged to make payments to the Issuer on a quarterly basis to the extent three-month EURIBOR in respect of any relevant Interest Period exceeds the Cap Strike Rate. The Cap Agreement does not provide that such reference to EURIBOR be replaced by the alternative base rate selected pursuant to Condition 4.4(q) (*Benchmark Replacement*) following the benchmark reforms discussed above and there can be no assurance that any applicable fall-back provisions under the Cap Agreement would operate so as to ensure that the base floating interest rate used to determine payments under the Cap Agreement is the same as that used to determine interest payments under the Notes. The fall-back provisions under the Cap Agreement may also not apply at the same time as alternative base rate amendments made under Condition 4.4(q) (*Benchmark Replacement*). There is a risk that if the relevant rate applicable to the Notes is replaced by an alternative base rate and if the alternative base rate is higher than three-month EURIBOR at such time, this may result in a mismatch between the amount received by the Issuer under the Cap Agreement and the interest payable by the Issuer under the Notes. As such there may be a negative impact on the ability of the Issuer to meet its payment obligations under the Notes.

5.12 Volcker Rule (Materiality: low)

Section 619 of the Dodd-Frank Act, known as the "**Volcker Rule**"**,** and its final implementing regulations restrict the ability of a banking entity to engage in proprietary trading or to acquire or retain ownership interest in, sponsor, or engage in certain transactions with certain private funds ("covered funds"). The Volcker Rule became effective on 21 July 2015, and the final regulations became effective on 1 April 2014.

The Issuer believes that, under the final regulations, neither the Issuer nor any Compartment is a covered fund with respect to non-U.S. organized or located banking entities. However, if the Issuer or any Compartment were deemed to be a covered fund with respect to certain banking entities subject to the Volcker Rule, those banking entities would be restricted from acquiring or retaining certain ownership interests in or sponsoring the Issuer or any Compartment, and from engaging in "covered transactions", as defined in section 23A of the Federal Reserve Act, with the Issuer or any Compartment.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant prospective purchasers to invest in the Notes and may have a negative impact on the price and liquidity of the Notes in the secondary market. Each investor is responsible for analysing its own position under the Volcker Rule and any similar measures and none of the Issuer, the Seller, the Issuer Administrator, the Security Agent, the Arranger or the Manager or any of their affiliaes makes any representation to any prospective investor or purchaser of the Notes regarding such position, including with respect to the ability of any investor to acquire or hold the Notes, or regarding the application of the Volcker Rule to the Issuer or any Compartment now or at any time in the future.

6. TAX RISKS

6.1 No Gross-up for Taxes (Materiality: low)

If withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatever nature are imposed or levied by or on behalf of the Kingdom of Belgium (or any subdivision therein or thereof), any authority therein or thereof having power to tax, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to the Noteholders.

6.2 Risks relating to the proposed financial transactions tax (Materiality: low)

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the **Commission's proposal**) for a financial transaction tax (**FTT**) to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia, although Estonia has since stated that it will not participate). If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which would include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

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

The FTT may give rise to tax liabilities for the Issuer with respect to certain transactions (including concluding swap transactions and/or purchases or sales of securities (such as authorised investments)) if it is adopted based on the Commission's proposal. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in investors receiving less interest or principal than expected. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

However, the FTT proposal remains subject to negotiation between participating member states. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

6.3 Foreign Account Tax Compliance Act (Materiality: low)

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Belgium) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign

financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, Notes that are characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Section 2 – Key features of the Notes

Certain features of the Notes are summarised below (see further *Overview of the Transaction and the Transaction Parties* and Annex 1 (Terms and Conditions of the Notes) below):

	Class A1 Notes	**Class A2 Notes**		
Principal amount at the Closing Date	EUR 425,000,000	EUR 425,000,000		
Issue Price	100%	100%		
Closing Date	27 January 2023			
Interest Rate **<u>until</u> First Optional Redemption Date**	3 month EURIBOR + 0.40 per cent. p.a., whereby the Interest Rate is floored at zero	3 month EURIBOR + 0.50 per cent. p.a., whereby the Interest Rate is floored at zero		
Interest Rate **<u>as from the</u> First Optional Redemption Date**	3 month EURIBOR + 0.60 per cent. p.a. (the ***Coupon Rate***) with a maximum interest rate of 4.00 per cent. p.a. (the ***Maximum Rate***) and the Interest Rate being floored at zero *Formula*[3]: Interest Rate = Max [0% p.a., Min [Coupon Rate, Maximum Rate]]	3 month EURIBOR + 0.75 per cent. p.a. (the ***Coupon Rate***) with a maximum interest rate of 4.00 per cent. p.a. (the ***Maximum Rate***) and the Interest Rate being floored at zero *Formula*[4]: Interest Rate = Max [0% p.a., Min [Coupon Rate, Maximum Rate]]		

[3] The formula should be read in conjunction with the above definition of Interest Rate and is merely added for clarification purposes.

[4] The formula should be read in conjunction with the above definition of Interest Rate and is merely added for clarification purposes.

Coupon Excess Consideration **as from the First Optional Redemption Date**	On each Quarterly Payment Date as from (but excluding) the First Optional Redemption Date, and if the Coupon Rate exceeds the Maximum Rate, the Noteholders may, in addition to Accrued Interest in respect of the Notes, be entitled to a Coupon Excess Consideration on a *pro rata* and *pari passu* basis according to the amounts of Coupon Excess Consideration due among them, if sufficient amounts remain available for such purpose in accordance with the application of the Post-FORD Interest Priority of Payments[5]. For this purpose, the Coupon Excess Consideration for each relevant Class will be equal to the amount obtained by the product of, in respect of any Quarterly Calculation Date as from the First Optional Redemption Date, (i) the Principal Amount Outstanding of the relevant Class A1 Notes and Class A2 Notes respectively and (ii) the positive difference (excess) between the relevant Coupon Rate and the relevant Maximum Rate, multiplied by the actual number of days elapsed in the then current Interest Period divided by 360 days (the ***Coupon Excess Consideration***). *Formula*[6]: Coupon Excess Consideration = Principal Amount Outstanding * (Max [0, (Coupon Rate – Maximum Rate)] * Act/360 The Coupon Excess Consideration will only be paid after (i) all Accrued Interest due and payable in respect of the Class of Notes has been satisfied in full; (ii) any shortfall reflected in the Class A Principal Deficiency Ledger has been made good until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero; (iii) in or towards satisfaction of any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero or, following a Liquidity Facility Stand-by Drawing, the Liquidity Facility Stand-by Drawing Account has been replenished up to the amount of the Liquidity Facility Maximum Amount; (iv) the Reserve Account has been replenished up to the amount of the Reserve Account Required Amount in accordance with the application of the Post-FORD Interest Priority of Payments; and (v) all other payments that are senior to Coupon Excess Consideration in accordance with the relevant Priority of Payments.		

	Class A1 Notes	Class A2 Notes		
Class A Additional Amounts **as from the First Optional Redemption Date**	On each Quarterly Payment Date as from (but excluding) the First Optional Redemption Date and for as long as the Notes have not been redeemed in full, the Class A Additional Amounts will be the positive amount (if any) of the Notes Interest Available Amount, remaining after amounts payable under the items (i) to (x) (inclusive) of the Post-FORD Interest Priority of Payments have been fully satisfied on such Quarterly Payment Date. Until the Notes have been fully redeemed, and provided amounts are available as described in the preceding paragraph, any Class A Additional Amounts will be added to the Notes Redemption Available Amount.			
Interest Accrual	Act/360	Act/360		
Quarterly Payment Dates	Interest and principal will be payable quarterly in arrears on the (27th) day of January, April, July and October of each year (or the first following Business Day if such day is not a Business Day), for the first time on the Quarterly Payment Date falling in April 2023.			
Principal payments	No scheduled amortisation. Provided that no **Enforcement Notice** has been served, there is a full sequential amortisation of the Notes (in order of seniority, whereby, any Notes Redemption Available Amount remaining after item (a) of the Principal Priority of Payments will be used (i) first to redeem the Class A1 Notes, until fully redeemed; and (ii) second to redeem the Class A2 Notes, until fully redeemed). The Notes within each of the Class A1 Notes and the Class A2 Notes rank *pari passu* and will be repaid *pro rata* and without priority or preference among themselves, on each Quarterly Payment Date based on the Notes Redemption Available Amount.			
	Provided that an **Enforcement Notice** has been served, there is a full amortisation of all Classes of Notes without preference among the Class A1 Notes and the Class A2 Notes. The Notes rank *pari passu* and will be repaid *pro rata* and without priority or preference among themselves.			

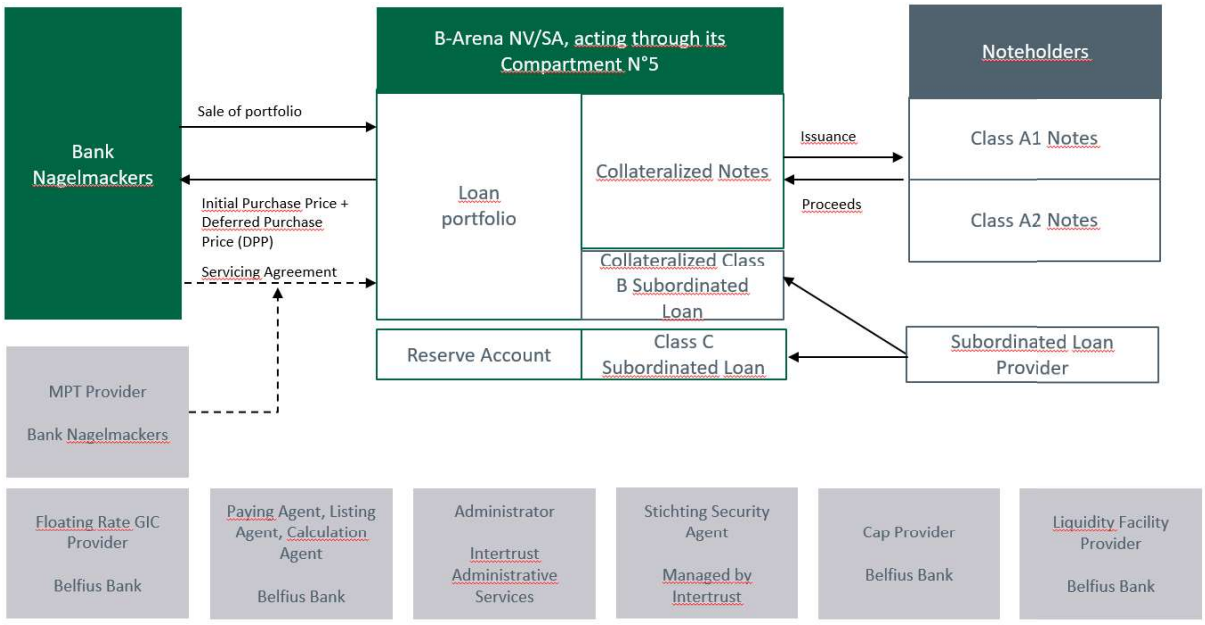
[5] Prior to the service of an Enforcement Notice and as from the First Optional Redemption Date, the Notes Interest Available Amount will be applied by the Issuer on the immediately succeeding Quarterly Payment Date following the First Optional Redemption Date, and on each Quarterly Payment Date thereafter as follows (in each case, only if, and to the extent that the Issuer Collection Account would not be overdrawn, and to the extent that payments or provisions of a higher order of priority have been made in full, and to the extent that such liabilities are due by and recoverable against the Issuer) (the **Post-FORD Interest Priority of Payments**).

[6] The formula should be read in conjunction with the above definition of Coupon Excess Consideration and is merely added for clarification purposes.

	Class A1 Notes	**Class A2 Notes**		
Subordination	The right to payment of the Coupon Excess Consideration in respect of the Notes and of principal and interest on the Class B Subordinated Loan and the Class C Subordinated Loan will be subordinated and may be limited as more fully described in Condition 4.2 (*Status, Security and Priority*).			
Credit enhancement	Subordination of the Class B Subordinated Loan and of the Class C Subordinated Loan			
Optional Redemption Date	The Quarterly Payment Date falling in January 2028 (the **First Optional Redemption Date**) and any Quarterly Payment Date thereafter (**Optional Redemption Date**)			
Denomination	EUR 250,000	EUR 250,000		
Form	The Notes will be issued in the form of dematerialised notes under the Belgian Code of Companies and Associations and will be represented exclusively by book entries in the records of the securities settlement system operated by the National Bank of Belgium.			
Listing	Application has been made to Euronext Brussels for the Notes to be admitted to the official list for trading on its regulated market.			
Expected Rating	DBRS AAA (sf) Moody's Aaa(sf)	DBRS AAA (sf) Moody's Aaa(sf)		
ISIN	BE0002908896	BE0002909902		
Common Code	257713075	257713342		

Section 3 - Transaction Structure Diagram

This basic structure diagram below describes the principal features of the Transaction. The diagram must be read in conjunction with, and is qualified entirely by the detailed information presented elsewhere in this Prospectus.



Section 4 - Overview of the Transaction and the Transaction Parties

The information in this Section is an overview of and introduction to the transaction and the Transaction Parties. This overview does not purport to be complete and should be read as an introduction and in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Prospectus.

Capitalised terms used but not defined in this section have the meaning given thereto elsewhere in this Prospectus.

1. TRANSACTION OVERVIEW

The following is an overview of the transaction as illustrated by the Transaction Structure Diagram above.

1. On or about the date of this Prospectus, the Issuer will enter into a mortgage receivables purchase agreement (the **Mortgage Receivables Purchase Agreement** or **MRPA**) with the Seller and the Security Agent. Pursuant to the Mortgage Receivables Purchase Agreement the Seller will sell and assign to the Issuer legal title to the Mortgage Receivables. The Mortgage Receivables consist of any and all rights of the Seller against certain borrowers under loans originated or acquired by the Seller which loans are secured by (i) a first-ranking Mortgage, and/or (ii) a lower-ranking Mortgage provided that the benefit of all higher ranking Mortgages on the same Real Estate has been transferred to the Issuer pursuant to the MRPA and/or (iii) a mandate to create such Mortgages over residential properties in Belgium. The initial purchase price for the Mortgage Receivables amounts to EUR 996,881,541.05. The transfer of legal title to the Mortgage Receivables will take place on 27 January 2023 or on such later date as may be agreed between the Issuer, the Seller and the Manager (the **Closing Date**). The Issuer will pay the initial purchase price on the Closing Date.

   To fund the initial purchase price, the Issuer will issue the Notes and enter into the Class B Subordinated Loan Agreement with the Class B Subordinated Loan Provider.

   The Issuer will credit on the Closing Date the proceeds of the Class C Subordinated Loan to the Reserve Account.

2. The amounts of interest received on the Mortgage Receivables and the Transaction Accounts (excluding the Cap Collateral Accounts) will not necessarily equal the floating rates applicable to the Notes. In order to mitigate the interest rate exposure on the Notes until (but excluding) the First Optional Redemption Date, the Issuer will enter into an interest cap agreement (the **Cap Agreement**) with Belfius Bank SA/NV (as the **Cap Provider**).

3. The ability of the Issuer to meet its obligations under the Notes will depend primarily upon the receipt by it of principal and interest from the Borrowers under the Mortgage Receivables and in respect of the Notes and to the extent that the three-month Euribor in respect of the relevant Interest Period exceeds the Cap Strike Rate, the receipt of funds under the Cap Agreement.

4. The Issuer will enter into a common representative appointment agreement (the **Common Representative Appointment Agreement**) with Stichting Security Agent B-Arena (the **Security Agent**) pursuant to which the Security Agent is appointed (i) as representative (*vertegenwoordiger/représentant*) of the Noteholders in accordance with Article 271/12, §1, first to seventh indent of the UCITS Act with respect to their rights and obligations under the Notes and the Conditions, (ii) as irrevocable agent (*mandataris/mandataire*) of the other Secured Parties and (iii) as agent in its own name but on behalf of the Noteholders and the other Secured Parties in accordance with Article 5 of the Collateral Law and Article 3 of Title XVII of Book III of the old Belgian Civil Code, as amended by the law of 11 July 2013 amending the Belgian Civil Code in respect of security on movable assets and abolishing various relevant provisions (the **MAS Law**) and (iv) as bondholders' representative in accordance with Article 7:63 of the Belgian Code of Companies and Associations.

5. The obligations of the Issuer to the Secured Parties are secured by a first-ranking pledge over (i) the Mortgage Receivables, (ii) the Issuer's claims under the Transaction Documents and (iii) the balances standing to the credit of the Transaction Accounts, pursuant to a pledge agreement (the **Pledge Agreement**). Upon the occurrence of an Event of Default under the Notes, the Security Agent may give notice to the Issuer that the amounts outstanding under the Notes are immediately due and payable and may enforce the Pledge Agreement. The Security Agent will apply the amounts recovered upon enforcement of the Pledge Agreement in accordance with the Priority of Payments upon Enforcement towards satisfaction of the amounts owed by the Issuer to the Noteholders and such other transaction parties. See Section 6 - Credit Structure.

6. The Issuer will enter into a class B subordinated loan agreement (the **Class B Subordinated Loan Agreement**) with Bank Nagelmackers SA/NV (as the **Class B Subordinated Loan Provider**) on or before the Closing Date, pursuant to which the Class B Subordinated Loan Provider will agree to make available to the Issuer the class B subordinated loan (the **Class B Subordinated Loan**), the proceeds of which will be used to pay part of the Initial Purchase Price.

7. The Issuer will enter into a class C subordinated loan agreement (the **Class C Subordinated Loan Agreement**) with Bank Nagelmackers SA/NV (as the **Class C Subordinated Loan Provider**) on or before the Closing Date, pursuant to which the Class C Subordinated Loan Provider will agree to make available to the Issuer the class C subordinated loan (the **Class C Subordinated Loan**), the proceeds of which will be used to credit the Reserve Account up to the Reserve Account Required Amount.

8. The Issuer will enter into an expenses subordinated loan agreement (the **Expenses Subordinated Loan Agreement**) with Bank Nagelmackers (as the **Expenses Subordinated Loan Provider**) on or before the Closing Date, pursuant to which the Expenses Subordinated Loan Provider will agree to make available to the Issuer a subordinated loan (the **Expenses Subordinated Loan**), the proceeds of which will be used to pay the Initial Cap Payment and certain start-up costs and expenses incurred by the Issuer in connection with the issue of the Notes and, as the case may be, part of the Initial Purchase Price.

9. The Issuer will enter into a liquidity facility agreement (the **Liquidity Facility Agreement**) with Belfius Bank SA/NV (as the **Liquidity Facility Provider**) and the Security Agent on or before the Closing Date, pursuant to which the Liquidity Facility Provider will grant a committed Euro revolving liquidity facility to the Issuer in an amount equal to the Liquidity Facility Maximum Amount (the **Liquidity Facility**).

10. The Issuer will enter into a guaranteed investment contract (the **Floating Rate GIC**) with Belfius Bank SA/NV (as the **Floating Rate GIC Provider**) and the Security Agent on or before the Closing Date, pursuant to which the Floating Rate GIC Provider guarantees a certain interest rate (the **Floating Rate GIC Interest Rate**) determined by reference to 1-month EURIBOR in respect of the balance standing from time to time to the credit of certain bank accounts maintained by the Issuer with the Floating Rate GIC Provider.

11. The Issuer will enter into a mortgage payment transactions and issuer services agreement (the **Issuer Services Agreement**) with the Seller (as the **MPT Provider**), Stichting Security Agent B-Arena (as **Security Agent**) and Intertrust Administrative Services B.V. (as **Issuer Administrator** and as **Back-Up Servicer Facilitator**) on or before the Closing Date, pursuant to which (i) the MPT Provider will agree to provide mortgage payment transactions and the other services as agreed in the Issuer Services Agreement in relation to the Mortgage Receivables, and (ii) the Issuer Administrator will agree to provide certain administration, calculation and cash management services for the Issuer. The Back-Up Servicer Facilitator will substantially assist the Issuer in appointing a third party back-up or substitute servicer, within 60 calendar days, in the event the MPT Provider needs to be replaced upon termination of its appointment by the Issuer in accordance with the Issuer Services Agreement.

In addition, the Issuer will enter into *inter alia* the following agreements:

(a) a subscription agreement (the **Subscription Agreement**) with Belfius Bank SA/NV (as **Arranger**) and Bank Nagelmackers SA/NV (as **Manager**) pursuant to which the Manager agrees to subscribe and pay for or to procure subscription and payment for the Notes;

(b) an agency agreement (the **Agency Agreement**) with Belfius Bank SA/NV (as the **Paying Agent, Reference Agent** and **Listing Agent**) pursuant to which the Paying Agent, the Listing Agent and the Reference Agent will respectively act as paying agent, listing agent and reference agent in relation to the Notes;

(c) a clearing agreement (the **Clearing Agreement**) with the Paying Agent and the National Bank of Belgium (as **Securities Settlement System Operator**) pursuant to which the Notes will be cleared in accordance with the Securities Settlement System;

(d) a master definitions agreement (the **Master Definitions Agreement**) with, among others, the Secured Parties, setting out certain definitions, terms and principles that are used for the interpretation and construction of the Transaction Documents; and

(e) issuer management agreements (the **Issuer Management Agreements**) with the Issuer Directors and the Security Agent pursuant to which the Issuer Directors will undertake to act as managing directors of the Issuer and to perform certain services in connection therewith.

In addition, shareholder management agreements (the **Shareholder Management Agreements**) will be entered into between the Stichting Shareholder, the Shareholder, the Shareholder Director and the Security Agent pursuant to which, inter alia, the Shareholder Director will undertake to act as director of the Stichting Shareholder and the Shareholder and to perform certain services in connection therewith.

2. TRANSACTION PARTIES

Issuer:

B-Arena NV/SA, *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge*, acting through its Compartment N°5. The Issuer was incorporated as a limited liability company (*naamloze vennootschap/société anonyme*) existing under the laws of the Kingdom of Belgium, and has its registered office Marnixlaan 23, 5de verdieping, 1000 Brussels, registered with the Crossroads Bank for Enterprises under number 0882.540.048 (RPR/RPM Brussels).

The Issuer qualifies as a Belgian institutional company for investment in receivables (*institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge*) in accordance with the UCITS Act and has been registered as such with the Federal Public Service Finance (*Federale Overheidsdienst Financiën/Service Pubic Fédéral Finances*) on 18 August 2006. Compartment N°5 of the Issuer has been registered with the Federal Public Service Finance (*Federale Overheidsdienst Financiën/Service Public Fédéral Finances*) on 8 September 2022. Such registration cannot be considered as a judgment as to the opportunity or the quality of the Transaction, nor on the situation of the Issuer or its Compartment N°5.

The entire issued share capital of the Issuer is owned by the Shareholder. The Issuer is established to issue notes, such as the Notes, from time to time. Recourse in respect of the Notes will be limited to the Mortgage Receivables and the Issuer's rights under the Transaction Documents.

The Notes are issued by the Issuer, acting through its Compartment N°5. The Noteholders and the other Secured Parties only have recourse to the Pledged Assets of Compartment N°5 of the Issuer.

The Issuer may not engage in any other activity than securitisation and related transactions.

The Issuer is licensed as a mortgage credit provider under Book VII, Title 4, Chapter 4 of the Code of Economic Law.

See further Section 7 *(The Issuer*).

Seller:

Bank Nagelmackers NV/SA, a credit institution existing under the laws of the Kingdom of Belgium, with its registered office at Montoyerstraat 14, 1000 Brussels, registered with the Crossroads Bank for Enterprises under number 0404.140.107 (RPR/RPM Brussels) (**Bank Nagelmackers**).

Issuer Administrator:

Intertrust Administrative Services B.V., a Dutch private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, registered with the chamber of commerce trade register (kamer van koophandel) under number 33210270.

MPT Provider	Bank Nagelmackers.
Back-Up Servicer Facilitator	Intertrust Administrative Services B.V., a Dutch private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, registered with the chamber of commerce trade register (kamer van koophandel) under number 33210270.
Security Agent:	Stichting Security Agent B-Arena, a foundation (*stichting*) existing under the laws of the Netherlands, with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, and registered with the chamber of commerce trade register (*kamer van koophandel*) under number 857391914. The Security Agent is also appointed (i) as representative (*vertegenwoordiger/représentant*) of the Noteholders in accordance with the UCITS Act, (ii) as irrevocable agent (*mandataris/mandataire*) of the other Secured Parties, (iii) as agent in its own name but on behalf of the Noteholders and the other Secured Parties in accordance with Article 5 of the Collateral Law and Article 3 of the MAS Law and (iv) as bondholders' representative in accordance with Article 7:63 of the Belgian Code of Companies and Associations. See further Section 10 (*Security Agent*).
Shareholder:	B-Arena Holding B.V., a Dutch private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, registered with the chamber of commerce trade register (*kamer van koophandel*) under number 34247655.
Stichting Shareholder:	Stichting Shareholder B-Arena Holding, a Dutch foundation (*stichting*), with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, registered with the chamber of commerce trade register (*kamer van koophandel*) under number 34247208.
Issuer Directors:	Mr Christophe Tans and Mrs Irène Florescu. The board of directors is responsible for the management and administration of the Issuer.
Shareholder Director:	Intertrust Management B.V., a Dutch private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, registered with the chamber of commerce trade register (*kamer van koophandel)* under number 33226415 (together with the Issuer Directors, the **Directors**).
Class B Subordinated Loan Provider:	Bank Nagelmackers.
Class C Subordinated Loan Provider:	Bank Nagelmackers.

Expenses Subordinated Loan Provider:	Bank Nagelmackers.
Cap Provider:	Belfius Bank SA/NV, with its registered office at Place Charles Rogier 11, 1210 Brussels, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RPR/RPM Brussels).
Floating Rate GIC Provider:	Belfius Bank SA/NV, with its registered office at Place Charles Rogier 11, 1210 Brussels, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RPR/RPM Brussels).
Liquidity Facility Provider:	Belfius Bank SA/NV, with its registered office at Place Charles Rogier 11, 1210 Brussels, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RPR/RPM Brussels).
Paying Agent:	Belfius Bank SA/NV, with its registered office at Place Charles Rogier 11, 1210 Brussels, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RPR/RPM Brussels).
Reference Agent:	Belfius Bank SA/NV, with its registered office at Place Charles Rogier 11, 1210 Brussels, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RPR/RPM Brussels).
Listing Agent:	Belfius Bank SA/NV, with its registered office at Place Charles Rogier 11, 1210 Brussels, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RPR/RPM Brussels).
Securities Settlement System Operator:	The *Nationale Bank van België/La Banque Nationale de Belgique*, a public limited liability company incorporated under the laws of Belgium, with registered office at De Berlaimontlaan 14, 1000 Brussels, registered with the Crossroads Bank for Enterprises under number 0203.201.340 (RPR/RPM Brussels).
Auditors:	PwC Bedrijfsrevisoren, with its registered office at Culliganlaan 5, 1831 Machelen, registered with the Crossroads Bank for Enterprises under number 0429.501.944 (RPR/RPM Brussels).

3. PRINCIPAL FEATURES OF THE NOTES

Notes:	The euro 425,000,000 floating rate Class A1 Mortgage-Backed Notes 2023 due 2057 (the **Class A1 Notes**) and the euro 425,000,000 floating rate Class A2 Mortgage-Backed Notes 2023 due 2057 (the **Class A2 Notes**, and together with the Class A1 Notes, the **Notes** will be issued by the Issuer on 27 January 2023 or on such later date as may be agreed between the Issuer, the Seller and the Manager (the **Closing Date**).
Issue Price:	The issue prices of the Notes will be as follows: (a) the Class A1 Notes, 100%; and (b) the Class A2 Notes, 100%.
Eligible Holders only	The Notes are only offered, directly or indirectly, to holders (**Eligible Holders**) who qualify both as: (a) they qualify as qualifying investors (*in aanmerking komende beleggers/investisseurs éligibles*) within the meaning of Article 5, §3/1 of the UCITS Act; (b) they do not constitute investors that, in accordance with section (I), second indent, of the Royal Decree of 19 December 2017 concerning further rules for implementation for the directive on markets in financial instruments, have registered to be treated as non-professional investors; and (c) they are holders of an exempt securities account (**X-Account**) with the Securities Settlement System or (directly or indirectly) with a participant in such system. For each Note in respect of which the Issuer becomes aware that it is held by an investor other than an Eligible Holder, the Issuer will suspend interest payments until such Note will have been transferred to and held by an Eligible Holder. Any transfer of Notes effected in breach of the above requirement will be unenforceable vis-à-vis the Issuer. See further *Section 11 – Tax* for a non-exhaustive list of Eligible Investors and *Annex 1 - Terms and Conditions of the Notes*, in section *Holding and Transfer Restrictions* and *Annex 2* for a list of investors that, at the date of this Prospectus, are deemed to be Qualifying Investors.
Excluded Holders:	The Notes may not be acquired by a Belgian or foreign transferee who is not subject to income tax or who is, as far as interest income is concerned, subject to a tax regime that is deemed by the Belgian tax authorities to be significantly more advantageous than the common Belgian tax regime applicable to interest income (within the meaning of Articles 54 and 198, §1, 11° of the Belgian Income Tax Code 1992).

	Furthermore, no Notes may be acquired by a Belgian or foreign transferee that qualifies as an "affiliated company" (within the meaning of Article 1:20 of the Belgian Code of Companies and Associations) of the Issuer, save where such transferee also qualifies as a "financial institution" referred to in Article 56, §2, 2° of the Belgian Income Tax Code 1992. Finally, Notes may not be acquired by a Belgian or foreign transferee being a resident of or having an establishment in, or acting, for the purposes of the Notes, through a bank account held on a tax haven jurisdiction as referred to in Article 307, §1/2 of the Belgian Income Tax Code of 1992.
Form:	The Notes will be issued in the form of dematerialised notes under the Belgian Code of Companies and Associations and will be represented exclusively by book entries in the records of the Securities Settlement System and will not be physically delivered. The Notes will be delivered in the form of an inscription on a securities account.
Denomination:	The Notes will be issued in denominations of EUR 250,000 each.
Status and Ranking:	The Notes constitute direct, secured and unconditional obligations of the Issuer and rank (subject to the provisions of Condition 4.10 (*Subordination*)) *pari passu* without preference or priority amongst themselves. Prior to an Enforcement Notice being served, the Classes of Notes are repaid sequentially with the Class A1 Notes being repaid prior to the Class A2 Notes and the Class A2 Notes being repaid after the Class A1 Notes. Following the service of an Enforcement Notice, the Notes are repaid without preference or priority among the Classes of Notes. The rights of the Notes, in respect of priority of payment and security are further set out in Condition 4.2 (*Status, Security and Priority*) and Condition 4.10 (*Subordination*).
Interest:	Interest on the Notes is payable by reference to successive quarterly Interest Periods. **Interest Period** means the period from (and including) a Quarterly Payment Date (or the Closing Date in respect of the first Interest Period) to (but excluding) the immediately succeeding (or first) Quarterly Payment Date. Interest on each of the Notes shall be payable quarterly in arrears in euro, in each case on the 27th day of January, April, July and October in each year (or, if such day is not a Business Day, the next following Business Day, unless such Business Day would fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Business Day) (each a **Quarterly Payment Date**) commencing on the Quarterly Payment Date falling in April 2023, in respect of its Principal Amount Outstanding. A **Business Day** means a day (other than a Saturday or Sunday) (i) on which banks and forex markets are open for general business in Belgium and (ii) on which the Securities Settlement System is operating and (iii) (if a payment in euro is to be made on that day)

which is a day on which the TARGET 2 System (or any replacement or successor payment system) is operating (a **TARGET Business Day**)

The rate of interest payable from time to time in respect of each Class of Notes (each an **Interest Rate**) will be determined in accordance with Condition 4.4 (*Interest*).

Weighted Average Life:

The weighted average life refers to the average number of years that each euro amount of principal of the Notes will remain outstanding. The Weighted Average Life of the Notes cannot be predicted accurately as it will be affected by various factors largely outside the control of the Issuer, including the actual rate of repayment of the Mortgage Receivables, prepayments, and the extent to which the Notes Interest Available Amount is sufficient to cover any Principal Deficiencies. Reference is made to paragraph 4 (*Weighted Average Life*) of Section 8 (*The Notes*).

The average life of the Notes as set out under paragraph 4 (*Weighted Average Life*) of Section 8 (*The Notes*) should be viewed with caution.

Final Maturity Date:

Unless previously redeemed, the Issuer shall redeem the Notes in full on 27 January 2057 (or, if such day is not a Business Day, the next following Business Day, unless such Business Day would fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Business Day) (the **Final Maturity Date**).

Optional Redemption of the Notes:

On the Quarterly Payment Date falling in January 2028 (the **First Optional Redemption Date**) and on each Quarterly Payment Date thereafter (together with the First Optional Redemption Date, each an **Optional Redemption Date**), the Issuer will have the option to redeem all of the Notes of all Classes at their Principal Amount Outstanding provided that it has sufficient funds available to redeem all the Notes in full on such date, subject to and in accordance with the terms and conditions of the Notes as described in Annex 1 (the **Conditions**).

See also paragraph (e) (*Optional Redemption and Clean-Up Call*) *of Condition 4.5* (*Redemption and Cancellation*).

Mandatory Redemption of the Notes:

Prior to an Enforcement Notice being served and subject to, and in accordance with, the Principal Priority of Payments, the Issuer will be obliged to apply the Principal Available Amount on the first Quarterly Payment Date falling in April 2023 and on each Quarterly Payment Date thereafter in or towards satisfaction of:

(a) *first*, on a *pari passu* and *pro rata* basis, any amount of interest shortfall in relation to the immediately preceding Interest Period on the Notes and any other amount as referred to in item (i) and (ii) of the Interest Priority of Payments;

(b) *second*, all amounts of principal on the Class A1 Notes;

(c) *third*, if, and to the extent the Class A1 Notes have been fully redeemed, in or towards satisfaction of all amounts of principal on the Class A2 Notes;

(d) *fourth*, if, and to the extent the Class A2 Notes have been fully redeemed, as from the First Optional Redemption Date, in or towards satisfaction *pari passu* and *pro rata*, according to the respective amounts thereof, of all amounts of Coupon Excess Consideration due or accrued but unpaid in respect of the Class A1 Notes and the Class A2 Notes which payment has been reflected by crediting any shortfall in the Coupon Excess Consideration Deficiency Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero;

Redemption for tax reasons: The Issuer shall have the right (but not the obligation) to redeem all of the Notes in whole, but not in part, at the Optional Redemption Amount, on any Quarterly Payment Date, on the occurrence of one or more of the following circumstances:

(a) If, on the next Quarterly Payment Date, the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person is or would become required to deduct or withhold any amounts for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division thereof or therein) or of any authority therein or thereof having power to tax from any payment of principal or interest in respect of Notes of any Class held by or on behalf of any Noteholder who would, but for any amendment to, or change in, the tax laws or regulations of the Kingdom of Belgium (or any sub-division thereof or therein) or of any authority therein or thereof having power to tax or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations after the Closing Date, have been an Eligible Investor; or

(b) if, on the next Quarterly Payment Date, the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person is or would become required to deduct or withhold any amounts for or on account of FATCA in respect of any payment of principal or interest in respect of Notes of any Class held by or on behalf of any Noteholder; or

(c) if, on the next Quarterly Payment Date, the Issuer, the Cap Provider or any other person would be required to deduct or withhold any amounts pursuant to an agreement described in Section 1471(b) of the **Code** or pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (**FATCA**) and/or of any present or future taxes, duties assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division

thereof or therein) or of any authority therein or thereof having power to tax or any other sovereign authority having the power to tax, in respect of any payment under the Cap Agreement; or

(d) if, the total amount payable in respect of a Quarterly Calculation Period as interest on any of the Loans ceases to be receivable by the Issuer during such Quarterly Calculation Period due to withholding or deduction for or on account of FATCA and/or of any present or future taxes, duties, assessments or governmental charges of whatever nature in respect of such payments; or

(e) if, after the Closing Date, the Belgian tax regulations introducing income tax, withholding tax and VAT concessions for Belgian companies for investment in receivables (including the Issuer) (the **IIR Tax Regulations**) are changed (or their application is changed in a materially adverse way to the Issuer or in the event that the IIR Tax Regulations would no longer be applicable to the Issuer);

after payment of all amounts that are due and payable in priority to the Notes subject to and in accordance with the Conditions and provided that it has sufficient funds available to redeem all the Notes on such date (an **Optional Redemption for Tax Reasons**).

See further *Condition 4.5(f) (Optional Redemption for Tax Reasons*).

Clean-Up Call Option:

The Issuer shall, upon giving not more than sixty (60) calendar days' notice and not less than thirty (30) calendar days' notice in accordance with Condition 4.14 prior to the relevant Quarterly Payment Date, have the right (but not the obligation) to redeem all the Notes on each Quarterly Payment Date if on the Quarterly Calculation Date immediately preceding such Quarterly Payment Date the aggregate Principal Amount Outstanding of the Notes is less than 10 per cent. of the aggregate Principal Amount Outstanding of the Class of Notes on the Closing Date (being the **Clean-Up Date**), and if all amounts that are due and payable in priority to the Class of Notes have been paid and provided that it has sufficient funds available to redeem all the Notes on such date (the **Clean-Up Call**).

See the detailed provisions contained in *Condition 4.5(e) (Optional Redemption Call and Clean-Up Call*).

Optional Redemption in case of Change of Law:

On each Quarterly Payment Date, the Issuer may at its option (but shall not be under any obligation to do so) redeem all (but not some only) of the Notes at the Optional Redemption Amount, if there is a change in, or any amendment to the laws, regulations, decrees or guidelines of the Kingdom of Belgium or of any authority therein or thereof having legislative or regulatory powers or in the interpretation by a relevant authority or a court of, or in the administration of, such laws, regulations, decrees or guidelines after the Closing Date which would or could affect participation of the Issuer or the Seller in the Transaction in a materially adverse way (including, but without limitation, the regulatory requirements to be adhered to by the Issuer

	or the Seller in order to be able to lawfully perform their obligations under the Transaction and the laws and regulations (other than the regulations referred to in connection with the Regulatory Call Option) governing the validity, enforceability and effectiveness of the rights and obligations of the Issuer, Seller and Secured Parties under the Transaction Documents (a **Change of Law**). See the detailed provisions contained in *Condition 4.5(g) (Optional Redemption in case of a Change of Law*).
Regulatory Call Option:	On any Quarterly Payment Date, the Issuer shall redeem all (but not some only) of the Notes in each Class (the **Regulatory Call Option**), if the Seller exercises its option to repurchase the Loans from the Issuer upon the occurrence of a change published after the Closing Date in the Basel Capital Accords promulgated by the Basel Committee on Banking Supervision (the Basel Accords) or in the international, European or Belgian regulations, rules and instructions (which includes the solvency regulation of the NBB or the ECB as applicable) (the **Bank Regulations**) applicable to the Seller (including any change in the Bank Regulations enacted for purposes of implementing a change to the Basel Accord) or a change in the manner in which the Basel Accords 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 the NBB or any relevant international, European 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 its cost or reducing its benefit with respect to the transaction contemplated by the Notes (a **Regulatory Change**). See the detailed provisions contained in *Condition 4.5(h) (Regulatory Call Option*).
Withholding Tax:	All payments of, or in respect of, principal of and interest (including Coupon Excess Consideration) on, the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) of whatever nature imposed or levied by or on behalf of the Kingdom of Belgium, any authority therein or thereof having power to tax (a **Tax Deduction**), unless the Tax Deduction is required by law. In that event, the Issuer, the Securities Settlement System Operator, or the Paying Agent or any other person (as the case may be) will make the required Tax Deduction for the account of the Noteholders, as the case may be, and shall not pay any additional amounts to such Noteholders in respect of any such withholding or deduction. Neither the Issuer, nor any Paying Agent nor the Securities Settlement System Operator nor any other person will be obliged to gross up the payments in respect of the Notes of any Class or to make any additional payments to any Noteholders. See further Condition 4.8 (*Taxation – No Grossing-up*) and paragraph 6.1 (*No Gross-up for Taxes*) under *Section 1 – Risk Factors*.

Method of Payment:	Payments of principal and interest will be made in euro to the Clearing System Operator, for the credit of the respective accounts of the Noteholders. See further Annex 1 - *Terms and Conditions of the Notes*, *Section 2 – Dematerialised Notes*.
Use of proceeds:	The Issuer will use the net proceeds from the issue of the Notes and the proceeds of the Class B Subordinated Loan in the amount of EUR 150,000,000 to pay to the Seller (part of) the Initial Purchase Price for the Mortgage Receivables, pursuant to the provisions of an agreement that will be entered into on or before the Closing Date (the **Mortgage Receivables Purchase Agreement**) and made between the Seller, the Issuer and the Security Agent. The proceeds of the Class C Subordinated Loan in the amount of EUR 15,000,000 will be credited to the Reserve Account. The proceeds of the Expenses Subordinated Loan, in the amount of EUR 1,300,000 will be used by the Issuer to pay the Initial Cap Payment and certain start-up costs and expenses incurred by the Issuer in connection with the issue of the Notes and, as the case may be, part of the Initial Purchase Price. See further *Section 18 – Use of Proceeds*.
Admission to Trading:	Application has been made for the Notes to be admitted to trading on Euronext Brussels.
Ratings:	It is a condition precedent to issuance that the Notes, on issue, be assigned at least an an AAA (sf) rating from DBRS and an Aaa (sf) rating by Moody's.
Governing Law:	The Notes will be governed by and construed in accordance with the laws of the Kingdom of Belgium.
Mortgage Receivables	Under the Mortgage Receivables Purchase Agreement, the Issuer will purchase and on the Closing Date accept the transfer by way of assignment of legal title to and any and all rights (the **Mortgage Receivables**) of the Seller against certain borrowers (the **Borrowers**) under or in connection with certain selected Mortgage Loans. The Issuer will be entitled to the proceeds of the Mortgage Receivables from 1 January 2023 (included).
Repurchase of Mortgage Receivables:	Under the Mortgage Receivables Purchase Agreement the Seller has undertaken to repurchase and accept re-assignment of a Mortgage Receivable: (a) if any of the representations and warranties relating to a Mortgage Loan or a Mortgage Receivable proves to have been untrue or incorrect; and (b) if a Borrower requests a Non-Permitted Variation to a Mortgage Receivable and if the Seller requests that such Non-Permitted Variation be accepted, except if the Issuer Administrator and the Security Agent confirm that the Seller does not need to repurchase the relevant Mortgage Receivable

See further *Section 12 – Mortgage Receivables Purchase Agreement*, paragraph 5 (*Repurchases, Call Options And Permitted Variations*)

Mortgage Loans:

The Mortgage Receivables to be sold by the Seller pursuant to the Mortgage Receivables Purchase Agreement will result from loans secured by (i) a first-ranking Mortgage, and/or (ii) a lower ranking Mortgage provided that the benefit of all higher ranking Mortgages on the same Real Estate has been transferred to the Issuer pursuant to the Mortgage Receivables Purchase Agreement, and, as the case may be, and/or (iii) a mandate to create Mortgages over Real Estate (the **Mortgaged Assets**) and entered into by the Seller or its legal predecessors and the relevant Borrowers 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 **Mortgage Loans**).

All of the Mortgage Loans are granted in the form of a credit facility (*kredietopening/ouverture de crédit*), which means that the amounts repaid under the credit facility can be re-borrowed by the Borrower subject to satisfaction of certain conditions and subject to the approval of Bank Nagelmackers.

The Mortgage Loans (or any loan parts comprising a Mortgage Loan) may consist of Mortgage Loans with any of the following types of redemption characteristics:

(a) Linear Mortgage Loans;

(b) Annuity Mortgage Loans and

(c) Interest-only Mortgage Loans.

Security for the Notes:

The Notes will be secured by a first ranking pledge in favour of the Secured Parties, including the Security Agent acting in its own name but on behalf of the Noteholders and the other Secured Parties by the Issuer over (i) the Mortgage Receivables, including the Related Security, (ii) the Issuer's claims under or in connection with the Transaction Documents, and (iii) the balances standing to the credit of the Transaction Accounts.

The amounts payable to the Noteholders and the other Secured Parties will be limited to the amounts available for such purpose to the Security Agent which, *inter alia*, will consist of amounts recovered by the Security Agent on the Mortgage Receivables, including the Related Security. Payments to the Secured Parties will be made in accordance with the Priority of Payments upon Enforcement.

See further *Section 1 - Risk Factors* and for a more detailed description see *Section 9 – Issuer Security*.

Cash flow structure

In general, see Section 6 – Credit Structure.

Seller Collection Account:	The Seller maintains an account (the **Seller Collection Account**) to which collections of all amounts of interest, Prepayment Penalties and principal received under the Mortgage Loans will be paid. The Seller Collection Account is administrated by the MPT Provider.
Issuer Collection Account:	The Issuer shall maintain with the Floating Rate GIC Provider an account (the **Issuer Collection Account**) to which, *inter alia*, on a daily basis all amounts from the Seller Collection Account will be transferred by the Seller or by the MPT Provider on its behalf.
Liquidity Facility Stand-by Drawing Account:	Upon a Liquidity Facility Stand-by Drawing, the Issuer will credit the amount of such drawing to the Liquidity Facility Stand-by Drawing Account opened with the Floating Rate GIC Provider.
Reserve Account:	The Issuer will pay the proceeds of the Class C Subordinated Loan into an account (the **Reserve Account**) held with the Floating Rate GIC Provider.
Floating Rate GIC:	The Issuer and the Floating Rate GIC Provider will enter into a guaranteed investment contract (the **Floating Rate GIC**) on the Closing Date, whereunder the Floating Rate GIC Provider will agree to pay a guaranteed rate of interest (the **Floating Rate GIC Interest Rate**) on the balance standing from time to time to the credit of the Transaction Accounts.
Liquidity Facility Agreement:	On or before the Closing Date, the Issuer will enter into a liquidity facility agreement (the **Liquidity Facility Agreement**) with the Liquidity Facility Provider pursuant to which the Issuer will be granted a committed Euro revolving liquidity facility in an amount equal to the Liquidity Facility Maximum Amount by the Liquidity Facility Provider. The Issuer may draw an amount under the Liquidity Facility Agreement (or, as the case may be, from the Liquidity Facility Stand-by Drawing Account) if the Interest Available Amount (including any amounts available to the Issuer from the Reserve Fund) is insufficient to meet the Issuer's obligations under items (i) to (iii) (inclusive) of the Pre-FORD Interest Priority of Payments or under items (i) to (iii) (inclusive) of the Post-FORD Interest Priority of Payments in full.
Class B Subordinated Loan:	On or before the Closing Date, the Issuer will enter into a class B subordinated loan agreement (the **Class B Subordinated Loan Agreement**) with the Class B Subordinated Loan Provider for an amount of EUR 150,000,000. The proceeds of the Class B Subordinated Loan Agreement will be used to pay to the Seller (part of) the Initial Purchase Price for the Mortgage Receivables, pursuant to the provisions of the Mortgage Receivables Purchase Agreement.
Class C Subordinated Loan:	On or before the Closing Date, the Issuer will enter into a class C subordinated loan agreement (the **Class C Subordinated Loan Agreement**) with the Class C Subordinated Loan Provider for an amount of EUR 15,000,000. The proceeds of the Class C Subordinated Loan Agreement will be credited to the Reserve Account.

Expenses Subordinated Loan Agreement:	On or before the Closing Date, the Issuer will enter into a subordinated loan agreement (the **Expenses Subordinated Loan Agreement**) with the Expenses Subordinated Loan Provider for an amount of EUR 1,300,000. The proceeds of the Expenses Subordinated Loan Agreement will be used to pay the Initial Cap Payment and certain start-up costs and expenses incurred by the Issuer in connection with the issue of the Notes, and, as the case may be, part of the initial purchase price for the Mortgage Receivables.

Section 5- Mortgage Loan Underwriting and Mortgage Services

1. INTRODUCTION

The Provisional Pool consists of Mortgage Loans originated by Bank Nagelmackers (previously known as Delta Lloyd Bank).

Bank Nagelmackers currently originates mortgage loans through two main channels: (i) its branch network (22 branches), representing 55% of the mortgage production in 2021 and (ii) independent agents working under the label of Bank Nagelmackers (32 agents), accounting for the remaining 45% of the production in 2021.

1.1 Application and approval process

The mortgage loan application form signed by the client is introduced by the relevant sales person for acceptance by Bank Nagelmackers. New mortgage loans are accepted by Bank Nagelmackers, either by means of a credit scoring system or by a credit officer, on the basis of a fixed underwriting protocol including a credit check with the *Centrale voor Kredieten aan Particulieren/Centrale des Crédits aux Particuliers*. After approval the banks draft the mortgage loan documentation and sends the completed proposal back to the branch or the agent. After a final check at the branch or the agent, the proposal is discussed with the client. If the client accepts the proposal, the bank executes the newly approved loan step by step: from verification of the required documents to loan documentation and ultimately payment to the borrower via a notary.

Once the mortgage loan is in place, Bank Nagelmackers remains responsible for all communication with the client, including arrears and foreclosure management.

1.2 Servicing

(a) Payment collections

Most of the borrowers (approximately 94% of the total portfolio) pay via direct debit via Nagelmackers current account. The remaining part of the borrowers pays by direct debit on external accounts or money transfer. A direct debit cannot be executed if the balance of the borrowers' account is not sufficient to cover the full amount of the scheduled monthly payment. In this case, there will be more than one attempt to withdrawn the full amount on the scheduled payment.

(b) Arrears

If the borrower misses a payment, a reminder letter is automatically sent within fifteen days of the due date of the missed payment. The letter also announces that a penalty interest will be charged, which is limited by law. If the borrower does not remedy his payment default following this first letter, a second letter and potentially consecutive letters will be sent, with wording and content becoming increasingly severe. Letters will continue to be sent until the arrears are fully repaid or the mortgage loan has been accelerated. Once the borrower is in arrears for three monthly instalments his file will be discussed during the prelitigation committee which may decide to start the foreclosure. During this entire process, Bank Nagelmackers may decide, where applicable, whether the mortgage mandate on the property needs to be converted into a mortgage.

(c) Foreclosure process

The procedure which follows includes a mandatory amicable settlement procedure, the acceleration of the mortgage loan, the involvement of the seizure judge who appoints a notary and can ultimately result in a public sale of the property by the notary. Typically this procedure takes approximately 18 months from the first arrear, sometimes longer. However, in practice, a solution is generally found much faster, whether by a mutually agreed repayment schedule, refinancing or voluntary sale of the property, thereby enabling the borrower to repay Bank Nagelmackers before the start of a legal procedure.

Section 6- Credit Structure

1. MORTGAGE LOAN INTEREST RATES

1.1 Interest and interest rates

The interest rate of each Mortgage Loan is fixed, subject to a reset from time to time. On the Cut-off Date the weighted average interest rate of the Mortgage Loans is 1.70%. Interest rates vary between individual Mortgage Loans. The range of interest rates is described further in Section 16.

The actual amount of revenue received by the Issuer under the Mortgage Receivables Purchase Agreement will vary during the life of the Notes as a result of the level of delinquencies, defaults, repurchases, repayments and prepayments in respect of the Mortgage Receivables. Similarly, the actual amounts payable under the Interest Priority of Payments will vary during the life of the transaction as a result of fluctuations in Euribor and possible variations in certain other costs and expenses of the Issuer. The eventual effect of such variations could lead to drawings under the Reserve Account and to non-payment of certain items under the Interest Priority of Payments and/or the Principal Priority of Payments.

1.2 Prepayment Penalties

In accordance with applicable law, the Contract Records allow for Prepayment Penalties equal to three (3) months interest on the prepaid amount, calculated at the interest rate then applicable to the prepaid Mortgage Loan (except in case of: (a) the death of a Borrower if the Mortgage Loan is repaid from the proceeds of the Life Insurance Policy taken out in relation to the Mortgage Loan; or (b) in case of destruction of or damage to the property because of hazard, to the extent that the prepayment occurs with funds paid pursuant to a Hazard Insurance Policy relating to property(/ies) securing the Mortgage Loan).

1.3 Default interest

In respect of arrears on the Mortgage Loans, default interest (*nalatigheidsinterest/intérêt moratoire*) at a rate of up to 0.5% per annum is charged/applied in addition to the interest rate then applicable to the Mortgage Loan.

2. CASH COLLECTION ARRANGEMENT

Payments by the Borrowers of interest and scheduled principal under the Mortgage Receivables are due on a monthly basis, interest being payable in arrears. Until the assignment of the Mortgage Receivables has been notified to the Borrowers, all payments made by Borrowers will be paid into the Seller Collection Account maintained with Bank Nagelmackers (in this capacity the **Seller Collection Account Provider**). The Seller Collection Account is administrated by the MPT Provider. This account is not pledged to any party. This account will also be used for the collection of monies paid in respect of mortgage receivables other than Mortgage Receivables and in respect of other monies belonging to the Seller.

On each Business Day the MPT Provider shall transfer all amounts of principal, interest, Prepayment Penalties and interest penalties received by the Seller in respect of the Mortgage Receivables to the Issuer Collection Account. Upon the occurrence of a Notification Event, the Seller shall, unless an appropriate remedy to the satisfaction of the Issuer and the Security Agent is found and implemented within a period of thirty (30) calendar days and provided that the then current ratings assigned to the Notes will not be adversely affected as a consequence thereof, except in the occurrence of certain Notification Events where no remedy period of thirty (30) calendar days shall apply, forthwith notify in writing the relevant Borrowers of the Mortgage Loans and any other relevant parties indicated by the Issuer and/or the Security Agent, including the Insurance Companies or other third party providers

of additional collateral, of the assignment of the Mortgage Receivables and the Related Security to the Issuer and instruct the relevant Borrowers of the Mortgage Loans and any other relevant parties indicated by the Issuer and/or the Security Agent, including the Insurance Companies or other third party providers of additional collateral to pay any amounts due directly to the Issuer Collection Account or, at its option, the Issuer shall be entitled to make such notifications and to give such instructions itself or on behalf of the Seller.

3. TRANSACTION ACCOUNTS

3.1 Replacement of the Floating Rate GIC Provider

The **Transaction Accounts** are each of the Issuer Collection Account, the Reserve Account, the Liquidity Facility Stand-by Drawing Account and the Cap Collateral Accounts. The Transaction Accounts will be held at the Floating Rate GIC Provider.

If at any time:

(i) the Floating Rate GIC Provider does not satisfy the Required Minimum Ratings (for the avoidance of doubt, either the relevant ratings by DBRS or the relevant ratings by Moody's); or

(ii) the Floating Rate GIC Provider ceases to be rated or ceases to be authorised to conduct business as a credit institution in a country of the Eurozone,

then the Floating Rate GIC Provider will immediately inform the Issuer Administrator thereof and the Issuer (or the Issuer Administrator on its behalf) will procure on a best effort basis within the Applicable Remedy Period the transfer of all the Transaction Accounts (and the outstanding balance credited thereto) which were held at the Floating Rate GIC Provider to another bank or banks approved in writing by the Security Agent, which have the Required Minimum Ratings and which are credit institutions authorised to conduct business as a credit institution in a country of the Eurozone or the Issuer may choose to obtain a guarantee for the obligations under the Floating Rate GIC, being understood that the guarantee:

(i) must be provided by a credit institution in a country of the Eurozone and which has the Required Minimum Ratings;

(ii) must be irrevocable and unconditional; and

(iii) must be payable upon first demand of the Issuer (or Security Agent after an Enforcement Notice),

or find any other solution or take any other suitable action that will not, in and of itself and at this time, negatively impact the rating of the Notes then outstanding.

Required Minimum Ratings means:

(i) in case of ratings given by DBRS, the higher of (a) the long term issuer rating or long-term senior unsecured debt rating of the Floating Rate GIC Provider; (b) the Critical Obligations Rating minus one notch; and (c) the long-term deposit rating of the Floating Rate GIC Provider is less than A (or assigned a credit view equivalent of a rating of less than A) by DBRS; and

(ii) in case of ratings given by Moody's, a deposit rating (or otherwise equivalent rating under the rating agency criteria of Moody's at that time) of at least A3.

Applicable Remedy Period means: (i) in case of DBRS, 60 calendar days; and (ii) in case of Moody's or in case of loss of authorisation to conduct business as a credit institution in a country of the Eurozone, 30 calendar days.

3.2 Issuer Collection Account

The Issuer will maintain with the Floating Rate GIC Provider the Issuer Collection Account to which (i) all amounts received in respect of the Mortgage Receivables will be paid, and (ii) all amounts received from the other parties to the Transaction Documents will be paid (other than cash collateral provided by the Cap Provider).

On the basis of the information provided by the MPT Provider, 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 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**), as the case may be. In particular, the amounts forming part of the Notes Interest Available Amount will be credited to the Revenue Ledger. The amounts forming part of the Notes Redemption Available Amount will be credited to the Principal Ledger.

In addition, the Issuer Administrator will identify the funds drawn from the Liquidity Facility Provider and credited to the Liquidity Facility Drawn Amount Ledger.

Payments may be made from the Issuer Collection Account other than on a Quarterly Payment Date in accordance with Section 7.1(b) (*Payments during any Interest Period)*.

3.3 Reserve Account

The Issuer will also maintain with the Floating Rate GIC Provider the Reserve Account. On the Closing Date, the proceeds of the Class C Subordinated Loan will be credited to the Reserve Account.

Amounts credited to the Reserve Account will be available on any Quarterly Payment Date to meet items (i) to (vi) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (vi) (inclusive) of the Post-FORD Interest Priority of Payments, before application of any funds drawn from the Liquidity Facility Stand-by Drawing Account.

Any drawing under the Reserve Account by the Issuer shall only be made on a Quarterly Payment Date if and to the extent there is a shortfall in the Notes Interest Available Amount to meet items (i) to (vi) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (vi) (inclusive) of the Post-FORD Interest Priority of Payments in full on that Quarterly Payment Date, before drawing on the Reserve Account.

The **Reserve Account Required Amount** shall on any Quarterly Calculation Date be equal to (i) the amount of the proceeds of the Class C Subordinated Loan paid into the Reserve Account on the Closing Date, or (ii) zero, on the date whereon the Notes have been or are to be redeemed in full, subject to the Conditions.

To the extent that the balance standing to the credit of the Reserve Account on any Quarterly Calculation Date exceeds the Reserve Account Required Amount, such excess shall be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date and shall form part of the Notes Interest Available Amount on that Quarterly Payment Date.

The Reserve Account will be replenished up to the Reserve Account Required Amount in accordance with the Interest Priority of Payments.

After all amounts of interest and principal due in respect of the Notes and on the Class B Subordinated Loan have been paid and all payments or provisions of the Interest Priority of Payments ranking higher in priority have been made, any amount standing to the credit of the Reserve Account will be applied to repay or partially repay, as the case may be, the Class C Subordinated Loan.

3.4 Cap Collateral Accounts

The Issuer will open a separate account with the Floating Rate GIC Provider in which cash collateral provided by the Cap Provider will be held (the **Cash Cap Collateral Account**). The Issuer will also open a custody account with the Floating Rate GIC Provider in which securities collateral provided by the Cap Provider will be held (the **Securities Cap Collateral Account** and together with the Cash Cap Collateral Account, the **Cap Collateral Accounts**). The Cap Collateral Accounts will fall under the pledge created by the Pledge Agreement.

No withdrawals are permitted in respect of the Cap Collateral Accounts other than in relation to the return of Excess Cap Collateral, unless pursuant to the termination of the Cap Agreement, an amount is owed by the Cap Provider to the Issuer, in which case, an amount of the collateral equal to the amount owed by the Cap Provider to the Issuer may be applied in accordance with the Common Representative Appointment Agreement.

Excess Cap Collateral means an amount equal to the value of any collateral transferred to the Issuer by the Cap Provider under the Cap Agreement (together with any interest and distributions received by the Issuer in respect thereof) that is in excess of the Cap Provider's liability to the Issuer thereunder (i) as at the date such Cap Agreement is terminated or (ii) as at any other date of valuation in accordance with the terms of the Cap Agreement.

Any amounts representing Excess Cap Collateral or Tax Credits in such accounts from time to time shall be transferred directly to the Cap Provider (outside of any Priority of Payments) pursuant to the terms of the Transaction Documents.

Tax Credit means, to the extent obtained by the Issuer, any tax credit, allowance, set-off or repayment from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to such payment.

3.5 Liquidity Facility Stand-by Drawing Account

The Issuer has opened a separate account with the Floating Rate GIC Provider to which the amount of the Liquidity Facility Stand-by Drawing will be credited (the **Liquidity Facility Stand-by Drawing Account**). Amounts so credited to the Liquidity Facility Stand-by Drawing Account may be utilised by the Issuer in the same manner as a drawing under the Liquidity Facility Agreement.

4. LIQUIDITY FACILITY

4.1 Liquidity Facility

The Issuer will be granted on the Closing Date a committed Euro revolving liquidity facility in an amount equal to the Liquidity Facility Maximum Amount (the **Liquidity Facility**) by the Liquidity Facility Provider.

The ***Liquidity Facility Maximum Amount*** shall be:

(a) 1.76% of the outstanding amount of the Notes with a minimum of EUR 5,000,000 for as long as the Notes have not been redeemed in full; and

(b) zero, on the date on which the Notes stand to be redeemed in full.

A **Liquidity Facility Drawn Amount Ledger** will be established on behalf of the Issuer by the Issuer Administrator in order to record any amounts drawn from the Liquidity Facility. The balance of the Liquidity Facility Drawn Amount Ledger shall on the next succeeding Quarterly Payment Date and prior to the occurrence of a Liquidity Facility Stand-by Drawing be reduced with the amount of Liquidity Facility Surplus, if any. ***Liquidity Facility Surplus*** means, on any Quarterly Calculation Date, the Interest Available Amount to be allocated to the Liquidity Facility Drawn Amount Ledger or, following a Liquidity Facility Stand-by Drawing, to the Liquidity Facility Drawing Account in accordance with the Interest Priority of Payments.

The ***Liquidity Facility Undrawn Amount*** will on any Quarterly Calculation Date be the Liquidity Facility Maximum Amount less the amount recorded on the Liquidity Facility Drawn Amount Ledger (for the avoidance of doubt, the Liquidity Facility Undrawn Amount cannot be lower than zero).

The Issuer will pay on each Quarterly Payment Date an availability fee to the Liquidity Facility Provider to be calculated based on the Liquidity Facility Undrawn Amount on the immediately preceding Quarterly Calculation Date (the **Availability Fee**).

The Issuer will pay on each Quarterly Payment Date an accrued interest amount to the Liquidity Facility Provider on the amounts drawn under the Liquidity Facility Agreement including, for the avoidance of doubt, on any Liquidity Facility Stand-by Drawing (the **Drawn Liquidity Facility Interest**).

4.2 Utilising the Liquidity Facility

As long as the Notes have not been redeemed in full, prior to the service of an Enforcement Notice and if the Interest Available Amount (including any amounts available to the Issuer from the Reserve Fund) is insufficient to meet the Issuer's obligations under items (i) to (iii) (inclusive) of the Pre-FORD Interest Priority of Payments or under items (i) to (iii) (inclusive) of the Post-FORD Interest Priority of Payments in full, then the Issuer will draw an amount for such shortfall and up to the Liquidity Facility Undrawn Amount, as calculated on the immediately preceding Quarterly Calculation Date. Such amount will be credited to the Issuer Collection Account and added to the Notes Interest Available Amount.

The Liquidity Facility Agreement is for a maximum term of 364 days. The commitment of the Liquidity Facility Provider will be extended automatically for a new maximum terms of 364 days, unless the Liquidity Facility Provider has notified the Issuer at least 30 calendar days ahead of such extension that it is not willing to extend the Liquidity Facility Agreement. Any drawing under the Liquidity Facility Agreement by the Issuer shall only be made on a Quarterly Payment Date if and to the extent that, after the application of amounts available on the Reserve Account and without taking into account any drawing under the Liquidity Facility, there is a shortfall in the Notes Interest Available Amount to meet: (A) items (i) to (iii) (inclusive), in the Pre-FORD Interest Priority of Payments in full; or (B) items (i) to (iii) (inclusive), in the Post-FORD Interest Priority of Payments in full, as applicable, on that Quarterly Payment Date. Certain payments to the Liquidity Facility Provider will rank in priority in respect of payments and security to, inter alia, the Notes.

If the Liquidity Facility Provider has notified the Issuer that it is not willing to extend the Liquidity Facility Agreement and prior to the termination of the Liquidity Facility Agreement, the Liquidity Facility Provider is not replaced with a suitable alternative liquidity facility provider which ha(s)(ve) at least the Required Minimum Ratings and which are credit institutions authorised to conduct business as a credit institution in a country of the Eurozone, then the Issuer (or the Issuer Administrator on its behalf) will be required forthwith to draw down the entirety of the undrawn portion under the Liquidity Facility Agreement (a **Liquidity Facility Stand-by Drawing**) and credit such amount to the Liquidity Facility Stand-by Drawing Account. Amounts so credited to the Liquidity Facility Stand-by Drawing Account may be utilised by the Issuer in the same manner as a drawing under the Liquidity Facility Agreement.

4.3 Replacement of the Liquidity Facility Provider

If at any time:

(i) the Liquidity Facility Provider does not satisfy the Required Minimum Ratings (for the avoidance of doubt, either the relevant ratings by DBRS or the relevant ratings by Moody's); or

(ii) the Liquidity Facility Provider ceases to be rated or ceases to be authorised to conduct business as a credit institution in a country of the Eurozone,

then the Liquidity Facility Provider will immediately inform the Issuer Administrator and the Rating Agencies thereof and the Issuer (or the Issuer Administrator on its behalf) will procure on a best effort basis within the Applicable Remedy Period either

(i) to transfer all its rights and obligations under the Liquidity Facility Agreement to another liquidity facility provider(s) approved in writing by the Security Agent, which ha(s)(ve) the Required Minimum Ratings and which are credit institutions authorised to conduct business as a credit institution in a country of the Eurozone; or

(ii) to obtain a guarantee for the obligations under the Liquidity Facility, being understood that the guarantee:

(A) must be provided by a credit institution in a country of the Eurozone and which has the Required Minimum Ratings;

(B) must be irrevocable and unconditional; and

(C) must be payable upon first demand of the Issuer (or Security Agent after an Enforcement Notice); or

(iii) to find any other solution or take any other suitable action that will not, in and of itself and at this time, negatively impact the rating of the Notes then outstanding.

Required Minimum Ratings means in respect of either the Floating Rate GIC Provider or the Liquidity Facility Provider:

(i) in case of ratings given by DBRS, the higher of (a) the long term issuer rating or long-term senior unsecured debt rating; (b) the Critical Obligations Rating minus one notch; and (c) the long-term deposit rating is less than A (or assigned a credit view equivalent of a rating of less than A) by DBRS; and

(ii) in case of ratings given by Moody's, a deposit rating (or otherwise equivalent rating under the rating agency criteria of Moody's at that time) of at least A3.

Applicable Remedy Period means: (i) in case of DBRS, 60 calendar days; and (ii) in case of Moody's or in case of loss of authorisation to conduct business as a credit institution in a country of the Eurozone, 30 calendar days.

5. SUBORDINATION

5.1 General subordination following Enforcement

Following an Enforcement Notice being served:

(a) any amount due or overdue in respect of the Class B Subordinated Loan will:

(i) in terms of payment and security, rank lower in priority than any amount due or overdue in respect of the Notes and any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers; and

(ii) only become payable after any amounts due in respect of any Notes and any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers, have been paid in full;

(b) any amount due or overdue in respect of the Class C Subordinated Loan will:

(i) in terms of payment and security, rank lower in priority than any amount due or overdue in respect of the Notes, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers and the Class B Subordinated Loan; and

(ii) only become payable after any amounts due in respect of any Note, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers and the Class B Subordinated Loan, sequentially have been paid in full;

5.2 The Notes

The Notes will be senior to each of the Class B Subordinated Loan and the Class C Subordinated Loan.

As between the Class A1 Notes and the Class A2 Notes, any Notes Redemption Available Amount remaining after item (a) of the Principal Priority of Payments will be used (i) first to redeem the Class A1 Notes, until fully redeemed; and (ii) second to redeem the Class A2 Notes, until fully redeemed.

In respect of:

(a) payment of interest prior to enforcement on the Notes;

(b) payment of Coupon Excess Consideration; and

(c) payment of any amount due in respect of the Notes in case of enforcement,

the Class A1 Notes and the Class A2 Notes shall rank *pari passu* and be paid *pro rata*.

5.3 Class B Subordinated Loan

The Class B Subordinated Loan will be subordinated to the Notes (including, as from the First Optional Redemption Date, if applicable, to the Coupon Excess Consideration payable in respect to the Notes) as follows:

(a) no payment of principal by the Issuer on the Class B Subordinated Loan will be made whilst any Note remains outstanding or, after the First Optional Redemption Date, any shortfall on the Coupon Excess Consideration Deficiency Ledgers remains outstanding;

(b) interest on the Class B Subordinated Loan will only be paid in accordance with the Interest Priority of Payments; and

(c) in case of the service of an Enforcement Notice by the Security Agent of any amount due in respect of the Class B Subordinated Loan, any amounts due in respect of the Notes and, after the First Optional Redemption Date, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers will rank in priority to any amounts due in respect of the Class B Subordinated Loan, in accordance with the Post-enforcement Priority of Payments.

5.4 Class C Subordinated Loan

The Class C Subordinated Loan will be subordinated to (i) the Notes (including, as from the First Optional Redemption Date, if applicable, to the Coupon Excess Consideration payable in respect to the Notes); and (ii) the Class B Subordinated Loan as follows:

(a) principal and interest on the Class C Subordinated Loan will only be paid by the Issuer in accordance with the Interest Priority of Payments; and

(b) in case of the service of an Enforcement Notice by the Security Agent, any amount due in respect of the Class C Subordinated Loan will rank after any amounts due in respect of the Notes, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers and the Class B Subordinated Loan in accordance with the Post-enforcement Priority of Payments.

5.5 Limited recourse – Compartments

To the extent that Notes Redemption Available Amounts and Notes Interest Available Amounts are insufficient to repay any principal and accrued interest outstanding (including, for the avoidance of doubt, any Coupon Excess Consideration) on any Class of Notes on the Final Maturity Date, any amount of the Principal Amount Outstanding of, and accrued interest on, such Notes in excess of the amount available for redemption or payment at such time, will cease to be payable by the Issuer.

Obligations of the Issuer to the Noteholders and all other Secured Parties are allocated exclusively to Compartment No. 5 and the recourse for such obligations is limited so that only the assets of Compartment No. 5 subject to the relevant Security Interest will be available to meet the claims of the Noteholders and the other Secured Parties. Any claim remaining unsatisfied after the realisation of the Security Interest and the application of the proceeds thereof in accordance with the Post-Enforcement Priority of Payments shall be extinguished and all unpaid liabilities and obligations of the Issuer acting through its Compartment No. 5 will cease to be payable by the Issuer. Except as otherwise provided by Conditions 4.11 (*Enforcement of Security and/or Notes – Limited Recourse, Waiver and Non-petition*) and 4.12 (*The Security Agent*), none of the Noteholders or any other Secured Party shall be entitled to initiate proceedings or, in case of the Secured Parties, take any steps to enforce any relevant Security Interest. See Condition 4.11 (*Enforcement of Security and/or Notes – Limited Recourse, Waiver and Non-petition*).

6. PRINCIPAL DEFICIENCY, INTEREST DEFICIENCY AND COUPON EXCESS CONSIDERATION DEFICIENCY

6.1 Principal Deficiency

A **Principal Deficiency Ledger** comprising two sub-ledgers (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:

(a) a Class A Interest Shortfall;

(b) a Principal Deficiency; and

(c) any Notes Redemption Available Amount which in accordance with the Principal Priority of Payments is used to cover any Coupon Excess Consideration Deficiency.

On each Quarterly Calculation Date, first, the Class A Interest Shortfall and thereafter, the Quarterly Principal Deficiency and thereafter any Notes Redemption Available Amount which in accordance with the Principal Priority of Payments is used to cover any Coupon Excess Consideration Deficiency

will be debited to the Class B Principal Deficiency Ledger (such debit items, together with the debit balance, if any, on the Class B Principal Deficiency Ledger on the immediately preceding Quarterly Payment Date being credited at item (viii) of the pre-FORD Interest Priority of Payments or at item (x) of the Post-FORD Interest Priority of Payments, to the extent any part of the Notes Interest Available Amount is available for such purpose) so long as the debit balance on such ledger is less than the outstanding principal balance of the Class B Subordinated Loan (the **Class B Principal Deficiency Limit**) and thereafter first, the Class A Interest Shortfall and thereafter, the Quarterly Principal Deficiency and thereafter any Notes Redemption Available Amount which in accordance with the Principal Priority of Payments is used to cover any Coupon Excess Consideration Deficiency will be debited to the Class A Principal Deficiency Ledger (such debit items, together with the debit balance, if any, on the Class A Principal Deficiency Ledger on the immediately preceding Quarterly Payment Date being credited at item (vi) of the Pre-FORD Interest Priority of Payments or at item (vi) of the Post-FORD Interest Priority of Payments, to the extent that any part of the Notes Interest Available Amount is available for such purpose) so long as the debit balance on such ledger is less than Principal Amount Outstanding of the Notes (the **Class A Principal Deficiency Limit**).

Class A Interest Shortfall means, in relation to any Quarterly Payment Date, any shortfall of the aggregate amount under items (i) to (x) (inclusive) of Notes Interest Available Amount to pay Accrued Interest on the Notes on the relevant Quarterly Payment Date and any other amount as referred to in items (i) to (iii) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (iii) (inclusive) of the Post-FORD Interest Priority of Payments.

Mortgaged Asset means the Real Estate over which a Mortgage and/or a Mortgage Mandate is granted.

Net Proceeds has the meaning ascribed to it in Condition 4.2(c)(viii).

Principal Deficiency means, on any Quarterly Calculation Date, the sum of:

(a) the Quarterly Principal Deficiency calculated on such Quarterly Calculation Date; and

(b) the debit balance, if any, on the Principal Deficiency Ledger on the immediately preceding Quarterly Payment Date (after application of the Notes Interest Available Amount in accordance with the Interest Priority of Payments on that Quarterly Payment Date).

Quarterly Principal Deficiency means, on any Quarterly Calculation Date, the aggregate Realised Losses.

Realised Losses means, on any Quarterly Calculation Date, the sum of:

(a) the amount corresponding to the difference between (i) the aggregate Outstanding Principal Amount of Mortgage Receivables in respect of which the foreclosure procedure or amicable sale procedure on the relevant Mortgage Assets has been completed or insurance policy collections have been received, during the immediately preceding Quarterly Calculation Period and (ii) the sum of the Net Proceeds on such Mortgage Receivables; and

(b) with respect to Mortgage Receivables sold by the Issuer during the immediately preceding Quarterly Calculation Period, the amount of the difference, if any, between (x) the aggregate Outstanding Principal Amount of such Mortgage Receivables at the sale date and (y) the purchase price received in respect of such Mortgage Receivables to the extent relating to the principal amount of such Mortgage Receivables.

6.2 Interest Deficiency Ledgers and Coupon Excess Consideration Deficiency Ledgers

(a) ***Event of Default in respect of failure to pay the interest (excluding Coupon Excess Consideration) due under the Notes.***

Subject to Condition 4.9 (*Events of Default*), it shall be an Event of Default under the Notes if on any Quarterly Payment Date, the interest (excluding Coupon Excess Consideration) under and in respect of the Notes has not been paid in full and remains unpaid at least ten (10) Business Days after such due date.

Non-payment of Coupon Excess Consideration will not constitute an Event of Default.

(b) ***Coupon Excess Consideration***

Two ledgers, known as the Class A1 Coupon Excess Consideration Deficiency Ledger and the Class A2 Coupon Excess Consideration Deficiency Ledger (together referred to as the ***Coupon Excess Consideration Deficiency Ledgers***) will be established by the Issuer Administrator on behalf of the Issuer in respect of each of the Classes of Notes in order to record any amounts of Coupon Excess Consideration that have not been (fully) paid out on the relevant Quarterly Payment Date(s) to the Noteholders. The balance of the respective Coupon Excess Consideration Deficiency Ledger existing on any Quarterly Calculation Date shall on the next succeeding Quarterly Payment Date be reduced with the amount of Coupon Excess Consideration Surplus, if any, to be allocated pro-rata – according to the balances of the respective Coupon Excess Deficiency Ledgers existing on the most recent Quarterly Calculation Date - to the Class A1 Coupon Excess Consideration Deficiency Ledger and the Class A2 Coupon Excess Consideration Deficiency Ledger.

Coupon Excess Consideration Deficiency means any shortfall reflected in the Coupon Excess Consideration Deficiency Ledgers, if any, of the relevant Coupon Excess Consideration.

Coupon Excess Consideration Surplus means, on any Quarterly Calculation Date, the sum of (i) the Notes Interest Available Amount and (ii) Notes Redemption Available Amount to be allocated to the Coupon Excess Consideration Deficiency Ledgers on the next succeeding Quarterly Payment Date in accordance with the Interest Priority of Payments or the Principal Priority of Payments, as applicable.

Class A1 Coupon Excess Consideration Deficiency Ledger means the coupon excess consideration deficiency ledger, relating to the Class A1 Notes.

Class A2 Coupon Excess Consideration Deficiency Ledger means the coupon excess consideration deficiency ledger, relating to the Class A2 Notes.

On each Quarterly Payment Date as from (but excluding) the First Optional Redemption Date, the Noteholders will, in accordance with the Post-FORD Interest Priority of Payments, on a *pro-rata* and *pari passu* basis and in accordance with the amount of Coupon Excess Consideration due among them, be entitled to the Coupon Excess Consideration, if sufficient amounts remain available for such purpose in accordance with the application of the Post-FORD Interest Priority of Payments.

The Coupon Excess Consideration will be subordinated to payments of a higher order of priority including, but not limited to, any amounts necessary to (i) make good any shortfall reflected in the Class A Principal Deficiency Ledgers until the debit balance, if any, on the Class A Principal Deficiency Ledgers is reduced to zero, and (ii) in or towards satisfaction of any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero, or, following a Liquidity Facility Stand-by Drawing, replenish the Liquidity Facility Stand-by Drawing Account up to the amount of the Liquidity Facility Maximum Amount and (iii) replenish the Reserve Account up to the amount of the Reserve Account Required Amount.

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

(c) ***Interest Deficiency Ledger and interest roll-over***

Interest Deficiency Ledgers will be established by the Issuer Administrator on behalf of the Issuer in respect of the Class B Subordinated Loan (the **Class B Interest Deficiency Ledger**) and the Class C Subordinated Loan (the **Class C Interest Deficiency Ledger**) in order to record any shortfalls in the payment of interest due or interest accrued but unpaid on the Class B Subordinated Loan and the Class C Subordinated Loan, as applicable.

To the extent that on any Quarterly Payment Date, the Notes Interest Available Amount is not sufficient to pay the interest due or interest accrued but unpaid in respect of the Class B Subordinated Loan, the amount of such shortfall (the **Class B Interest Deficiency**) shall be recorded in the Class B Interest Deficiency Ledger. The balance of the Class B Interest Deficiency Ledger existing on any Quarterly Calculation Date shall on the next succeeding Quarterly Payment Date be reduced with the Class B Interest Surplus, if any.

Class B Interest Surplus means, on any Quarterly Calculation Date, the Notes Interest Available Amount to be allocated to the Class B Interest Deficiency Ledger on the next succeeding Quarterly Payment Date in accordance with the Interest Priority of Payments.

To the extent that on any Quarterly Payment Date, the Notes Interest Available Amount is not sufficient to pay the interest due or interest accrued but unpaid in respect of the Class C Subordinated Loan, the amount of such shortfall (the **Class C Interest Deficiency**) shall be recorded in the Class C Interest Deficiency Ledger. The balance of the Class C Interest Deficiency Ledger existing on any Quarterly Calculation Date shall on the next succeeding Quarterly Payment Date be reduced with the Class C Interest Surplus, if any.

Class C Interest Surplus means, on any Quarterly Calculation Date, the Notes Interest Available Amount to be allocated to the Class C Interest Deficiency Ledger on the next succeeding Quarterly Payment Date in accordance with the Interest Priority of Payments.

Non-payment of interest due or interest accrued but unpaid on the Class B Subordinated Loan and the Class C Subordinated Loan will not cause an Event of Default.

(d) ***No capitalisation***

No interest will accrue on any amounts recorded on the Coupon Excess Consideration Deficiency Ledgers or on the Interest Deficiency Ledgers.

7. PRIORITY OF PAYMENTS IN RESPECT OF INTEREST

7.1 Calculation of Notes Redemption Available Amount and Notes Interest Available Amount, and payments during any Interest Period

(a) ***Calculation of Notes Redemption Available Amount and Notes Interest Available Amount***

The Quarterly Calculation Date shall be, in relation to any Quarterly Payment Date, the third Business Day preceding the relevant Quarterly Payment Date (the **Quarterly Calculation Date**). On each Quarterly Calculation Date the Issuer Administrator will calculate the amount of the Notes Interest Available Amount and the Notes Redemption Available Amount which will be available to the Issuer in the Issuer Collection Account on the immediately following Quarterly Payment Date to satisfy its

obligations in respect of certain expenses and costs to the Transaction Parties and its obligations under the Notes in accordance with the Interest Priority of Payments and the Principal Priority of Payments.

The Notes Interest Available Amount shall be calculated by reference to interest receipts and other amounts received by the Issuer in the Issuer Collection Account during the previous Quarterly Calculation Period or, with regard to certain amounts, at the latest on the succeeding Quarterly Payment Date.

The Notes Redemption Available Amount shall be calculated by reference to principal amounts and other amounts received by the Issuer in the Issuer Collection Account during the previous Quarterly Calculation Period.

(b) ***Payments during any Interest Period***

Provided no Enforcement Notice has been given, amounts due and payable by the Issuer:

(a) to satisfy any expenses referred to in items (i) and (ii) of the Pre-FORD Interest Priority of Payments or in items (i) and (ii) of the Post-FORD Interest Priority of Payments that become due and payable at such time; and

(b) in respect of payments to the MPT Provider of any amount previously credited to the Transaction Accounts in error,

may be paid by the Issuer on a date that is not a Quarterly Payment Date provided there are sufficient funds available in the Issuer Collection Account or (solely for the purposes of (a) above) can be drawn from the Reserve Account.

7.2 Notes Interest Available Amount

On each Quarterly Calculation Date the Issuer Administrator shall calculate the amount of Notes Interest Available Amount which is to be applied on the immediately succeeding Quarterly Payment Date.

Prior to the delivery of an Enforcement Notice by the Security Agent, the sum of the following amounts, which have been received or deposited during the Quarterly Calculation Period immediately preceding such Quarterly Calculation Date or, for items (i), (x) and (xii), which will have been received at the latest on the corresponding Quarterly Payment Date, will be the **Notes Interest Available Amount**:

(i) any amounts received under the Cap Agreement excluding any Cap Collateral (as defined below) transferred by the Cap Provider pursuant to the Cap Agreement;

(ii) any interest received by the Issuer on the Mortgage Receivables;

(iii) any Prepayment Penalties and default interest received by the Issuer on the Mortgage Receivables;

(iv) all other monies received by the Issuer in respect of the Mortgage Receivables to the extent these do not relate to principal;

(v) all amounts received in connection with a repurchase or sale of a Mortgage Receivable or in respect of other amounts received under the Mortgage Receivables Purchase Agreement, to the extent they do not relate to principal;

(vi) any amounts received as Post-Forclosure Proceeds on the Mortgage Receivables;

(vii) if and to the extent that the Class B Subordinated Loan has been repaid, any amount referred to in item (f) of the Principal Priority of Payments;

(viii) any interest accrued and received on sums standing to the credit of the Transaction Accounts (with the exception of the Cap Collateral Accounts);

(ix) any remaining amount standing to the credit of the Issuer Collection Account (other than (i) an amount already included in the Notes Interest Available Amount under items (i) to (viii) (inclusive) or in the Notes Redemption Available Amount, (ii) amounts received in respect of the new running Quarterly Calculation Period and (iii) amounts of retained interest for non-Eligible Holders), as reasonably determined by the Issuer Administrator in accordance with the Transaction Documents;

(x) any amounts to be drawn from the Reserve Account (to the extent available) in accordance with the Common Representative Appointment Agreement on the immediately succeeding Quarterly Payment Date;

(xi) as long as any Notes are outstanding, the Notes Redemption Available Amount that may be used to fund a Class A Interest Shortfall in accordance with the Principal Priority of Payments, to the extent that the sum of items (i) to (x) (inclusive) above is not sufficient to cover item (i) to (iii) of the Pre-FORD Interest Priority of Payments or in item (i) to (iii) of the Post FORD Interest Priority of Payments; and

(xii) any amounts (which are to be transferred to the Issuer Collection Account) to be drawn under the Liquidity Facility Agreement (to the extent available) (other than the Liquidity Facility Stand-by Drawing) and amounts to be debited from the Liquidity Facility Stand-by Drawing Account (other than with a view to repaying the Liquidity Facility Stand-by Drawing) on the immediately succeeding Quarterly Payment Date to cover any shortfalls that would otherwise exist for as long as any of the Notes remains outstanding on items (i) to (iii) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (iii) (inclusive) of the Post-FORD Interest Priority of Payments, to the extent that the sum of items (i) to (xi) (inclusive) above is not sufficient to cover such shortfall;

minus

funds deducted from the Issuer Collection Account during the applicable Quarterly Calculation Period as referred to in section 7.1(b) (*Payments during any Interest Period*)

and excluding, for the avoidance of doubt

any amounts received by the Issuer and payable to the Cap Provider in respect of Tax Credits.

7.3 Interest Priority of Payments before the First Optional Redemption Date

On each Quarterly Payment Date prior to the issuance of an Enforcement Notice and up to (and including) the First Optional Redemption Date, the Issuer Administrator on behalf of the Issuer shall apply the Notes Interest Available Amount in making the following payments or provisions, in the following order of priority (in each case, only if, and to the extent that the Issuer Collection Account would not be overdrawn, and to the extent that payments or provisions of a higher order of priority have been made in full, and to the extent that such liabilities are due by and recoverable against the Issuer) (the **Pre-FORD Interest Priority of Payments**):

(i) *first*, in or towards payment *pari passu* and *pro rata* of the following expenses of the Issuer:

(A) the amounts due and payable to the MPT Provider;

(B) the amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(C) the amounts due and payable to the FSMA and/or the FOD Economie;

(D) the amounts due and payable to Euronext Brussels;

(E) the amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(F) the amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(G) the amounts due and payable to Accesso VZW;

(H) the amounts due and payable to the Auditor;

(I) the amounts due and payable to the Rating Agencies;

(J) the amounts due and payable to the Security Agent;

(K) the amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(L) the Availability Fee or the Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(M) the amounts due and payable to the Paying Agent;

(N) the amounts due and payable to the Reference Agent;

(O) the amounts due and payable to the Listing Agent;

(P) the amounts due and payable to the Issuer Administrator;

(Q) the amounts due and payable to European DataWarehouse GmbH;

(R) the amounts due and payable to the Directors, if any;

(S) the amounts due and payable to the Cap Provider, if any;

(T) the amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes; and

(U) the amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement;

(ii) *second*, in or towards satisfaction of, *pari passu* and *pro rata,* all amounts that the Issuer Administrator certifies are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (i) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(iii) *third*, in or towards satisfaction of, *pro rata* and *pari passu*, (a) all amounts of Accrued Interest due and payable in respect of the Class A1 Notes, and (b) all amounts of Accrued Interest due and payable in respect of the Class A2 Notes;

(iv) *fourth*, (i) in or towards satisfaction of any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero, or (ii) following a Liquidity Facility Stand-by Drawing to replenish (as the case may be) the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount;

(v) *fifth,* in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, excluding the Availability Fee and the Drawn Liquidity Facility Interest under item (i) (L) above and any gross-up amounts or additional amounts due under the Liquidity Facility Agreement and payable under item (xi) below;

(vi) *sixth*, in or towards satisfaction of all amounts debited to the Class A Principal Deficiency Ledger, until any debit balance on the Class A Principal Deficiency Ledger is reduced to zero;

(vii) *seventh*, in or towards satisfaction of all amounts required to replenish (as the case may be) the Reserve Account up to the Reserve Account Required Amount;

(viii) *eighth*, in or towards satisfaction of all amounts debited to the Class B Principal Deficiency Ledger, until any debit balance on the Class B Principal Deficiency Ledger is reduced to zero;

(ix) *ninth,* in or towards satisfaction of interest due or interest accrued but unpaid on the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement;

(x) *tenth*, in or towards satisfaction of all amounts debited to the Class B Interest Deficiency Ledger, until any debit balance on the Class B Interest Deficiency Ledger is reduced to zero;

(xi) *eleventh,* in or towards satisfaction of gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(xii) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class C Subordinated Loan in accordance with the terms of the Class C Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction of all amounts debited to the Class C Interest Deficiency Ledger, until any debit balance on the Class C Interest Deficiency Ledger is reduced to zero;

(xiv) *fourteenth*, in or towards satisfaction of, pari passu and pro rata, amounts of principal due and payable but unpaid in respect of the Class C Subordinated Loan, on the Quarterly Payment Date whereon the Notes have been or are to be redeemed in full and each Quarterly Payment Date thereafter in accordance with the terms of the Class C Subordinated Loan Agreement;

(xv) *fifteenth*, in or towards satisfaction of interest due or interest accrued but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;

(xvi) *sixteenth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;

(xvii) *seventeenth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller.

Accesso VZW is the compensation fund (*compensatiekas*/*caisse de compensation*), established in accordance with article 220 of the Insurance Act and the Royal Decree of 10 April 2014 with regard

to the regulation of certain insurance policies (*koninklijk besluit van 10 april 2014 tot regeling van sommige verzekeringsovereenkomsten tot waarborg van de terugbetaling van het kapitaal van een hypothecair krediet/Arrêté royal du 10 avril 2014 réglementant certains contrats d'assurance visant à garantir le remboursement du capital d'un crédit hypothécaire*) and the Royal Decree of 4 March 2015 by which Accesso VZW is recognised as compensation fund within the meaning of article 220 of the act of 4 April 2014 on insurances.

The **Share Capital Account** means the bank account opened by the Issuer with BNP Paribas Fortis SA/NV in which (i) the share capital portion allocated to Compartment No. 5; (ii) the amounts credited at item (i) (U) of the Interest Priority of Payments; and (iii) the interest accrued on the Share Capital Account are held.

7.4 Interest Priority of Payments as from the First Optional Redemption Date

Prior to the service of an Enforcement Notice and as from the First Optional Redemption Date, the Notes Interest Available Amount will be applied by the Issuer on the immediately succeeding Quarterly Payment Date following the First Optional Redemption Date, and on each Quarterly Payment Date thereafter as follows (in each case, only if, and to the extent that the Issuer Collection Account would not be overdrawn, and to the extent that payments or provisions of a higher order of priority have been made in full, and to the extent that such liabilities are due by and recoverable against the Issuer) (the **Post-FORD Interest Priority of Payments** and together with the Pre-FORD Interest Priority of Payments, each (where relevant) the **Interest Priority of Payments**):

(i) *first*, in or towards payment *pari passu* and *pro rata* of the following expenses of the Issuer:

(A) the amounts due and payable to the MPT Provider;

(B) the amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(C) the amounts due and payable to the FSMA and/or the FOD Economie;

(D) the amounts due and payable to Euronext Brussels;

(E) the amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(F) the amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(G) the amounts due and payable to Accesso VZW;

(H) the amounts due and payable to the Auditor;

(I) the amounts due and payable to the Rating Agencies;

(J) the amounts due and payable to the Security Agent;

(K) the amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(L) the Availability Fee and the Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(M) the amounts due and payable to the Paying Agent;

(N) the amounts due and payable to the Reference Agent;

(O) the amounts due and payable to the Listing Agent;

(P) the amounts due and payable to the Issuer Administrator;

(Q) the amounts due and payable to European DataWarehouse GmbH;

(R) the amounts due and payable to the Directors, if any;

(S) the amounts due and payable to the Cap Provider, if any;

(T) the amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes; and

(U) the amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement;

(ii) *second*, in or towards satisfaction of, pari passu and pro rata, all amounts that the Issuer Administrator certifies are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (i) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(iii) *third*, in or towards satisfaction of, pro rata and pari passu, all amounts of Accrued Interest due and payable in respect of the Class A1 Notes and the Class A2 Notes;

(iv) *fourth,* (i) in or towards satisfaction of any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero, or (ii) following a Liquidity Facility Stand-by Drawing to replenish (as the case may be) the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount;

(v) *fifth*, in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, excluding the Availability Fee and the Drawn Liquidity Facility Interest under item (i) (L) above and any gross-up amounts or additional amounts due under the Liquidity Facility Agreement and payable under item (xiv) below;

(vi) *sixth*, in or towards satisfaction of all amounts debited to the Class A Principal Deficiency Ledger, until any debit balance on the Class A Principal Deficiency Ledger is reduced to zero;

(vii) *seventh*, in or towards satisfaction of all amounts required to replenish (as the case may be) the Reserve Account up to the Reserve Account Required Amount;

(viii) *eighth*, for as long as the Notes have not been redeemed in full, in or towards satisfaction pro-rata and pari passu, of all amounts of Coupon Excess Consideration due and payable in respect of the Class A1 Notes and the Class A2 Notes;

(ix) *ninth*, in or towards making good (pro-rata and pari passu) any shortfall reflected in the Coupon Excess Consideration Deficiency Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero;

(x) *tenth*, in or towards satisfaction of all amounts debited to the Class B Principal Deficiency Ledger, until any debit balance on the Class B Principal Deficiency Ledger is reduced to zero;

(xi) *eleventh*, for as long as the Notes are not redeemed in full, in or towards funding the Class A Additional Amounts to be added to the Notes Redemption Available Amounts on the same Quarterly Calculation Date;

(xii) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction of all amounts debited to the Class B Interest Deficiency Ledger, until any debit balance on the Class B Interest Deficiency Ledger is reduced to zero;

(xiv) *fourteenth*, in or towards satisfaction of gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(xv) *fifteenth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class C Subordinated Loan in accordance with the terms of the Class C Subordinated Loan Agreement;

(xvi) *sixteenth*, in or towards satisfaction of all amounts debited to the Class C Interest Deficiency Ledger, until any debit balance on the Class C Interest Deficiency Ledger is reduced to zero;

(xvii) *seventeenth*, in or towards satisfaction of, *pari passu* and *pro rata*, amounts of principal due and payable but unpaid in respect of the Class C Subordinated Loan, on the Quarterly Payment Date whereon the Notes have been or are to be redeemed in full and each Quarterly Payment Date thereafter in accordance with the terms of the Class C Subordinated Loan Agreement;

(xviii) *eighteenth*, in or towards satisfaction of interest due or interest accrued but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;

(xix) *nineteenth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement; and

(xx) *twentieth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller.

On each Quarterly Payment Date as from the First Optional Redemption Date and in accordance with the Post-FORD Interest Priority of Payments and until the Notes have been redeemed in full, the Class A Additional Amounts will be equal to the positive amount (if any) of the Notes Interest Available Amount remaining after amounts payable under items (i) to (x) (inclusive) of the Post-FORD Interest Priority of Payments have been fully satisfied on such Quarterly Payment Date (the **Class A Additional Amounts**).

8. PRIORITY OF PAYMENTS IN RESPECT OF PRINCIPAL

8.1 Notes Redemption Available Amount

On each Quarterly Calculation Date, prior to the issuance of an Enforcement Notice, the Issuer Administrator shall calculate the amount of principal funds which will be available to the Issuer in the Issuer Collection Account on the following Quarterly Payment Date to satisfy its obligations under the Notes by reference to the applicable Quarterly Calculation Period, and such principal funds (the **Notes Redemption Available Amount**) shall be the sum of the following:

(a) the aggregate amount of any repayment and prepayment of principal amounts under the Mortgage Receivables received from any person (but excluding Prepayment Penalties, if any);

(b) the aggregate of any amounts received:

(i) in respect of a repurchase of Mortgage Receivables by the Seller under the Mortgage Receivables Purchase Agreement; and

(ii) in respect of any other amounts received by the Issuer under the Mortgage Receivables Purchase Agreement in connection with the Mortgage Receivables,

in each case, to the extent such amounts relate to principal amounts;

(c) any amounts to be credited to the Principal Deficiency Ledgers on the immediately following Quarterly Payment Date pursuant to items (vi) and (viii) of the Pre-FORD Interest Priority of Payments and items (vi) and (x) of the Post-FORD Interest Priority of Payments;

(d) any Notes Redemption Available Amount calculated on the immediately preceding Quarterly Calculation Date which has not been applied towards satisfaction of the items set forth in the Principal Priority of Payments on the immediately preceding Quarterly Payment Date;

(e) the Class A Additional Amounts as calculated on the same Quarterly Calculation Date;

(f) any amounts received as Net Proceeds on any Mortgage Receivables; and

(g) in respect of the first (1st) Quarterly Payment Date, the positive difference between the (i) the sum of the Principal Amount Outstanding of the Notes and of the outstanding principal balance of the Class B Subordinated Loan on the Closing Date and (ii) the Current Balances of all Mortgage Receivables on the Closing Date,

excluding, for the avoidance of doubt, any amounts received by the Issuer and payable to the Cap Provider in respect of Tax Credits and/or Excess Cap Collateral.

8.2 Principal Priority of Payments

Prior to the issuance of an Enforcement Notice, the Issuer shall, on each Quarterly Payment Date, apply the Notes Redemption Available Amount (if any) in making the following payments or provisions, in the following order of priority (in each case, only if, and to the extent that the Issuer Collection Account would not be overdrawn, and to the extent that payments or provisions of a higher order of priority have been made in full, and to the extent that such liabilities are due by and recoverable against the Issuer) (the **Principal Priority of Payments**):

(a) for so long as any Notes are outstanding, first, in or towards funding, *pari passu* and *pro rata*, any Class A Interest Shortfall which has become due during the relevant Interest Period in accordance with the Interest Priority of Payments;

(b) second, in redeeming, pari passu and pro rata, all principal amounts outstanding in respect of the Class A1 Notes until all of the Class A1 Notes have been redeemed in full;

(c) third, in redeeming, pari passu and pro rata, all principal amounts outstanding in respect of the Class A2 Notes until all of the Class A2 Notes have been redeemed in full;

(d) fourth, as from the First Optional Redemption Date, in or towards satisfaction *pari passu* and *pro rata*, according to the respective amounts thereof, of all amounts of Coupon Excess Consideration due or accrued but unpaid (after the application of the Post-FORD Interest Priority of Payments) in respect of the Class A1 Notes and the Class A2 Notes which payment has been reflected by crediting any shortfall in the Coupon Excess Consideration Deficiency

Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero;

(e) fifth, in or towards satisfaction of principal due and payable but unpaid in respect of the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement; and

(f) sixth, if, and to the extent the Class B Subordinated Loan has been fully repaid , any remaining amount will be added to the Notes Interest Available Amount.

Notes Redemption Available Amount shall not be used to repay the Class C Subordinated Loan. Amounts due and payable under the Class C Subordinated Loan shall be paid from the Notes Interest Available Amount under item (xii) to (xiv) of the Pre-FORD Interest Priority of Payments and item (xv) to (xvii) of the Post-FORD Interest Priority of Payments in accordance with Condition 4.5(b)(vi).

9. PRIORITY OF PAYMENTS UPON ENFORCEMENT

9.1 Post-Enforcement Priority of Payments up to the First Optional Redemption Date

Following the service of an Enforcement Notice and up to (but excluding) the First Optional Redemption Date, all monies standing to the credit of the Transaction Accounts (subject, in the case of the Cap Collateral Accounts, to the provisions of the Common Representative Appointment Agreement) and received by the Issuer (or the Security Agent or the Issuer Administrator) will be applied in the following priority (the **Pre-FORD Post-Enforcement Priority of Payments**) (if and to the extent that payments or provisions of a higher order have been made and to the extent that such liabilities are due by and recoverable against the Issuer):

(i) *first*, in or towards satisfaction of all amounts due and payable to any receiver or agent appointed by the Security Agent for the enforcement of the Security and any costs, charges, liabilities and expenses incurred by such receiver or agent together with interest as provided in the Pledge Agreement;

(ii) *second*, in or *towards* satisfaction of all amounts due and payable to the Security Agent, together with interest thereon as provided in the Pledge Agreement;

(iii) *third*, in or *towards* all amounts due to the Issuer Administrator acting in that capacity;

(iv) *fourth*, in or *towards* satisfaction of all amounts due and payable to the MPT Provider;

(v) *fifth*, in or towards satisfaction of *pari passu* and *pro rata*:

(A) all amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(B) all amounts due and payable to the FSMA and/or the FOD Economie;

(C) all amounts due and payable to Euronext Brussels;

(D) all amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(E) all amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(F) all amounts due and payable to Accesso VZW;

(G) all amounts due and payable to the Auditor;

(H) all amounts due and payable to the Rating Agencies;

(I) all amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(J) all amounts of Availability Fee and Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(K) all amounts due and payable to the Paying Agent;

(L) all amounts due and payable to the Reference Agent;

(M) all amounts due and payable to the Listing Agent;

(N) all amounts due and payable to European DataWarehouse GmbH;

(O) all amounts due and payable to the Directors, if any;

(P) the amounts due and payable to the Cap Provider, if any;

(Q) all amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement; and

(R) all other amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes;

(vi) *sixth*, in or towards satisfaction of all amounts of principal due in respect of the Liquidity Facility including for the avoidance of doubt any Liquidity Facility Stand-by Drawing, which payment has been reflected by crediting any shortfall in the Liquidity Facility Drawn Amount Ledger until the debit balance, if any, on the Liquidity Facility Drawn Amount Ledger is reduced to zero;

(vii) *seventh,* in or towards satisfaction of, *pari passu* and *pro rata*, all amounts that the Issuer Administrator certifies are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (v) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(viii) *eighth*, in or towards satisfaction of, *pari passu* and *pro rata*, (a) all amounts of interest due or overdue in respect of the Class A1 Notes, and (b) all amounts of interest due or overdue in respect of the Class A2 Notes;

(ix) *ninth*, until the Notes have been redeemed in full, in or towards redemption of, *pari passu* and *pro rata*, according to the respective amounts thereof, (a) all amounts of principal outstanding in respect of the Class A1 Notes until redeemed in full, and (b) all amounts of principal outstanding in respect of the Class A2 Notes until redeemed in full;

(x) *tenth*, in or towards satisfaction of all amounts of interest due or overdue in respect of the Class B Subordinated Loan, in accordance with the terms of the Class B Subordinated Loan Agreement;

(xi) *eleventh*, in or towards redemption of all amounts of principal due and payable but unpaid in respect of the Class B Subordinated Loan, in accordance with the terms of the Class B Subordinated Loan Agreement;

(xii) *twelfth*, in or towards satisfaction of all interest due or overdue and principal due but unpaid in respect of the Class C Subordinated Loan, in accordance with the terms of the Class C Subordinated Loan Agreement ;

(xiii) *thirteenth*, in or towards satisfaction of all amounts of interest due, interest accrued and principal due but unpaid in respect of the Expenses Subordinated Loan; and

(xiv) *fourteenth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller,

it being understood that any Excess Cap Collateral and income arising from Cap Collateral will be paid directly to the Cap Provider, as the case may be, and not in accordance with the Pre FORD Post Enforcement Priority of Payments.

9.2 Post-Enforcement Priority of Payments as from the First Optional Redemption Date

Following the service of an Enforcement Notice and as from (but excluding) the First Optional Redemption Date, all monies standing to the credit of the Transaction Accounts (subject, in the case of the Cap Collateral Accounts, to the provisions of the Common Representative Appointment Agreement) and received by the Issuer (or the Security Agent or the Issuer Administrator) will be applied in the following priority (the **Post-FORD Post-Enforcement Priority of Payments** and, together with the Pre-FORD Post-Enforcement Priority of Payments, the **Post-Enforcement Priority of Payments**) (if and to the extent that payments or provisions of a higher order have been made and to the extent that such liabilities are due by and recoverable against the Issuer):

(i) first, in or towards satisfaction of all amounts due and payable to any receiver or agent appointed by the Security Agent for the enforcement of the security and any costs, charges, liabilities and expenses incurred by such receiver or agent together with interest as provided in the Pledge Agreement;

(ii) second, in or towards satisfaction of all amounts due and payable to the Security Agent, together with interest thereon as provided in the Pledge Agreement;

(iii) third, in or towards all amounts due to the Issuer Administrator acting in that capacity;

(iv) fourth, in or towards satisfaction of all amounts due and payable to the MPT Provider;

(v) fifth, in or towards satisfaction of *pari passu* and *pro rata*:

(A) all amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(B) all amounts due and payable to the FSMA and/or the FOD Economie;

(C) all amounts due and payable to Euronext Brussels;

(D) all amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(E) all amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(F) all amounts due and payable to Accesso VZW;

(G) all amounts due and payable to the Auditor;

(H) all amounts due and payable to the Rating Agencies;

(I) all amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(J) all amounts of Availability Fee and Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(K) all amounts due and payable to the Paying Agent;

(L) all amounts due and payable to the Reference Agent;

(M) all amounts due and payable to European DataWarehouse GmbH;

(N) all amounts due and payable to the Directors, if any;

(O) the amounts due and payable to the Cap Provider, if any;

(P) all amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement; and

(Q) all other amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes;

(vi) *sixth,* in or towards satisfaction of all amounts of principal due in respect of the Liquidity Facility including for the avoidance of doubt any Liquidity Facility Stand-by Drawing, which payment has been reflected by crediting any shortfall in the Liquidity Facility Drawn Amount Ledger until the debit balance, if any, on the Liquidity Facility Drawn Amount Ledger is reduced to zero;

(vii) *seventh,* in or towards satisfaction of, *pari passu* and *pro rata*, all amounts that the Issuer Administrator certifies are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (v) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(viii) *eighth*, in or towards satisfaction of, *pari passu* and *pro rata*, according to the respective amounts thereof, (a) all amounts of interest due or overdue in respect of the Class A1 Notes, and (b) all amounts of interest due or overdue in respect of the Class A2 Notes, which are calculated on the basis of the Coupon Rate capped at the Maximum Rate;

(ix) *ninth*, until the Notes have been redeemed in full, in or towards redemption of, *pari passu* and *pro rata,* according to the respective amounts thereof, (a) all amounts of principal outstanding in respect of the Class A1 Notes until redeemed in full, and (b) all amounts of principal outstanding in respect of the Class A2 Notes until redeemed in full;

(x) *tenth*, in or towards satisfaction *pari passu* and *pro rata*, according to the respective amounts thereof, of all amounts of Coupon Excess Consideration due or accrued but unpaid in respect of the Class A1 Notes and the Class A2 Notes which payment has been reflected by crediting any shortfall in the Coupon Excess Consideration Deficiency Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero;

(xi) *eleventh*, in or towards satisfaction of all amounts of interest overdue in respect of the Class B Subordinated Loan, in accordance with the terms of the Class B Subordinated Loan Agreement ;

(xii) *twelfth*, in or towards redemption of all amounts of principal outstanding and any other amount due but unpaid in respect of the Class B Subordinated Loan until redeemed in full, in accordance with the terms of the Class B Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction of, *pari passu* and *pro rata,* all interest overdue and principal due but unpaid and any other amount due but unpaid due in respect of the Class C Subordinated Loan, in accordance with the terms of the Class C Subordinated Loan Agreement;

(xiv) *fourteenth*, in or towards satisfaction of all amounts of interest due, interest accrued and principal due but unpaid in respect of the Expenses Subordinated Loan; and

(xv) *fifteenth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller,

it being understood that any Excess Cap Collateral and income arising from Cap Collateral will be paid directly to the Cap Provider, as the case may be, and not in accordance with the Post-FORD Post Enforcement Priority of Payments.

10. CLASS B SUBORDINATED LOAN

On the Closing Date the Seller will make available to the Issuer the Class B Subordinated Loan. The Class B Subordinated Loan will be in an amount of EUR 150,000,000 and will be used by the Issuer to pay to the Seller part of the Initial Purchase Price for the Mortgage Receivables, pursuant to the Mortgage Receivables Purchase Agreement.

If the Notes Interest Available Amount is not sufficient to pay all the interest due under the Class B Subordinated Loan on a Quarterly Payment Date, the unpaid part of the interest due under the Class B Subordinated Loan will be deferred to the next succeeding Quarterly Payment Date.

11. CLASS C SUBORDINATED LOAN

On the Closing Date the Seller will make available to the Issuer the Class C Subordinated Loan. The Class C Subordinated Loan will be in an amount of EUR 15,000,000. The proceeds of the Class C Subordinated Loan will be used by the Issuer to credit the Reserve Account.

If the Notes Interest Available Amount is not sufficient to pay all the interest due under the Class Subordinated Loan on a Quarterly Payment Date, the unpaid part of the interest due under the Class C Subordinated Loan will be deferred to the next succeeding Quarterly Payment Date.

12. EXPENSES SUBORDINATED LOAN

On the Closing Date the Seller will make available to the Issuer the Expenses Subordinated Loan. The Expenses Subordinated Loan will be in an amount of EUR 1,300,000 and will be used to pay certain initial costs and expenses in connection with the issue of the Notes, the Initial Cap Payment and, as the case may be, part of the Initial Purchase Price.

Prior to the service of an Enforcement Notice, the Expenses Subordinated Loan shall be subject to mandatory redemption in whole or in part on each Quarterly Payment Date to the extent that on the Quarterly Calculation Date relating thereto there is sufficient Notes Interest Available Amount available for such purpose to and in accordance with the Interest Priority of Payments. The principal amount so redeemable on any Quarterly Payment Date in respect of the Expenses Subordinated Loan shall be an amount which is equal to the lower of (x) the amount (if any) of the Notes Interest Available Amount available to the Issuer after satisfaction of the amounts due in respect of all items with a higher priority of payment listed at items (i) to (and including) (xiv) of the Pre-FORD Interest Priority of

Payments or items (i) to (and including) (xvii) of the Post-FORD Interest Priority of Payments and (y) the Expenses Subordinated Loan Redemption Amount.

Expenses Subordinated Loan Redemption Amount means, in respect of any Quarterly Calculation Date, an amount equal to the principal outstanding balance of the Expenses Subordinated Loan on such date.

Following the making of a payment of a principal amount in respect of the Expenses Subordinated Loan, the principal outstanding balance of the Expenses Subordinated Loan shall be reduced accordingly.

13. INTEREST RATE HEDGING

13.1 Cap Agreement

The Eligibility Criteria require that all Mortgage Loans bear a rate of interest which is fixed for an agreed period which can either be equal to or shorter than the term of the Mortgage Loan. If the interest period is shorter than the term of the Mortgage Loan, the rate of interest is subject to a reset at the end of the interest period.

The interest rate on the Transaction Accounts (including the Cap Collateral Accounts) is the Floating Rate GIC Interest Rate.

Floating Rate GIC Interest Rate means a percentage equal to 1-month EURIBOR minus 0.20% per annum.

The interest rate payable by the Issuer with respect to the Notes up to the First Optional Redemption Date is calculated as the relevant EURIBOR plus a margin (the sum of both being floored at zero). The interest rate payable by the Issuer with respect to the Class B Subordinated Loan shall be equal to 3-month EURIBOR + 2.50% per annum with a maximum interest rate of 5.00% per annum. The interest rate payable by the Issuer with respect to the Class C Subordinated Loan shall be equal to 3-month EURIBOR + 3.50% per annum with a maximum interest rate of 6.00% per annum.

The Issuer will partly mitigate the interest rate exposure linked to EURIBOR on the Notes until (but excluding) the First Optional Redemption Date by entering into the Cap Agreement for the Cap Notional Amount with the Cap Provider and the Security Agent on or before the Closing Date.

Subject to the terms of the Cap Agreement, the Cap Provider may be required to post collateral to the Cap Collateral Accounts of the Issuer in respect of its exposure under the Cap Agreement.

The Cap Agreement, effective from the Closing Date, requires the Cap Provider, against receipt of the Initial Cap Payment (as defined hereunder) on the Closing Date, to make payments to the Issuer three (3) Business Days prior to any Quarterly Payment Date to the extent that three-month EURIBOR on the relevant Interest Determination Date for any Interest Period exceeds the Cap Strike Rate. Such payments will be determined by reference to the part of the relevant EURIBOR for an Interest Period exceeding the Cap Strike Rate multiplied by the applicable Cap Notional Amount (as determined at the beginning of the relevant Interest Period) and multiplied by the actual number of days elapsed in such Interest Period divided by 360 days. The cap notional amount amortises in accordance with the schedule as set out below (the **Cap Notional Amount**).

Quarter	Start Date (including)*	End Date (excluding)*	Cap Notional Amount (in EUR)
1	27 January 2023	27 April 2023	850 000 000
2	27 April 2023	27 July 2023	831 200 000
3	27 July 2023	27 October 2023	812 200 000

4	27 October 2023	27 January 2024	793 600 000
5	27 January 2024	27 April 2024	774 200 000
6	27 April 2024	27 July 2024	755 200 000
7	27 July 2024	27 October 2024	736 600 000
8	27 October 2024	27 January 2025	718 000 000
9	27 January 2025	27 April 2025	700 100 000
10	27 April 2025	27 July 2025	681 200 000
11	27 July 2025	27 October 2025	663 300 000
12	27 October 2025	27 January 2026	645 900 000
13	27 January 2026	27 April 2026	627 900 000
14	27 April 2026	27 July 2026	610 300 000
15	27 July 2026	27 October 2026	591 900 000
16	27 October 2026	27 January 2027	574 300 000
17	27 January 2027	27 April 2027	556 800 000
18	27 April 2027	27 July 2027	539 700 000
19	27 July 2027	27 October 2027	523 400 000
20	27 October 2027	27 January 2028	505 500 000
21	27 January 2028	/	0

* or, if such day is not a Business Day, the next following Business Day, unless such Business Day would fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Business Day.

Cap Strike Rate means 0.50%.

The Cap Agreement will be documented under a 2002 ISDA Master Agreement.

13.2 DBRS Rating Event

In the event (such event, an ***Initial DBRS Rating Event***) that, at any time, the Critical Obligations Rating of the Cap Provider ceases to be rated at least as high as A (or otherwise equivalent assessment under the rating agency criteria of DBRS at that time) by DBRS (such rating, the ***DBRS COR***) then the Cap Provider shall, at its own cost, within thirty (30) Business Days:

(a) post collateral in accordance with the Credit Support Annex into the relevant Cap Collateral Account(s); or

(b) transfer all of its rights and obligations under the Cap Agreement to a replacement third party with a rating at least as high as the DBRS COR; or

(c) procure that a third party that has the DBRS COR, unconditionally guarantees the obligations of the Cap Provider under the Cap Agreement; or

(d) take any other suitable action to prevent a downgrade of the Notes.

In the event (such event, a ***Subsequent DBRS Rating Event***) that, at any time the Critical Obligations Rating of the Cap Provider ceases to be rated at least as high as BBB (or otherwise equivalent assessment under the rating agency criteria of DBRS at that time) by DBRS, then the Cap Provider will, at its own cost, as soon as reasonably practicable but in any event within thirty (30) Business Days, post collateral in accordance with the Credit Support Annex into the relevant Cap Collateral Account(s) and use commercially reasonable efforts to:

(a) obtain a guarantee or procure a co-obligor of its rights and obligations with respect to the Cap Agreement from a third party with a Critical Obligations Rating at least as high as BBB by DBRS (whereby the Cap Provider or such third party will have to post collateral if neither of them has the DBRS COR); or

(b) transfer all of its rights and obligations with respect to the Cap Agreement to a replacement third party with a Critical Obligations Rating at least as high as BBB by DBRS; or

(c) take any other suitable action to prevent a downgrade of the Notes.

Critical Obligations Rating means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations, as amended or revised from time to time. If the Cap Provider has not been assigned a Critical Obligations Rating by DBRS, an equivalent rating from DBRS or another rating agency shall be used, as set out in the Cap Agreement.

If the Cap Provider chooses to transfer its rights and obligations to a replacement Cap Provider or procures a guarantee in line with DBRS policies to maintain the rating on the Notes, the Issuer will return any collateral that the Cap Provider may have previously posted to it to the Cap Provider in accordance with the Credit Support Annex.

13.3 Moody's Rating Triggers

In the event that, at any time, the Moody's counterparty risk assessment of the Cap Provider ceases to be rated at least as high as Baa1(cr) (or otherwise equivalent assessment under the rating agency criteria of Moody's at that time) by Moody's then the Cap Provider shall, at its own cost, within thirty (30) Business Days, provide collateral in such amount as is set out in the credit support annex to the Cap Agreement.

In the event that, at any time the Moody's counterparty risk assessment of the Cap Provider ceases to be rated at least as high as Baa3(cr) (or otherwise equivalent assessment under the rating agency criteria of Moody's at that time) by Moody's, then the Cap Provider will, at its own cost, as soon as reasonably practicable, use commercially reasonable efforts to:

(i) obtain a guarantee or procure a co-obligor of its rights and obligations with respect to the Cap Agreement from a third party with a Counterparty Risk Assessment at least as high as Baa3(cr) by Moody's; or

(ii) transfer all of its rights and obligations with respect to the Cap Agreement to a replacement third party with a Counterparty Risk Assessment at least as high as Baa3(cr) by Moody's or to a replacement third party whose obligations are guaranteed by a third party with a Counterparty Risk Assessment at least as high as Baa3(cr);

and, as the case may be, post or continue to post collateral in accordance with the Credit Support Annex to the Cap Agreement pending compliance with such remedial action.

If the Cap Provider chooses to assign its rights and obligations to a replacement Cap Provider or procures a guarantee in line with Moody's policies to maintain the rating on the Notes, the Issuer will return any collateral that the Cap Provider may have previously posted to it to the Cap Provider in accordance with the Credit Support Annex.

13.4 General Terms

The Issuer and the Security Agent shall use their reasonable endeavours to co-operate with the Cap Provider in connection with any transfer of the rights and obligations of the Cap Provider under the Cap Agreement pursuant to any relevant ratings downgrade as set out above.

If the Cap Provider elects to transfer all of its rights and obligations pursuant to the provisions above, the Cap Provider shall procure that any such replacement third party agrees to accede to the terms of the Pledge Agreement and agrees to be bound by its terms.

The Cap Agreement shall be governed by English law and construed in accordance therewith.

13.5 Initial Cap Payment

On the Closing Date the Issuer will make one single payment of a nominal amount to the Cap Provider (the **Initial Cap Payment**). The Initial Cap Payment will be funded through the proceeds under the Expenses Subordinated Loan Agreement.

13.6 Other Termination Events

The Cap Agreement may also be terminated early in the following circumstances by one or both parties depending on the grounds for termination:

(a) the failure of either party to make payments when due;

(b) the occurrence of an Event of Default (as defined in the Conditions) that results in the service of an Enforcement Notice;

(c) the early redemption of the Notes; (i) following the exercise of a Regulatory Call, (ii) as a result of an Optional Redemption in case of Change of Law, or (iii) as a result of an Optional Redemption for Tax Reasons;

(d) the insolvency of either party;

(e) illegality;

(f) certain tax events;

(g) the making of an amendment to the Transaction Documents that adversely affects the Cap Provider without its consent; and

(h) the failure of the Cap Provider to post collateral, to assign the Cap Agreement to an eligible substitute cap provider or to take other remedial action if the Cap Provider's credit ratings drop below the minimum cap provider rating levels required to support the then current ratings of the Notes.

Upon any such termination of the Cap Agreement, the Cap Provider may be liable to make an early termination payment to the Issuer. Such early termination payment will be calculated on the basis of a close out amount obtained in accordance with provisions of the Cap Agreement.

If the Cap Agreement is terminated prior to repayment in full of the principal of the Notes and before the First Optional Redemption Date, the Issuer will be required to enter into an agreement on substantially similar terms with a new cap provider.

13.7 Cap collateral

If the Cap Provider posts collateral, the collateral (the **Cap Collateral**) will be credited to the relevant Cap Collateral Account. Any Excess Cap Collateral and income arising from Cap Collateral will be paid directly to the Cap Provider, as the case may be, and not in accordance with any Priority of Payments.

Excess Cap Collateral means an amount equal to the value of any collateral transferred to the Issuer by the Cap Provider under the Cap Agreement (together with any interest and distributions received by the Issuer in respect thereof) that is in excess of the Cap Provider's liability to the Issuer thereunder (i) as at the date such Cap Agreement is terminated or (ii) as at any other date of valuation in accordance with the terms of the Cap Agreement.

13.8 Taxation

All payments by the Issuer or the Cap Provider under the Cap Agreement will be made without any deduction or withholding for or on account of tax unless such deduction or withholding is required by law. The Issuer will not in any circumstances be required to gross up if deductions or withholding taxes are imposed on payments made under the Cap Agreement.

If any withholding or deduction is required by law, the Cap Provider will be required to pay such additional amounts as are necessary to ensure that the net amount received by the Issuer under the Cap Agreement will equal the amount that the Issuer would have received had no such withholding or deduction been required. The Cap Agreement will provide, however, that if due to any Change in Tax Law (as defined in the Cap Agreement) after the date of the Cap Agreement, the Cap Provider will, or there is a substantial likelihood that it will, be required to pay to the Issuer additional amounts for or on account of tax (a **Tax Event**), the Cap Provider may (with the consent of the Issuer) transfer its rights and obligations under the Cap Agreement to another of its offices, branches or affiliates to avoid the relevant Tax Event.

Absent such remedy, such Cap Agreement may be terminated and, if terminated, the Notes will become subject to Optional Redemption for Tax Reasons unless a replacement cap agreement is entered into, under conditions similar to the conditions of the Cap Agreement.

Any amounts representing Tax Credits from time to time shall be transferred directly to the Cap Provider (outside any Priority of Payments) pursuant to the terms of the Transaction Documents.

13.9 Novation

Except as expressly permitted in the Cap Agreement, neither the Issuer nor the Cap Provider are permitted to assign, novate or transfer as a whole or in part any of their rights, obligations or interests under respectively the Cap Agreement. The Cap Agreement will provide that the Cap Provider may novate or transfer the Cap Agreement to another cap provider with at least the Minimum Cap Provider Ratings.

The **Minimum Cap Provider Ratings** are:

(a) a DBRS COR of the replacement cap provider of not less than BBB (or otherwise equivalent rating under the rating agency criteria of DBRS at that time) by DBRS; and

(b) a Counterparty Risk Assessment of at least as high as Baa3(cr) (or otherwise equivalent assessment under the rating agency criteria of Moody’s at that time) by Moody’s.

For further discussion of termination payments under the Cap Agreement, please see section 13.6 in Section 6 (*Credit Structure*).

14. SALE OF MORTGAGE RECEIVABLES

Under the terms of the Common Representative Appointment Agreement, the Issuer will have the right to sell and assign all but not some of the Mortgage Receivables on an Optional Redemption Date to a third party which may also be the Seller, at arm's length terms, provided that the Issuer shall apply

the proceeds of such sale, to the extent relating to principal, to redeem the Notes, in accordance with Condition 4.5(e) (*Optional Redemption Call and Clean-Up Call*).

In addition, pursuant to the Mortgage Receivables Purchase Agreement: (i) the Seller has the right to exercise the Regulatory Call Option; and (ii) the Issuer has the option to sell and assign certain Mortgage Receivables to the Seller, and the Seller has the obligation to repurchase such Mortgage Receivables, in certain events.

The purchase price of the Mortgage Receivables in the event of a repurchase or reassignment other than pursuant to a breach of representation and warranty in relation to such Mortgage Receivable or its related Mortgage Loan shall be equal to the Optional Repurchase Price.

The purchase price of each Mortgage Receivable in the event of a repurchase or reassignment pursuant to a breach of representation and warranty in relation to such Mortgage Receivable or its related Mortgage Loan, shall be equal to the Repurchase Price.

Section 7 - The Issuer

1. STATUS

B-Arena NV/SA, *Institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge* (the **Issuing Company**) is acting exclusively through its Compartment No. 5.

The Issuing Company and its Compartment No. 5 are duly registered by the Belgian Federal Public Service Finance (*the Federale Overheidsdienst Financiën/Service Public Fédéral Finances*) as an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge*). The registration cannot be considered as a judgement as to the quality of the transaction, nor on the situation or prospects of the Issuer.

Its registered office is at Marnixlaan 23 (5th floor), 1000 Brussels, Belgium and it is registered with the Crossroad Bank for Enterprises under 0882.540.048.

The Issuing Company is subject to the rules applicable to *institutionele vennootschappen voor belegging in schuldvorderingen naar Belgisch recht/sociétés d'investissement en créances institutionnelles de droit belge* as set out in the UCITS Act.

The Issuer has been established as a special purpose vehicle or entity for the purpose of issuing asset backed securities.

The Issuer is licensed as a mortgage credit provider under Book VII, Title 4, Chapter 4 of the Code of Economic Law.

The legal entity identifier (LEI) of the Issuing Company is 54930018M4JZOJNOR367.

2. INCORPORATION

The Issuing Company was incorporated on 13 July 2006 for an unlimited period of time.

A copy of the by-laws of the Issuer is available together with this Prospectus at the registered office of the Issuing Company and at the specified offices of the Paying Agent and on https://cm.intertrustgroup.com/en/default/transactions_reporting/b-arena/62/537/.[7] 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.

3. SHARE CAPITAL AND DIVIDEND

3.1 Share Capital

Upon incorporation, the Issuing Company had an issued share capital of EUR 61,500 represented by 100 registered shares without nominal value, which was fully paid up. Initially all shares were allocated to Category I, representing Compartment No. 1.

By a capital increase and amendment of the articles of association of the Issuing Company on 2 November 2010, the issued share capital of the Issuing Company was increased by an amount of EUR 24,600 represented by 40 shares without nominal value that have been allocated as follows: 4 shares for Compartment No. 2, 4 shares for Compartment No. 3, 4 shares for Compartment No. 4, 4 shares for Compartment No. 5 and 4 shares for Compartment No. 6, and the remaining 20 shares for Compartment No. 7. As at the date of this Prospectus, the issued share capital of the Issuing Company

[7] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

stands at EUR 86,100, which is fully paid up and is represented by in total 140 registered shares without nominal value.

All shares (Category I, Category II, Category III, Category IV, Category V, Category VI and Category VII) of the Issuing Company are held by B-Arena Holding B.V. B-Arena Holding B.V. is a private company with limited liability (*besloten vennootschap*) incorporated under the laws of the Netherlands on 3 May 2006 (the **Shareholder**).

The objects of the Shareholder are to invest in securities, including debt securities or rights of participation, in collective investment undertakings under Dutch or foreign law or in securitisation structures, as well as to finance collective investment undertakings or securitisation structures provided that the Shareholder only obtains financing (i) in Belgium with Qualifying Investors under the UCITS Act, or (ii) in any other country (other than Belgium).

The sole managing director of the Shareholder is as of 3 May 2006, Intertrust Management B.V. (formerly known as ATC Management B.V.) (the **Shareholder Director**). All shares of the Shareholder are held by Stichting Shareholder B-Arena Holding. The Shareholder is the founder of the Issuing Company within the meaning of Article 7:13 of the Belgian Code of Companies and Associations.

Stichting Shareholder B-Arena Holding is a foundation (*stichting*) incorporated under the laws of the Netherlands on 26 April 2006. The objects of Stichting Shareholder B-Arena Holding are, *inter alia*, to incorporate, acquire and to hold shares in the share capital of the Shareholder and to exercise all rights attached to such shares.

The sole managing director of Stichting Shareholder B-Arena Holding is Intertrust Management B.V. (formerly known as ATC Management B.V.)

Intertrust Management B.V. belongs to the same group of companies as Intertrust Administrative Services B.V. (formerly known as ATC Financial Services B.V.), being the Issuer Administrator. The sole shareholder of Intertrust Management B.V., Amsterdamsch Trustee's Kantoor B.V., and Intertrust Administrative Services B.V. is Intertrust (Netherlands) B.V. The management over the Security Agent is carried out by Amsterdamsch Trustee's Kantoor B.V., which belongs to this same group.

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

The Shareholder Director has entered into a management agreement with each of Stichting Shareholder and the Shareholder, the Issuer and the Security Agent. In these management agreements (the **Shareholder Management Agreements**) the Shareholder Director agrees and undertakes to, *inter alia*, (i) do all that an adequate managing director or director should do or should refrain from doing, and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents or the then current ratings assigned to the Notes.

The shares in the Issuing Company can only be validly transferred to a qualifying investor (*in aanmerking komende belegger/investisseur éligible*) within the meaning of Article 5, §3/1 of the UCITS Act. In addition, the articles of association provide for a specific share transfer procedure, requiring the consent of the Issuing Company's board of directors. If the registered shares issued by the Issuing Company are acquired by a holder that does not qualify as a qualifying investor within the meaning of Article 5, §3/1 of the UCITS Act, the Issuing Company will refuse to register such transfer in its share register.

3.2 Dividend Reserve

On each Quarterly Payment Date and to the extent that amounts are available for this purpose in accordance with the Interest Priority of Payments, an amount will be transferred by the Issuer into the Share Capital Account equal to the sum of: (i) €250; and (ii) any amount necessary to cover negative interest and other cost on the Share Capital Account, in accordance with Clause 10.2 of the Common Representative Appointment Agreement.

4. AUDITOR'S REPORT

PwC Bedrijfsrevisoren, with its registered office at Culliganlaan 5, 1831 Machelen, registered with the Crossroads Bank for Enterprises under number 0429.501.944 (RPR/RPM of Brussels), represented by Gregory Joos, is appointed as auditor of the Issuing Company until the general meeting to be held in 2023.

5. CORPORATE OBJECT AND PERMITTED ACTIVITIES

The corporate object of the Issuing Company as set out in article 3 of its articles of association consists exclusively in the investment of financial means that are exclusively collected with Qualifying Investors for the purposes of Article 3, 3° of the UCITS Act, in receivables that are assigned to it by third parties.

The securities issued by the Issuing Company can only be acquired by those Qualifying Investors (it being understood that the Notes can only be held by Qualifying Investors that are also Eligible Holders).

The Issuing Company may carry out all activities and take all measures that can contribute to the realisation of its corporate object, such as e.g., but not exclusively, to issue financial instruments whether or not negotiable, contract loans or credit agreements in order to finance its portfolio of receivables or to manage payment default risks on the receivables and pledge the receivables it holds in its portfolio and its other assets. The Issuing Company may hold additional or temporary term investments, liquidities and securities. The Issuing Company may purchase, issue or sell all sorts of financial instruments, purchase or sale options relating to financial instruments, interest instruments or currencies, as well as enter into swaps, interest rate swaps, interest rate caps, term contracts or other hedging instruments relating to currencies or interest rates and negotiate options on such contracts, provided that the transaction serves to cover a risk linked to one or more assets on its balance sheet.

Outside the scope of the securitisation transactions carried out by it and outside the investments permitted by law, the Issuing Company may not hold any assets, enter into any agreements or engage in any other activities. It may not engage personnel.

Any amendment of the corporate object of the Issuing Company requires a special majority of 80 per cent. of the voting rights of the shareholders of the Issuing Company.

The corporate object of Compartment No. 5 consists exclusively in the collective investment of financial means collected in accordance with the articles of association of the Issuing Company in a portfolio of selected loans.

6. COMPARTMENTS

The articles of association of the Issuing Company authorise the Issuing Company to create several Compartments within the meaning of Article 271/11 of the UCITS Act.

The creation of Compartments means that the Issuing Company is internally split into subdivisions and that each such subdivision, a Compartment, legally constitutes a separate group of assets to which

corresponding liabilities are allocated. The liabilities allocated to a Compartment are exclusively backed by the assets of a Compartment.

Pursuant to the articles of association, the Issuing Company's board of directors may create new compartments either by (i) issuing new shares, or (ii) reallocating the existing shares. New compartments may also be created by a decision of the general meeting of the Issuing Company to create one or more new compartments in the context of a capital increase through the issue of new shares.

Upon incorporation of the Issuing Company, all shares of the Issuing Company were allocated to Category I, representing Compartment No. 1. By a capital increase and amendment of the articles of association of the Issuing Company on 2 November 2010, the issued share capital of the Issuing Company was increased by an amount of EUR of EUR 24,600 represented by 40 shares without nominal value that have been allocated as follows: 4 shares for Compartment No. 2, 4 shares for Compartment No. 3, 4 shares for Compartment No. 4, 4 shares for Compartment No. 5 and 4 shares for Compartment No. 6, and the remaining 20 shares for Compartment No. 7.

Furthermore, new chapters, relating to Compartment No. 2, Compartment No. 3, Compartment No. 4 Compartment No. 5, Compartment No. 6 and Compartment No. 7 were included in the articles of association.

To date, only the first five Compartments have effectively started their activities (as to which reference is made to (i) the transaction described in the prospectus for admission of EUR 1,000,000,000 of mortgage backed notes to trading on Euronext Brussels dated 3 October 2006 (the **B-Arena 1 Securitisation**) as far as Compartment No. 1 is concerned, (ii) to the transaction described in the prospectus for admission of 1,000,000,000 of mortgage backed notes to trading on Euronext Brussels dated 19 September 2011 (the **B-Arena 2 Securitisation**) as far as Compartment No. 2 is concerned, (iii) to the transaction described in the prospectus for admission of EUR 1,000,000,000 of mortgage backed notes to trading on Euronext Brussels dated 17 January 2012 (the **B-Arena 3 Securitisation**) as far as Compartment No. 3 is concerned, (iv) to the transaction described in the prospectus for admission of 645,000,000 of mortgage backed notes to trading on Euronext Brussels dated 22 August 2017 (the **B-Arena 4 Securitisation**), and (v) to the current Prospectus as far as Compartment No. 5 is concerned. As far as the B-Arena 1 Securitisation, the B-Arena 2 Securitisation, the B-Arena 3 Securitisation and the B-Arena 4 Securitisation are concerned, all notes issued under these transaction have been repaid.

The Pledged Assets and all liabilities of the Issuer relating to the Notes and the Transaction Documents will be exclusively allocated to Compartment No. 5. Unless expressly provided otherwise, all appointments, rights, title, assignments, obligations, covenants and representations, assets and liabilities, relating to the issue of the Notes and the Transaction Documents are exclusively allocated to Compartment No. 5 and will not extend to other transactions or other Compartments of the Issuing Company or any assets of the Issuing Company other than those allocated to Compartment No. 5 under the Transaction Documents. The Issuing Company will enter into other securitisation transactions only through other Compartments and on such terms that the debts, liabilities or obligations relating to such transactions will be allocated to such other Compartments and that parties to such transactions will only have recourse to such other Compartments of the Issuing Company and not to the Collateral or to Compartment No. 5.

7. BELGIAN TAX POSITION OF THE ISSUER

7.1 Withholding tax on moneys collected by the Issuer

Receipts of moveable income (in particular interest, and with the exception of Belgian source dividends) by the Issuer are exempt from Belgian withholding tax. Therefore no such tax is due in Belgium on interest payments received under any Loan by the Issuer from a Borrower.

Similarly a withholding tax exemption will be available for interest paid to the Issuer on investments or cash balances pursuant to Article 116 of the Royal Decree implementing the Belgian Income Tax Code.

7.2 Corporate income tax

The Issuer is subject to corporate income tax at the current ordinary rate of 25 per cent. However, its tax base is notional: it can only be taxed on (i) any disallowed business expenses (other than any value reductions or capital losses on shares and any non-deductible exceeding borrowing costs as provided for in Article198/1 of the Belgian Income Tax Code 1992), (ii) any abnormal or gratuitous benefits received by it and (iii) any expenses such as commissions, fees and remunerations for which the proper tax filing obligations as set out in Article 57 of the Belgian Income Tax Code 1992 are not met. The Issuer does not anticipate incurring any such expenses or receiving any such benefits.

7.3 Value added tax (VAT)

The Issuer qualifies in principle, as a VAT taxpayer but is fully exempt from VAT in respect of its operations. Any VAT payable by the Issuer is therefore not recoverable under the VAT legislation. The current ordinary VAT rate is 21 per cent.

Services supplied to the Issuer by the MPT Provider, the Seller, the Security Agent, the Issuer Directors, the Manager, any Originator, the Issuer Administrator, the Floating Rate GIC Provider, the Cap Provider, the Paying Agent, the Reference Agent, the Rating Agencies, the Auditor are, in general, subject to Belgian VAT provided that the services are located for VAT purposes in Belgium. However, fees paid in respect of the financial and administrative management of the Issuer and its assets (including fees paid for the receipt of payments on behalf of the Issuer and the forced collection of receivables) are exempt from Belgian VAT in accordance with Article 44, §3, 11° of the Belgian VAT Code.

8. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

8.1 Board of Directors

The board of directors of the Issuing Company ensures the management of the Issuing Company. Pursuant to article 14 of its articles of association, the board in principle consists of at least three directors, except when the Issuing Company has less than three shareholders, in which case that the board may consist of only two directors. The Issuing Company's current board of directors consists of the following directors:

- Christophe Tans, resident at Gravierstraat 96, 3700 Tongeren, Belgium, with national register number 72.12.23-205.22; and
- Irene Florescu, resident at Irene Florescu, Avenue des Commandants Borlée 5 1/4, 1370 Jodoigne, Belgium, with national register number 66.07.26-532.26,

(the **Issuer Directors**).

The Issuer Directors were appointed by a decision of the shareholders' meeting of the Issuing Company held on 30 June 2022 and the current term of office of the Issuer Directors expires after the annual shareholders meeting to be held in June 2028.

Companies of which Mr Christophe Tans has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years are: B-ARENA NV; BASS MASTER ISSUER NV; BELGIAN LION NV; CULTURA 2006 FONDATION PRIVEE; GELASE SA; GRANLA SRL; LOAN INVEST NV; ROYAL STREET NV; STICHTING BACHELIER -

PRIVATE STICHTING; STICHTING HOLDING BASS - PRIVATE STICHTING; STICHTING HOLDING BELGIAN LION - PRIVATE STICHTING; TREFONDINVEST BVBA; FOUR-LEAF INVESTMENT NV; CENTRAL PARK NV; HOTEL DEVELOPMENT ANTWERPEN NV; HOTEL DEVELOPMENT CORPORATION NV; INTERNATIONAL HOTEL DEVELOPMENT FLANDERS NV; LA LINIERE HOTEL SA; MERCATORPARK ANTWERP NV; COSMOTE GLOBAL SOLUTIONS NV; FLI GROUP BVBA; PEGALAND SRL; PEGATRIM SRL; PEGAMO I SRL; PEGAMO III SRL; PEGAMO V SRL; PEGASON SRL; PEGACOSMOS SRL; PEGARE SRL; PEGAPARK SRL; FPE (BE) HOLDING SRL; D SQUARE REAL ESTATE SA FIIS; BAYREUTH SA; CAPRESE II SA; ELSINORE SA; DAVOS SA; FIGUERAS SA; FONDATION HOLDING AUTO ABS BELGIUM LOANS FONDATION PRIVEE; THE ONE OFFICE SA; LA CITY SA; WTSS PARC MOUSCRON SA; STATE GRID INTERNATIONAL DEVELOPMENT BELGIUM LIMITED SRL; STICHTING BUMPER BE PRIVATE STICHTING; BUMPER BE NV; STICHTING ICLHB FINANCE PRIVATE STICHTING; ICLHB FINANCE NV; BELALAN BISCHOFSHEIM LEASEHOLD SA; SILVER TOWER SA; MARNIX GM; CREAFIN CREDITS NV; BRUSSELS CV SRL; BRUSSELS CV 2 SRL; HOTEL OPERATIONS HASSELT BVBA; CARESTOTEL BVBA; COMMUNITY WASTE HOLDING PRIVATE STICHTING;CONSOLIDATED MINERALS (BELGIUM) LIMITED SPRL; CPIS SA; CPIT SA; CPIV SA; CPIW SA; ESMEE MASTER ISSUER NV; GCCL (BELGIUM) SERVICES SPRL; HERITAGE FUND SPRL; HIH GLOBAL RUE ROYALE SA ; JPA PROPERTIES BVBA; KF JAPAN BVBA; LOCH LOMOND FOUNDATION PRIVATE STICHTING; MONTINDU NV; PROLOGIS MEXICO HOLDING I (A) BVBA; PROLOGIS MEXICO HOLDING II (A) BVBA; PROLOGIS MEXICO HOLDING III (A) BVBA; PROLOGIS MEXICO HOLDING IV (A) BVBA; PROLOGIS MEXICO HOLDING V (A) BVBA; ROBHEIN BEHEER BVBA; ROSPA BELGIUM BVBA; STICHTING JPA PROPERTIES - PRIVATE STICHTING; STRATEGIC METALS BVBA; WADI INVESTMENT SPRL; BUNBEG SPRL; HUDSON GLOBAL RESOURCES BELGIUM NV; AZOLVER BELGIUM BV; EQUITIX GWC HOLDCO NV; TRONE HOLDING SA; IMMO WATRO SA; ENERGY STORAGE SOLUTIONS S.L. – BRANCH; KADANS SCIENCE PARTNER BE SERVICES BV; KADANS SCIENCE PARTNER BE SERVICES I BV; CLEAR LAKE BV/SRL; CUBE COLD EUROPE BELGIUM BIDCO NV; AVOCENT BELGIUM LTD SPRL; BOETIE BELGIUM HOLDING SPRL; LONKO BELGIUM HOLDING SPRL; STICHTING HOLDING ESMEE - PRIVATE STICHTING; STICHTING VESTA - PRIVATE STICHTING; AUTO ABS BELGIUM LOANS 2019 SA; KADANS SCIENCE PARTNER I BE SCOMM; WATSON & CRICK HILL SCOMM; DEXIA SECURED FUNDING BELGIUM NV; and MERCURIUS FUNDING NV.

Companies of which Mrs Irène Florscu has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years are: B-ARENA NV; BASS MASTER ISSUER NV; BELGIAN LION NV; GRANLA SRL; LOAN INVEST NV; ROYAL STREET NV; STICHTING BACHELIER - PRIVATE STICHTING; STICHTING HOLDING ESMEE - PRIVATE STICHTING; STICHTING VESTA - PRIVATE STICHTING; COSMOTE GLOBAL SOLUTIONS NV; FLI GROUP BVBA; PEGALAND SRL; PEGATRIM SRL; PEGAMO I SRL; PEGAMO III SRL; PEGAMO V SRL; PEGASON SRL; PEGACOSMOS SRL; PEGARE SRL; PEGAPARK SRL; FPE (BE) HOLDING SRL; D SQUARE REAL ESTATE SA FIIS; BAYREUTH SA; CAPRESE II SA; ELSINORE SA; DAVOS SA; FIGUERAS SA; MARNIX FREEHOLD BVBA-FIIS; THE ONE OFFICE SA; LA CITY SA; WTSS PARC MOUSCRON SA; STICHTING BUMPER BE PRIVATE STICHTING; STICHTING ICLHB FINANCE PRIVATE STICHTING; BELALAN BISCHOFSHEIM LEASEHOLD SA; SILVER TOWER SA; CREAFIN CREDITS NV; AISELA10 SRL; AVOCENT BELGIUM LTD SPRL; BUSCHBERG ASSOCIATES SA; CULTURA 2006 FONDATION PRIVEE; EUROPEAN FINANCIAL SERVICES ROUND TABLE ASBL; FRIBLER BELGIUM HOLDING SPRL; GELASE SA; GULAG BELGIUM HOLDING SPRL; PASSPORT BELGIUM SA; COMMUNITY WASTE HOLDING PRIVATE STICHTING; CPIS SA; CPIT SA; CPIV SA; CPIW SA; DEXIA SECURED FUNDING BELGIUM NV; MERCURIUS FUNDING NV; STICHTING HOLDING BASS - PRIVATE STICHTING; STICHTING HOLDING BELGIAN LION - PRIVATE STICHTING; STICHTING JPA

PROPERTIES - PRIVATE STICHTING; LOCH LOMOND FOUNDATION PRIVATE STICHTING; and ESMEE MASTER ISSUER NV.

None of the Issuer Directors have been subject to official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), nor have they been disqualified by a court from acting as member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

8.2 Other administrative, management and supervisory bodies

The Issuing Company has no other administrative, management or supervisory bodies than the board of directors. The board of directors will delegate some of its management powers to the Issuer Administrator for the purpose of assisting it in the management of the affairs of the Issuing Company but it will retain overall responsibility for the management of the Issuing Company, in accordance with the UCITS Act. For more information about the Issuer Administrator, see below paragraph 2 (*The Issuer Administrator*) of Section 20 (*Related Party Transactions – Material Contracts*).

8.3 Conflicts of interest

None of the Issuer Directors has any conflict of interest between its duties as director and its other duties or private interests.

None of the Issuer, the Shareholder or the Stichting Shareholder have a conflict of interest with any of its directors with respect to the entering into the Transaction Documents.

8.4 Issuer Management Agreements

Each of the Issuer Directors has entered into a management agreement with the Issuer and the Security Agent.

In each of the aforementioned management agreements (as amended or supplemented) (the **Issuer Management Agreements**), each of the Issuer Directors agrees and undertakes to, *inter alia*, (i) act as director of the Issuer and to perform certain services in connection therewith, (ii) do all that an adequate director should do or should refrain from doing, and (iii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents.

In addition each of the Issuer Directors agrees in the relevant Issuer Management Agreements that it will not enter into any agreement relating to the Issuer other than the Transaction Documents to which it is a party, without the prior written consent of the Security Agent.

The Issuer Management Agreements do not provide for additional benefits upon termination.

9. GENERAL MEETING OF THE SHAREHOLDERS

The shareholders' meeting has the power to take decisions on matters for which it is competent pursuant to the Belgian Code of Companies and Associations. This includes the situation where as a result of a conflict of interest of the members of the board of directors of the Issuing Company with respect to a decision to be taken by it, such decision cannot be validly taken by the board of directors pursuant to the applicable statutory rules on conflicts of interest. In that case, the matter will be submitted to the shareholders' meeting and the shareholders' meeting will have the power to appoint a director *ad hoc* or take a decision on the matter itself.

The annual shareholders' meeting will be held each year on the last Business Day of the month of June at 14:00 CET. The shareholders' meetings are held at the Issuing Company's registered office or such

other location set out in the convening notice. A general meeting may be convened at any time by the board and the auditor(s) and must be convened whenever this is requested by shareholders representing 1/10th of the share capital.

Furthermore, a general meeting of shareholders of a specific Compartment may be held regarding subjects matters which only concern such Compartment. A general meeting of shareholders of a specific Compartment may be convened at any time and must be convened whenever this is requested by shareholders representing 1/10th of the share capital attributed to the specific Compartment. Such meeting only represents the shareholders of the specific Compartment.

Shareholders' meetings are convened upon convening notice of the board of directors (or the auditor or liquidator). Such notices contain the agenda as well as the proposals of resolutions and are made in accordance with the Belgian Code of Companies and Associations. Copies of the documents to be provided by law are provided with the convening notice.

A shareholder may be represented at a meeting of shareholders by a proxyholder. In order to be valid, such proxy must comply with the formal requirements established by the board.

The shareholders' meeting may validly resolve irrespective of the number of shares present or represented, unless otherwise provided by law. Any resolution is validly adopted at the majority of the votes. Amendments of the articles of association require a majority of 75 per cent. of the votes (and a majority of 80 per cent. for the amendment of the corporate object).

10. CHANGES TO THE RIGHTS OF HOLDERS OF SHARES

The board of directors is authorised to create various categories of shares, where a category coincides with a separate part or Compartment of the assets of the Issuing Company. The board of directors can make use of this authorisation to decide to create a Compartment by reallocating existing shares in different categories, in compliance with the equality between shareholders, or by issuing new shares. The rights of the holders of shares and creditors with respect to a Compartment or that arise by virtue of the creation, the operation or the liquidation of a Compartment are limited to the assets of such compartment.

Upon the creation of a Compartment via (re)allocation of existing shares or via the issue of new shares, the board of directors shall ensure that the shares of that Compartment, except with the prior written consent of all shareholders of the category concerned, are assigned to the shareholders in proportion to their holding in the other compartments.

11. SHARE TRANSFER RESTRICTIONS

Given the specific purpose of the Issuing Company and Article 3, 7° of the UCITS Act, the shares in the Issuing Company can only be held by qualifying investors within the meaning of Article 5, §3/1 of the UCITS Act. Each transfer in violation of the share transfer restrictions contained in article 10 of the articles of association of the Issuing Company, is null and is not enforceable against the Issuing Company. In addition:

(a) if shares are transferred to a transferee who does not qualify as an Qualifying Investor within the meaning of Article 5, §3/1 of the UCITS Act, the Issuing Company will not recognise such transfer and not register such transfer in its share register; and

(b) as long as shares are held by a shareholder who does not qualify as an Qualifying Investor within the meaning of Article 5, §3/1 of the UCITS Act, the payment of any distribution (including by way of dividends and capital reductions) in relation to the shares held by such shareholder will be suspended.

Share transfers are further subject to authorisation by the board of directors. If a proposed transfer of shares is rejected by the board of directors, the board of directors will have to propose one or more alternative transferees for the shares.

The shares may not be pledged or be the subject matter of another right in rem other than the property interest, unless approved by the board of directors.

12. CORPORATE GOVERNANCE

The Issuing Company complies with all binding regulations of corporate governance applicable to it in Belgium.

In accordance with Article 7:99 of the Belgian Code of Companies and Associations, companies whose securities are admitted to trading on a regulated market must establish an audit committee. Article 7:99, §8 of the Belgian Code of Companies and Associations contains an exemption from this obligation for any company the sole business of which is to act as issuer of asset-backed securities as defined in Article 2(5) of Commission Regulation (EC) No 809/2004. In that case, the relevant company must explain to the public the reasons for which it considers it not appropriate to have an audit committee or an administrative or supervisory body entrusted to carry out the functions of an audit committee.

The Issuing Company's sole business consists of the issuance of asset-backed securities and does not consider it appropriate to establish an audit committee. The Issuing Company refers in this respect to the recitals of the European Directive in relation to statutory audits of annual accounts, where it is stated that where a collective investment undertaking functions merely for the purpose of pooling assets, the establishment of an audit committee is not always appropriate. This is because the financial reporting and related risks are not comparable to those of other public-interest entities.

In addition, the Issuing Company operates in a strictly defined regulatory environment and is subject to specific governance mechanisms (e.g. corporate object limits its activities to the issue of negotiable financial instruments for the purpose of acquiring receivables). Furthermore, the Issuing Company points out that, with respect to the main tasks to be carried out by an audit committee, such as the monitoring of the financial reporting process and of the statutory audit of the annual and consolidated accounts, it will enter into an Issuer Services Agreement pursuant to which the MPT Provider and the Issuer Administrator will provide certain reporting, calculation and monitoring services.

The Issuing Company will include a declaration as to the reasons why it does not consider it appropriate to establish an audit committee (as set out above) in the annual report with respect to its annual accounts.

13. ACCOUNTING YEAR

The accounting year of Compartment No. 5 of the Issuing Company ends on 31 December of each year.

As at the date of this Prospectus, the Issuer, acting through its Compartment No. 5, has not commenced operations, other than the Transaction.

Pursuant to Article 18.1 (c) of the Prospectus Regulation, the FSMA has by decision of 24 January 2023 granted an exemption with respect to the obligation to provide historical financial information (under item 8.2 of Annex 9 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutinu and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, an repealing Commission Regulation (EC) No 809/2004) in relation to Compartment No. 5 of the Issuer. This exemption also applies to any

related information requirements where such information relates to Compartment No. 1, Compartment No. 2, Compartment No. 3 and Compartment No. 4.

14. CAPITALISATION

The following table shows the capitalisation of the Issuing Company as of the Closing Date as adjusted to give effect to the issue of the Notes:

(a) Share Capital

Issued Share Capital	EUR 86,100
Compartment No. 1	EUR 61,500
Compartment No. 2	EUR 2,460
Compartment No. 3	EUR 2,460
Compartment No. 4	EUR 2,460
Compartment No. 5	EUR 2,460
Compartment No. 6	EUR 2,460
Compartment No. 7	EUR 12,300

(b) Borrowings

The Notes and other borrowing of Compartment No.1, Compartment No. 2, Compartment No. 3 and Compartment No. 4 have been repaid before the Closing Date.

Compartment No. 5

Class A1 Notes	EUR	425,000,000
Class A2 Notes	EUR	425,000,000
Class B Subordinated Loan	EUR	150,000,000
Class C Subordinated Loan	EUR	15,000,000
Expenses Subordinated Loan	EUR	1,300,000

15. INFORMATION TO INVESTORS – AVAILABILITY OF INFORMATION

See Section 19 (General Information), under paragraph 2 *Information made available to investors*.

16. FINANCIAL INFORMATION CONCERNING THE ISSUING COMPANY

16.1 Financial position

Compartment No. 1 of the Issuing Company started operations in October 2006 and the securitisation transaction entered into by Compartment No. 1 was unwound in October 2011. Compartment No. 2 of the Issuing Company started operations in September 2011 and the securitisation transaction entered into by Compartment No. 2 was unwound in October 2016. Compartment No. 3 of the Issuing Company started operations in January 2012 and the securitisation transaction entered into by Compartment No. 3 was unwound in January 2017. Compartment No. 4 started operations in September 2017 and the securitisation transaction entered into by Compartment No. 4 was unwound in October 2022.

Compartment No.5 of the Issuing Company was created on 2 Novembert 2010 and the Issuer, acting through its Compartment No. 5 has not commenced operations other than the Transaction.

Pursuant to Article 18.1 (c) of the Prospectus Regulation, the FSMA has by decision of 24 January 2023 granted an exemption with respect to the obligation to provide historical financial information (under item 8.2 of Annex 9 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2018 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scruntiny and approval of the prospectus to be published when securites are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 in relation to the Issuing Company and its Compartment N°5 of the Issuing Company. This exemption also applies to any related information requirements where such information relates to the Issuing Company, and its Compartment N°1, Compartment N°2, Compartment N°3, Compartment N°4.

16.2 Dividend policy

Pursuant to Article 30 of the articles of association of the Issuing Company, the profit of the Issuing Company may (after constitution of the legal reserve) either be distributed as dividend or reserved for later distribution or for the cover of risk of default of payment of the Mortgage Receivables.

16.3 Investment policy

The Issuing Company has as such no borrowing or leverage limits. Pursuant to its articles of association, the Issuing Company may however only invest in receivables that are assigned to it by third parties as well as in temporary investments. The Issuing Company may not hold other assets than those necessary for the realisation of its corporate object.

The Compartment No. 5 of the Issuing Company has been set up with as purpose the collective investment of financial means collected in accordance with the articles of association in a portfolio of selected mortgage receivables.

16.4 Valuation rules

The Issuer will apply the following valuation rules:

(1) ASSETS

(a) Receivables

Long-term receivables (> 1 year)

Short-term receivables (< 1 year)

Barring specific provisions every asset item will be valued at the purchase value and will be included in the balance sheet for that amount, after deducting the relevant write-offs and depreciations.

Purchase value is understood to be: the purchase price, the manufacturing cost or the contribution value as set out in articles 21, 22 and 23 of the Royal Decree of 23 September 1992. The purchase of a mortgage portfolio with the aim of securitisation may give rise to setting a higher price than the nominal value thereof. The difference between the purchase value and the accounting value of the portfolio is written off on the basis of an annually revised calculation of future income.

The transfer of assets by a transferor in the context of a securitisation operation takes place by means of the payment of a cash price, i.e. the unexpired loan capital increased with the expired and unpaid interests, as well as several costs owed by the borrowers. The purchase value of the loans was valued at a cash purchase price.

A variable purchase price is also due in function of the results of the Issuer, i.e. the deferred purchase price. This is only due in function of the results generated by the Issuer which, depending of the possible early repayment of the loans and the interest risk, is difficult to anticipate. The payment of the variable purchase price is immediately included in the result when it becomes payable.

The mortgage loans are included in the balance sheet for the unpaid capital balance increased with the overdue and unpaid interests, as well as the different costs to be paid by the borrowers.

The interests and the different income with regard to the normal or bad debts which have remained unpaid after they became payable are reserved.

Depreciations are applied to high-risk cases.

The risks are assessed according to the principle of distinguishing evaluation of every element of the assets.

The costs charged are immediately included in the result from the start of the aforementioned loans.

(b) Liquid resources

The amounts in this section are booked at their nominal value in accordance with the bank statements.

(c) Accrued accounts

Accrued income which is not yet due is included in the result *pro rata temporis*.

(d) Formation costs

Formation costs are activated and are depreciated on a straight-line basis over the period from the Closing Date to the First Optional Redemtion Date.

(2) LIABILITIES

(a) Debts

Long-term debts (> 1 year)
Short-term debts (< 1 year)

Debts resulting from loans are booked at their nominal value after deducting interim repayments. The spreading of repayments is defined by the liquid income from the securitised portfolio.

(b) Accrued accounts

Accrued costs which are not yet due are included in the result *prorate temporis*.

(3) HEDGING DERIVATES

The notional amounts of the derivatives are posted in the off-balance sheet accounts. The income and charges related to hedging derivatives are recorded in the income statement in a similar way as the income and the charges of the hedged item.

17. NEGATIVE STATEMENTS

The Issuing Company has not been involved in any governmental, legal or arbitration proceedings (including proceedings which are pending or threatened of which the Issuing Company is aware), during a period since its incorporation, which may have or have had in the recent past significant effects on the Issuing Company or its financial position or profitability.

Section 8 - The Notes

1. AUTHORISATION

The issue of the Notes is authorised by a resolution of the board of directors of the Issuer passed on 17 January 2023.

2. TERMS AND CONDITIONS

The terms and conditions of the Notes are set out in full in Annex 1 to this Prospectus.

3. MEETING OF NOTEHOLDERS

The rules for the organisation of the Noteholders are set out in Condition 4.13 (*Meetings of Noteholders, Modifications and Waivers*).

4. WEIGHTED AVERAGE LIFE

Weighted average life refers to the average number of years that each euro amount of principal of the Notes will remain outstanding (**Weighted Average Life**). The Weighted Average Life of the Notes cannot be predicted accurately as it will be affected by various factors largely outside the control of the Issuer, including the actual rate of repayment of the Mortgage Receivables, prepayments, and the extent to which the Notes Interest Available Amount is sufficient to cover any Principal Deficiencies.

The model used in this Prospectus for the Mortgage Receivables assumes a constant per annum rate of prepayment (**CPR**) each month relative to the then outstanding principal balance of the pool of Mortgage Receivables. 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 the Mortgage Receivables.

The following tables were prepared based on the characteristics of the Mortgage Receivables included in the Provisional Pool and the following additional assumptions:

(a) in table 1, the Issuer exercises its Optional Redemption Call on the First Optional Redemption Date; in table 2, the Issuer does not exercise its Optional Redemption Call on or after the First Optional Redemption Date;

(b) no other call option is exercised;

(c) the Mortgage Receivables are subject to a CPR of between 0 per cent. and 15 per cent. per annum as shown in the following tables;

(d) no weighted average coupon contraction is assumed during the life of the transaction on the portfolio of residential mortgage loans because of prepayments;

(e) no Mortgage Receivable is sold by the Issuer, except in accordance with the First Optional Redemption Date;

(f) at the Closing Date, the Class A1 Notes represent approximately 50% of the Notes;

(g) at the Closing Date, the Class A2 Notes represent approximately 50% of the Notes;

(h) all payments on the Notes are received on a Quarterly Payment Date;

(i) there are no Mortgage Receivables in arrears or in default (the annual default rate is equal to 0%);

(j) the day count for average life calculations is Act/Act;

(k) the Closing Date will fall on 27 January 2023;

(l) no Enforcement Notice has been served;

(m) a 3 month EURIBOR rate of 2.5% during the life of the transaction;

(n) for the purpose of interest rate resets of Mortgage Receivables with a resettable interest rate, it is assumed that the 12 month Belgian treasury note interest rate is 2%, the OLO 3 year rate 2.25% and the OLO 5 year rate 2.5% during the life of the transaction;

(o) the Floating Rate GIC Interest Rate is 2.3% during the life of the transaction;

(p) the pre-FORD margin on the Class A1 Notes is 0.40 % and the post-FORD margin on the Class A1 Notes is 0.60 %;

(q) the pre-FORD margin on the Class A2 Notes is 0.50 % and the post-FORD margin on the Class A2 Notes is 0.75 %;

and

(r) the senior expenses are EUR 205,000 per annum plus 0.015 % on the outstanding balance of the Mortgage Receivables.

The Weighted Average Lives shown below were determined by (i) multiplying the net reduction, if any, of the Principal Amount Outstanding of each Class of Notes by the number of years from the date of issuance of the Notes to the related Quarterly Payment Date, (ii) adding the results and dividing the sum by the aggregate of the net reductions of the Principal Amount Outstanding described in (i) above.

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 the varying prepayment scenarios.

Table 1: Weighted average life in years under different CPR scenario, assuming call on the First Optional Redemption Date

CPR	0%	5%	10%	15%
Class A1 Notes	3.2	2.3	1.6	1.3
Class A2 Notes	5.0	4.8	4.5	4.0

Table 2: Weighted average life under different CPR scenario, assuming no call on or after the First Optional Redemption Date

CPR	0%	5%	10%	15%
Class A1 Notes	3.8	2.3	1.6	1.3
Class A2 Notes	11.2	8.1	6.1	4.7

Section 9 - Issuer Security

As security for the performance by the Issuer of its obligations under the Transaction Documents, the Issuer acting through its Compartment No. 5 will grant rights of pledge on its assets (and rights) in favour of the Security Agent and the other Secured Parties.

The Security Agent has been designated as representative of the Noteholders, in accordance with Article 271/12, §1 first to seventh indent of the UCITS Act which states that the representative (the Security Agent) may bind all Noteholders and represent them vis-à-vis third parties or in court, in accordance with the terms of its mission. The representative may act in courts and represent the Noteholders in any bankruptcy, judicial composition or judicial reorganisation, as applicable, or similar insolvency proceedings without having to reveal the identity of the Noteholders it represents. The Security Agent, acting in its capacity as representative of the Noteholders, acts in the sole benefit of the Noteholders. The Security Agent has also been appointed as irrevocable agent (*lasthebber/mandataire*) of the other Secured Parties in respect of the performance of certain duties and responsibilities in relation to the pledged collateral.

The Security Agent has also been appointed as agent acting in its own name but on behalf of the Noteholders and the other Secured Parties in accordance with Article 5 of the Collateral Law and Article 3 of the MAS Law.

In addition, the Security Agent has been appointed as irrevocable agent (*mandataris/mandataire*) of the other Secured Parties. In relation to any duties, obligations and responsibilities of the Security Agent to the other Secured Parties in its capacity as agent of the other Secured Parties in relation to the Pledged Assets and under or in connection with the Transaction Documents, the Security Agent and the other Secured Parties agree and the Issuer concurs, that the Security Agent shall discharge these duties, obligations and responsibilities by performing and observing its duties, obligations and responsibilities as representative of the Noteholders in accordance with the provisions of the Common Representative Appointment Agreement, the Transaction Documents and the Conditions.

The Issuer shall grant on the Closing Date a first ranking pledge (*pand/gage*) to the Secured Parties, including the Security Agent acting in its own name but on behalf of the Noteholders and the other Secured Parties (the **Pledge Agreement**) over:

(a) the Mortgage Receivables, secured by the Related Security, acquired or to be acquired by the Issuer pursuant to the Mortgage Receivables Purchase Agreement;

(b) all rights, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) in, to, under and in respect of the Transaction Accounts;

(c) all monies and proceeds payable or to become payable under, in respect of, or pursuant to the Transaction Accounts held with the Floating Rate GIC Provider and the right to receive payment of such monies and proceeds and all payments made, including all sums of money that may at any time be credited to any Transaction Account held with the Floating Rate GIC Provider together with all interest accruing from time to time on such money and the debts represented by any Transaction Account;

(d) all ancillary rights, accretions and supplements in respect of the Transaction Accounts held with the Floating Rate GIC Provider; and

(e) all rights, title, interest and benefit of the Issuer under or pursuant to the Transaction Documents to which the Issuer is a party (other than the Pledge Agreement), including without limitation, its rights under the (A) Mortgage Receivables Purchase Agreement, (B) the Issuer Services Agreement, (C) the Issuer Management Agreements, (D) the Floating Rate GIC, and (E) the Cap Agreement.

Pursuant to the Pledge Agreement, the Cap Collateral Accounts will be pledged in the same manner as the existing Transaction Accounts.

The security created by the Issuer (in favour of all the Secured Parties) pursuant to the Pledge Agreement is collectively referred to herein as the **Security Interests**. The assets over which the Security is created are referred to herein as the **Pledged Assets**.

The Pledged Assets will also provide security for the Issuer's obligation to pay amounts due to the Secured Parties under the Notes and the Transaction Documents, in accordance with the applicable Priority of Payments as set out in Section 6 - *Credit Structure* above.

The Noteholders will be entitled to the benefit of the Pledge Agreement, and by subscribing for or otherwise acquiring the Notes, the Noteholders shall be deemed to have knowledge of, accept, and be bound by, the terms and conditions set out therein, including the appointment of the Security Agent to hold the Security Interest and to exercise rights arising under the Pledge Agreement and the Common Representative Appointment for only the benefit of the Noteholders and the other Secured Parties. The Noteholders shall have limited recourse against only the Pledged Assets and the assets of the Issuer.

The Pledge Agreement provides that the pledge on the Mortgage Receivables and Related Security will not be notified to the Borrowers, the Insurance Companies or other relevant parties, except in case certain notification events occur, which include the Notification Events and if an Enforcement Notice is given (the **Pledge Notification Events**). Prior to notification of the pledge to the Borrowers, the pledge on the Mortgage Receivables will be an undisclosed pledge.

The pledge created pursuant to the Pledge Agreement over the rights referred to in paragraphs (b) to (e) above will be acknowledged by the relevant obligors and will therefore be a disclosed pledge.

The Pledge Agreement is subject to Belgian law. Under Belgian law, upon enforcement of the Security Interests, the Security Agent, in its capacity as pledgee and acting on its own behalf and in its own name but on behalf of the other Secured Parties, will be permitted to collect any monies payable in respect of the Mortgage Receivables, any monies payable under the Transaction Documents pledged to it and any monies standing to the credit of the Transaction Accounts and to apply such monies in satisfaction of obligations of the Issuer which are secured by the Pledge Agreement. The Security Agent will also be permitted:

(a) with respect to the Pledged Assets, to sell such Pledged Assets without prior court authorisation; and

(b) with respect to the cash on the Transaction Accounts only, to appropriate such cash without prior court authorisation.

In addition to other methods of enforcement permitted by law, Article 271/12, §2 of the UCITS Act also permits the Noteholders (acting together) to request the president of the enterprise court to attribute to them the Collateral in payment of an amount estimated by an expert. In accordance with the terms of the Pledge Agreement only the Security Agent shall be permitted to exercise such rights.

The security rights described above shall serve as security for the benefit of the Secured Parties, including each of the Noteholders, the Class B Subordinated Loan Provider, and the Class C Subordinated Loan Provider, but, *inter alia*, amounts owing to the Class B Subordinated Loan Provider and to the Class C Subordinated Loan Provider will rank in priority of payment after amounts owing to the Noteholders (see Section 6 - *Credit Structure* above). By subscribing for or otherwise acquiring the Notes, the Noteholders shall be deemed to have knowledge of, accept, and be bound by, the terms and conditions set out therein, including the appointment of the Security Agent to hold the Security Interest and to exercise rights arising under the Pledge Agreement for only the benefit of the Noteholders and the other Secured Parties. The Noteholders shall have limited recourse against only the Pledged Assets and the assets of the Issuer.

Section 10- Security Agent

Stichting Security Agent B-Arena is a foundation under Dutch law (*stichting*) incorporated under the laws of the Netherlands on 17 March 2017. It has its office address at Basisweg 10, 1043 AP Amsterdam, the Netherlands.

The objects of the Security Agent are (a) to act as agent of noteholders in the framework of a securitisation transaction; (b) to acquire, keep and administer security rights in its own name and as agent and representative of noteholders in the framework of a securitisation transaction as well as, if necessary, to enforce such security rights, for the benefit of creditors of legal entities amongst which the Issuer (including the holders of notes to be issued by the Issuer) and to perform acts and legal acts and guarantees from, the aforementioned entities, which are conducive to the holding of the abovementioned security rights; (c) to borrow money and (d) to perform any and all acts which are related, incidental or which may be conducive to the above.

For more information on the role and liabilities of the Security Agent, see paragraph 3 (*The Security Agent*) of Section 20 (*Related Party Transactions – Material Contracts*) and Condition 4.12.

Section 11 – Tax

This section provides a general description of the main Belgian 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 Belgian taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Belgian 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 Belgium's 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.

Prospective holders of the Notes are urged to consult their own professional advisers with respect to the tax consequences of an investment in the Notes, taking into account their own particular circumstances and the possible impact of any regional, local or national laws.

1. GENERAL RULE

Any taxes which may be due relating to payments of interest and/or principal in respect of the Notes will be borne by the beneficiary of those payments.

If the Issuer, the National Bank of Belgium, its legal successor or any operator of any Alternative Securities Settlement System (the **Securities Settlement System Operator**), the Paying Agent or any other person is required to make any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or charges of whatever nature in respect of any payment in respect of the Notes, the Issuer, the Securities Settlement System Operator, the Paying Agent or such other person (as the case may be) shall make such payment after such 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 Issuer, the Securities Settlement System Operator, any Paying Agent nor any other person will be obliged to gross up the payment in respect of the Notes or make any additional payments to holders of Notes in respect of such withholding or deduction. If any such withholding or deduction is required by law, the Issuer may, at its option, redeem the Notes.

2. BELGIAN TAX

2.1 Belgian withholding tax

The interest component of the payments on the Notes will, as a rule, be subject to Belgian withholding tax on the gross amount of the interest, currently at the rate of 30 per cent. Tax treaties may provide for a lower rate subject to certain conditions.

Payments of interest by or on behalf of the Issuer on the Notes may however be made without deduction of withholding tax provided that the Notes are held by Eligible Investors in an X-Account with the Securities Settlement System or with a Securities Settlement System Participant in the Securities Settlement System. In addition, transfers of Notes between two X-Accounts do not give rise to any adjustments on account of Belgian withholding tax.

Eligible Investors are those persons referred to in Article 4 of the *Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier* (Royal Decree of 26 May 1994 on the deduction and indemnification of withholding tax) which include, *inter alios*:

(a) Belgian resident corporations subject to Belgian corporate income tax within the meaning of Article 2, §1, 5°, b) of the Income Tax Code 1992 (**ITC 1992**);

(b) without prejudice to Article 262, 1° and 5° of ITC 1992, institutions, associations and companies provided for in Article 2, paragraph 3 of the Belgian law of 9 July 1975 on the control of insurance companies (other than those referred to in 1° and 3°);

(c) state regulated institutions for social security, or institutions assimilated therewith, provided for in Article 105, 2º of the Royal Decree of 27 August 1993 implementing ITC 1992;

(d) non-resident investors provided for in Article 105, 5º of the same decree;

(e) investment funds provided for in Article 115 of the same decree;

(f) companies, associations and other tax payers provided for in Article 227, 2º of ITC 1992, that hold the Notes for the exercise of their professional activities in Belgium and which are subject to non-resident income tax in Belgium pursuant to Article 233 ITC 1992;

(g) the Belgian State with respect to its investments which are exempt from withholding tax in accordance with Article 265 of ITC 1992;

(h) investment funds organized under foreign law which are an undivided estate managed by a management company on behalf of the participants, when their units are not publicly issued in Belgium and are not traded in Belgium; and

(i) Belgian resident companies, not provided for under (a), whose sole or principal activity consists in the granting of credits and loans.

Eligible Investors do not include, *inter alios*, Belgian resident investors who are individuals or non-profit organisations, other than those referred to under (b) and (c) above.

Upon opening an X-Account with the Securities Settlement System or a Securities Settlement System Participant, an Eligible Investor is required to provide a statement of its eligible status on a form approved by the Belgian Minister of Finance. There are no ongoing certification requirements for Eligible Investors save that they need to inform the Securities Settlement System Participants of any change of the information contained in the statement of its eligible status. However, Securities Settlement System Participants are required to annually report to the Securities Settlement System as to the eligible status of each investor for whom they hold Notes in an X-Account.

These reporting and certification requirements do not apply to Notes held by Eligible Investors through Euroclear Bank (**Euroclear**), Clearstream Banking Franfurt (**Clearstream**), SIX SIS, Euronext Securities Milan (former Monte Titoli), Euroclear France S.A., Euronext Securities Porto (former Interbolsa) and LuxCSD (jointly the **Investor CSDs**) in their capacity as Participants to the Securities Settlement System, or their sub-participants outside of Belgium, provided that the Investor CSDs or their sub-participants only hold X-Accounts and are able to identify the accountholder. The Eligible Investors will need to confirm their status as Eligible Investor (as defined in Article 4 of the *Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier* (Royal Decree of 26 May 1994 on the deduction and indemnification of withholding tax)) in the account agreement to be concluded with the Investor CSDs.

In the event of any changes made in the laws or regulations governing the exemption for Eligible Investors, neither the Issuer nor any other person will be obliged to make any additional payment in the event that the Issuer, the Securities Settlement System or its Securities Settlement System Participants, the Paying Agent or any other person is required to make any withholding or deduction

in respect of the payments on the Notes. If any such withholding or deduction is required by law, the Issuer may, at its option, redeem the Notes (see *Condition 4.5(g) (Optional Redemption for Tax Reasons))*.

2.2 Belgian income tax

(a) Belgian resident corporations

Interest on the Notes received by a Noteholder subject to Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*) (*i.e.*, a company having its registered seat, principal establishment or seat of management or administration in Belgium) is subject to corporate income tax at the current rate of 25 per cent. Any capital gains (over and above the *pro rata* interest included in a capital gain on the Notes) realised on the Notes will be subject to the same corporate income tax rate. Any capital loss on the Notes should be tax deductible.

(b) Belgian resident legal entities

This paragraph applies only to Belgian resident entities subject to the legal entities tax (*rechtspersonenbelasting/impôt des personnes morales*) (*i.e.*, an entity other than a company subject to corporate income tax having its registered seat, principal establishment or seat of management or administration in Belgium) that are Eligible Investors and therefore eligible to hold their Notes in an X-Account (e.g., Belgian qualifying pension funds organised in the form of an ASBL/VZW).

For such Noteholders, the withholding tax constitute the final tax in respect of the received interest. However, since no withholding tax will be levied on the payment of interest on the Notes due to the fact that they are held in an X-Account, Belgian resident legal entities will have to declare the interest and pay the applicable Belgian withholding tax to the Belgian treasury themselves.

Any capital gains (over and above the *pro rata* interest included in a capital gain on the Notes) realised on the Notes will be exempt from the legal entities tax. Capital losses incurred will not be tax deductible.

(c) Organisations for Financing Pensions

Interest and capital gains derived by Organisations for Financing Pensions (**OFP**) in the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision, are in principle not included in the OFP's corporate income tax base and are therefore, as a rule, not subject to corporate income tax at the level of the latter.

(d) Non-residents of Belgium

Noteholders who are not residents of Belgium for Belgian tax purposes and are not holding the Notes as part of a taxable business activity in Belgium will not incur or become liable for any Belgian tax on income or capital gains or other like taxes by reason only of the acquisition, ownership or disposal of the Notes provided that they hold their Notes in an X-account.

2.3 Miscellaneous Taxes

The purchase and the sale and any other acquisition or transfer for consideration of the Notes on the secondary market is subject to the Belgian tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) if (i) carried out in Belgium through a financial intermediary, or (ii) deemed to be carried out in Belgium, which is the case if the order is directly or indirectly given to a foreign financial intermediary, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

The tax on stock exchange transactions is due at the rate of 0.12% with a maximum of EUR 1,300 per party and per transaction. The tax is due by each party to the transaction, and both taxes are collected by the financial intermediary. If the intermediary is established outside of Belgium, the tax will in principle be due by the ordering private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid. Financial intermediaries established outside Belgium could be responsible for collecting the tax on stock exchange transactions if they appointed a Belgian representative for tax purposes, subject to certain conditions and formalities.

An exemption is available for non-residents and certain Belgian qualifying professional investors acting for their own account provided that certain formalities are respected.

On 14 February 2013, the EU Commission adopted a draft Directive on a Financial Transaction Tax. The draft Directive currently stipulates that once the Financial Transaction Tax enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the Financial Transaction Tax (or VAT as provided in the Council Directive 2006/112/EC on 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished if and once the Financial Transaction Tax enters into force. The draft Directive is still subject to negotiation between the participating Member States and may therefore be changed at any time. For more details on the Financial Transaction Tax, reference is made to paragraph 6.2 of Section 1 (*Risk Factors*) above.

Section 12 - Mortgage Receivables Purchase Agreement

Under the Mortgage Receivables Purchase Agreement the Issuer, acting through its Compartment N°5, will purchase and, on the Closing Date, accept from the Seller the transfer by way of assignment of legal title to any and all rights under or in connection with certain selected Mortgage Loans (the **Mortgage Receivables**) of the Seller against certain borrowers (the **Borrowers**). The assignment of the Mortgage Receivables from the Seller to the Issuer will not be notified to the Borrowers, except in special events as further described hereunder (**Notification Events**). The Issuer will be entitled to all proceeds in respect of the Mortgage Receivables as of 1 January 2023.

Securitisation Regulation

Pursuant to the Mortgage Receivables Purchase Agreement, Bank Nagelmackers NV as Seller has undertaken to retain a material net economic interest of not less than 5% in the Transaction in accordance with Article 6 of the Securitisation Regulation. As at the Closing Date, such interest will in accordance with Article 6(3)(d) of the Securitisation Regulation be comprised of an interest in the first loss tranche, and, if necessary, other tranches having the same or a more severe risk profile than those sold to the investors. Any change in the manner in which this interest is held shall be notified to investors.

1. SALE – PURCHASE PRICE

The purchase price for the Mortgage Receivables shall consist of an initial purchase price (the **Initial Purchase Price**), being (i) the aggregate Outstanding Principal Amount of all Mortgage Receivables on 31 December 2022 of EUR 996,881,541.05, which shall be payable on the Closing Date and (ii) a deferred purchase price (the **Deferred Purchase Price**) payable on each Quarterly Payment Date.

The **Outstanding Principal Amount** means, at any moment in time, the principal balance (*hoofdsom/principal*) of a Mortgage Receivable resulting from a Mortgage Loan at such time.

The **Deferred Purchase Price** shall be equal to the sum of all Deferred Purchase Price Instalments and each **Deferred Purchase Price Instalment** on any Quarterly Payment Date will be equal to:

(a) prior to delivery of an Enforcement Notice, the positive difference, if any, between the Notes Interest Available Amount as calculated on each Quarterly Calculation Date and the sum of all amounts payable by the Issuer as set forth in the Pre-FORD Interest Priority of Payments under (i) up to and including (xvi) or in the Post-FORD Interest Priority of Payments under (i) up to and including (xix); or, as the case may be,

(b) following delivery of an Enforcement Notice, the amount remaining after all the payments as set forth in the Pre-FORD Post-Enforcement Priority of Payments under (i) up to and including (xiii) or in the Post-FORD Post-Enforcement Priority of Payments under (i) up to and including (xiv) (see Section 6 - *Credit Structure* above) on such date have been made.

The sale of the Mortgage Receivables shall include, and the Issuer shall be fully entitled to, all ancillary items (*bijhorigheden*/*accessories*) of such Mortgage Receivables and in particular, but not limited to:

(a) all rights and title of the Seller in and under the Mortgage Loans including for the avoidance of doubt, but not limited to:

  (i) the right to demand, sue for, recover, receive and give receipts for all principal monies payable or to become payable under the Mortgage Receivables or the unpaid part thereof and the interest and Prepayment Penalties to become due thereon;

  (ii) the benefit of and the right to sue on all covenants in each Mortgage Receivable and the right to exercise all powers of the Seller in relation to each Mortgage Receivable;

(iii) the right to demand, sue for, recover, receive and give receipts for all prepayment indemnities (*wederbeleggingsvergoeding/indemnité de remploi*) or fees to the extent they relate to the Mortgage Receivables; and

(iv) the right to exercise all express and implied rights and discretions of the Seller in, under or to the Mortgage Receivables and each and every part thereof (including, if any, the right, subject to and in accordance with the terms respectively set out therein, to set and to vary the amount, dates and number of payments of interest and principal applicable to the Mortgage Receivables);

(b) all rights and title of the Seller to the Related Security insofar as it relates to the Mortgage Receivables;

(c) the benefit of any Mortgage Mandate or Mortgage Promise granted as security for the Mortgage Receivables to have an additional Mortgage created over the relevant Mortgaged Assets in accordance with the provisions of the Mortgage Receivables Purchase Agreement;

(d) all rights, title, interest and benefit of the Seller in any Hazard Insurance Policy and Life Insurance Policy in so far as it relates to the Mortgage Receivables including but without limitation the right to receive the proceeds of any claim thereunder;

(e) all documents, computer data and records on or by which each of the above is recorded or evidenced, to the extent that they relate to the above, including, but not limited to, the Contract Records;

(f) all causes and rights of action against any notary public in connection with the execution of the Mortgage Loans, the researches, opinions, certificates or confirmations in relation to any Mortgage Loan or Mortgaged Assets or otherwise affecting the decision of the Seller to offer to make or to accept any Mortgage Loan;

(g) all causes and rights of action against any valuer/appraiser in connection with the investigation and appraisal of any property, any researches, opinions certificates or confirmations in relation to any Mortgage Receivable or Mortgaged Assets or otherwise affecting the decision of the Seller to offer to make or to accept any Mortgage Receivable or Related Security relating thereto;

(h) all causes and rights of action against any Mortgage Registrar, including, without limitation, all rights of action mentioned in articles 128, 130 and 132 of the Act of 16 December 1851, with respect to any transcription (*overschrijving/transcription*), inscription (*inschrijving/ inscription*) or marginal inscription (*kantmelding/inscription en marge*) of any right relating to the Mortgaged Assets; and

(i) all causes and rights of action against any broker, lawyer or other person in connection with any report, valuation, opinion, certificate or other statement of fact or opinion given in connection with any of the above, or affecting the decision of the Seller to offer to make or to accept any of the above,

it being understood that any Related Security with an all sums nature will continue to secure any other amounts owed by the relevant Borrower to the Seller subject to the conditions set out in section 2 (*All Sums Mortgages – Mortgage Mandates*) below.

2. ALL SUMS MORTGAGES – MORTGAGE MANDATES

2.1 All Sums Mortgages

The Mortgage Receivables are secured by an All Sums Mortgage in accordance with Article 81bis of the Mortgage Law or secured by a Mortgage that also secures advances made under a credit opening (*kredietopening/ouverture de crédit*) in accordance with Article 81quater,§2 of the Mortgage Law.

The Seller may hold Existing Loans and will be entitled to make Further Loans to a Borrower, which are or will be secured by the same Mortgage as the Mortgage Receivables transferred to the Issuer.

If there are Existing Loans which are secured by the same Mortgage, the Seller and the Issuer would by law rank equally with respect to the proceeds of the enforcement of such Mortgage (see further paragraph 3 (*Risk factors regarding the Mortgage Receivables*) of Section 1 (*Risk Factors*), unless otherwise agreed between the Seller and the Issuer.

If there are Further Loans granted which are secured by the same Mortgage, the proceeds of such Mortgage shall be distributed pursuant to the rules set out in Articles 81*quater*, §2 and 81*quinquies* of the Mortgage Law and the Mortgage Receivables Purchase Agreement, i.e., the Issuer, acting through its Compartment No. 5, shall fully rank in priority to the Seller.

The Mortgage Receivables Purchase Agreement provides, among other things, that:

(a) in respect of any Related Security securing both a Mortgage Receivable and Seller Loans, all sums owed by any Borrower to the Seller under a Seller Loan and all the rights and remedies of the Seller in respect of a Seller Loan will at all times be subject and subordinated to any sums owed by the Borrower to the Issuer in relation to all sums received out of the enforcement of the Related Security;

(b) as long as any part of the sums owed to the Issuer under a Mortgage Receivable is or might become outstanding and until all these sums are irrevocably paid in full, all sums received out of the enforcement of the Related Security will be distributed to the Issuer in priority of the Seller by payment into the Issuer Collection Account, unless the Issuer and the Security Agent otherwise agree; and

(c) the Seller undertakes that, as long as any part of the sums owed to the Issuer under a Mortgage Receivable is or might become outstanding and until all these sums are irrevocably paid in full, it will not be entitled to receive for its own account any of the proceeds of enforcement of the Related Security.

In addition, the Mortgage Receivables Purchase Agreement will contain certain arrangements regarding the acceleration of a Mortgage Receivable or a Seller Loan and the enforcement of All Sums Mortgages and Related Security securing both a Mortgage Receivable and Sellers Loans.

Existing Loan means any loan or advance originated by the Seller that is secured by the same All Sums Mortgage as a Mortgage Loan and any advance made available by the Seller under a credit facility (*kredietopening/ouverture de credit*) that is secured by the same Mortgage as a Mortgage Loan, before the Closing Date;

Further Loan means any loan or advance originated by the Seller that is secured by the same All Sums Mortgage as a Mortgage Loan and any advance made available by the Seller under a credit facility (*kredietopening/ouverture de credit*) that is secured by the same Mortgage as a Mortgage Loan, in each case originated or made after the Closing Date;

Seller Loans means the Existing Loans and the Further Loans;

2.2 Mortgage Mandates

The Mortgage Receivables may have the benefit of a Mortgage Mandate that permits the creation of a mortgage on the Mortgage Assets as an All Sums Mortgage or as a mortgage that secures all advances made under a credit opening (*kredietopening/ouverture de crédit*). Accordingly, the Seller and the Issuer may have a shared interest in all or some of the Mortgage Mandates.

3. REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties relating to the Seller

Pursuant to the Mortgage Receivables Purchase Agreement, the Seller will represent and warrant for the benefit of the Issuer and the Security Agent on the date of the Mortgage Receivables Purchase Agreement and on the Closing Date that *inter alia*:

(a) the Seller is a corporation duly organised and validly existing under the laws of Belgium with full power and authority to execute, deliver, and perform all of its obligations under the Mortgage Receivables Purchase Agreement and such execution and delivery does not violate any applicable laws;

(b) the Seller has obtained all necessary corporate authority and taken all necessary action (including, but not limited to all necessary consents, licenses and approvals), for the Seller to sign the Mortgage Receivables Purchase Agreement and to perform the transactions contemplated herein;

(c) the Seller is duly licensed as a credit institution by the NBB under the Law of 25 April 2014 on the supervision of the credit institutions (*loi relative au statut et au contrôle des établissements de crédit*) (as may be amended from time to time, the **Credit Institutions Supervision Law**) and has received a license as a provider of mortgage credit under the Belgian Code of Economic Law.

(d) the Seller:

(i) is not in a situation of cessation of payments within the meaning of Belgian insolvency laws;

(ii) has not resolved to enter into liquidation (*vereffening/liquidation*),

(iii) has not filed for bankruptcy or for a moratorium (*uitstel van betaling/sursis de paiement*);

(iv) is not subject to reorganisation measures (*saneringsmaatregel/mesure d'assainissement*);

(v) is not subject to any winding-up procedures (*liquidatieprocedures*/*procédures de liquidation*);

(vi) has not been adjudicated bankrupt or annulled as legal entity;

(vii) the Seller has not taken any corporate action nor is any corporate action pending in relation to any of the matters specified in this paragraph (d);

(e) the Mortgage Receivables Purchase Agreement constitutes the Seller's valid and binding obligations enforceable in accordance with its terms;

(f) no Notification Event relating to the Seller has occurred or will occur as a result of the entering into or performance of the Mortgage Receivables Purchase Agreement; and

(g) no litigation, arbitration or administrative proceeding has been instituted, or is pending, or, to the best of its belief, threatened which might have a material adverse effect on it or on its ability to perform its obligations under the Mortgage Receivables Purchase Agreement.

3.2 Representations and Warranties relating to the Mortgage Loans and the Mortgage Receivables

Pursuant to the Mortgage Receivables Purchase Agreement, the Seller will on the Closing Date represent and warrant in relation to the Mortgage Loans and the Mortgage Receivables for the benefit of the Issuer and the Security Agent that as on the Cut-Off Date, *inter alia*:

(a) Portfolio Schedule

The information relating to

(i) the residential mortgage loans listed in Schedule 4 to the Mortgage Receivables Purchase Agreement;

(ii) the procedures, policies and practices from time to time applied by the Seller with regards to the origination, credit collection and administration and underwriting criteria of its loans as set out in Schedule 10 to the Mortgage Receivables Purchase Agreement; and

provided by the Seller to the Issuer and the Security Agent or otherwise are complete, true and accurate in all material respects as of the Cut-Off Date.

(b) Valid existence – Mortgage Loan Characteristics

(i) The Mortgage Receivables and Loan Security (other than any Other Security) exist and are valid, legally binding and enforceable obligations of the relevant Borrowers, or as the case may be, the relevant Insurance Company or third party provider of additional collateral.

(ii) The Mortgage Loans are granted with respect to Real Estate.

(iii) At origination, each Borrower in respect of a Mortgage Loan, was an individual resident (*domicilié*/*woonachtig*) in Belgium.

(iv) The Borrowers of the Mortgage Loans are not employees of the Seller.

(v) Each Mortgage Loan was granted by the Seller or, as the case may be, its legal predecessor as the original lender, as a loan secured by a Mortgaged Asset and, in the latter case, acquired by the Seller as a true sale and in accordance with the then prevailing credit policies of the original lender and those original lenders are (or were, at the time of the granting of the loan) duly licensed as mortgage undertakings.

(vi) Each Mortgage Loan was granted by the Seller or, as the case may be, its legal predecessor as the original lender, as a loan secured by one or more real estate properties for residential use by the Borrowers located in Belgium over which there is a Mortgage securing such Mortgage Loan.

(vii) The Mortgage Loans have been originated in accordance with the ordinary course of Seller's origination business pursuant to underwriting standards that are no less

stringent than those that the Seller applied at the time of origination to similar mortgage receivables that are not securitised by means of the securitisation transaction described in this Prospectus[8].

(viii) Each Mortgage Loan is granted under a Credit Facility.

(ix) The Mortgage Loans are either Annuity Mortgage Loans, Linear Mortgage Loans or Interest-only Mortgage Loans.

(x) The Mortgage Loans do not include transferable securities as defined in point (44) of Article 4(1) of MiFID II or any securitisation position[9].

(c) Governing Legislation

(i) Each Mortgage Loan and relating Related Security is governed by Belgian law and no Mortgage Loan or relating Mortgage and Mortgage Mandate expressly provides for the jurisdiction of any court or arbitral tribunal other than Belgian courts or tribunals.

(ii) Each Mortgage Loan is subject to the Belgian Mortgage Credit Act, or, as from 1 April 2015, to the Book VII, Title 4, Chapter 2 of the Code of Economic Law.

(iii) Each Mortgage Loan and relating Mortgage complies upon origination in all material respects with the requirements of the Belgian Mortgage Credit Act or, as for Mortgage Loans originated as from 1 April 2015, to the Book VII, Title 4, Chapter 2 of the Code of Economic Law and implementing regulations;

(iv) Each Mortgage Loan complies with any and all applicable consumer protection rules and in general, with the common rules of law (*regels van gemeen recht/règles de droit commun*);

(v) All Standard Loan Documentation relating to the Mortgage Loans has been duly and timely submitted to the FSMA or FPS Economy, as applicable, in accordance with the relevant provisions in the Belgian Mortgage Credit Act, or Book VII of the Code of Economic Law;

(vi) The Consumer Credit Act of 12 June 1991 or, as from 1 April 2015, Book VII, Title 4, Chapter 1 of the Code of Economic Law does not apply to any Mortgage Loan or any other loan or advance made under the Credit Facility under which the Mortgage Loan has been originated;

(vii) No Mortgage Loan is granted (x) with the benefit of a guarantee extended by the Walloon Region under the applicable housing promotion programme for building or acquiring houses (the so-called **Prêts Jeunes** or **Prêts Tremplin**), in application of the Decree of the Walloon Government on 20 July 2000 determining the conditions to intervene for the benefit of young people obtaining a mortgage credit or (y) under a housing promotion for building or acquiring houses by mine worker.

(d) Free from third-party rights

(i) each Mortgage Loan has been granted by the Seller (or, if applicable, its predecessor) for its own account;

[8] Added to cover Art. 9(1) of the SR.
[9] Added to cover Art. 8 of the SR.

(ii) the Seller has exclusive, good, and marketable title to each Mortgage Loan;

(iii) immediately before and upon the entry into effect of the sale on the Closing Date pursuant to the Mortgage Receivables Purchase Agreement and the pledging pursuant to the Pledge Agreement, the Seller has not assigned, transferred, pledged, disposed of, dealt with, otherwise created, allowed to arise, or subsist, any security interest (or other adverse right, or interest, in respect of the Seller's right, title, interest and benefit) in or to, any Mortgage Loan, Loan Security, Additional Security, the rights relating thereto or with respect to any property and asset, right, title, interest or benefit sold or assigned pursuant to the Mortgage Receivables Purchase Agreement or pledged pursuant to the Pledge Agreement, in any way whatsoever other than pursuant to the Mortgage Receivables Purchase Agreement or the Pledge Agreement;

(iv) in respect of any Credit Facility or Shared Mortgage relating to a Mortgage Loan, the Seller has the absolute right on and interest in all rights arising under such Credit Facility (including any loans or advances granted thereunder) and such Shared Mortgage, other than the interests and entitlements sold pursuant to the Mortgage Receivables Purchase Agreement (the **Retained Rights**);

(v) the Seller has not given any instructions to any Borrower, Insurance Company or any provider of Loan Security or Additional Security to make any payments in relation to any Mortgage Loan to any of the Seller's creditors;

(vi) the Seller has not done anything that would render any Loan Security or Additional Security ineffective, or omitted to do anything necessary to render or keep them effective; and

(vii) each Mortgage Loan can be easily segregated and identified by the Seller for ownership and collateral security purposes;

(e) Each Mortgage Receivable is secured by (i) a first ranking Mortgage, and/or (ii) a lower ranking Mortgage provided that the benefit of all higher ranking Mortgages on the same Real Estate has been transferred to the Issuer pursuant to the Mortgage Receivables Purchase Agreement, and/or, as the case may be, (iii) a mandate to create Mortgages over the Mortgaged Assets.

(f) Fully disbursed Mortgage Loans

The proceeds of each Mortgage Loan (including any brokers' fees) have been fully disbursed and the Seller has no further obligation to make further disbursement relating to any Mortgage Loan.

(g) No set-off or other defence

(i) none of the Mortgage Receivables are subject to any reduction resulting from any valid and enforceable *exceptie/exception* or *verweermiddel/moyen de défense* (including *schuldvergelijking/compensation*) available to the relevant Borrower, the Insurance Company or third party provider of Loan Security and arising from any act, event, circumstance or omission on the part of or attributable to the Seller which occurred prior to the execution of the MRPA (except any *exceptie/exception* or *verweermiddel*/*moyen de défense* based on the provisions of Article 5.201 of the Belgian Civil Code or the provisions of Belgian insolvency laws);

(ii) no pledge, lien or counterclaim (except for commercial discounts, as applicable) or other security interest has been created, or arisen, or now exists, between the Seller

and any Borrower or Insurance Company which would entitle such Borrower or Insurance Company to reduce the amount of any payment otherwise due under its Mortgage Loan.

(iii) none of the Mortgage Receivables is part of an actual current account (*rekening courant/compte courant*).

(iv) The Standard Loan Documentation does not contain any express provisions giving the Borrower a contractual set-off right.

(h) No subordination

The Seller has not entered into any agreement, which would have the effect of subordinating the right to the payment under any of the Mortgage Loans to any other indebtedness or other obligations of the Borrower.

(i) No limited recourse

The Seller has not entered into any agreement, which would have the effect of limiting the rights in respect of the Mortgage Loan to any assets of the Borrower for the payment thereof.

(j) No abstraction

Except for Mortgage Receivables incorporated in a negotiable instrument (*grosse aan order*/*grosse à ordre*), no bills of exchange, promissory notes or negotiable instruments have been issued or subscribed in connection with any amounts owing under any Mortgage Loan.

(k) No waiver

The Seller has not knowingly waived or acquiesced in any breach of any of its rights under or in relation to a Mortgage Loan or any Related Security (other than any Other Security), provided that the Permitted Variations made in accordance with the Transaction Documents shall not constitute a breach of this warranty.

(l) Performing loan

(i) No event has occurred and has not been cured prior to the Closing Date, entitling the Seller to accelerate the repayment of such Mortgage Loan.

(ii) On the Cut-Off Date, no Mortgage Loan is in arrears.

(iii) No notice of prepayment of all or any part of the Mortgage Loan has been received by the Seller.

(m) Litigation

The Seller has not received written notice of any litigation or claim calling into question in any material way the Seller's title to any Mortgage Loan or Related Security.

(n) Insolvency

The Seller has not received written notice, nor is otherwise aware, that any Borrower is bankrupt, has entered into or has filed for a rescheduling or repayments (*betalingsfaciliteiten/facilités de paiements*), a judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*), as applicable, or a moratorium (*uitstel van betaling/sursis de paiement*), or has applied for a collective reorganisation of its debts

(*collectieve schuldenregeling/règlement collectif*) pursuant to the law of 5 July 1998, or is in a situation of cessation of payments or has otherwise become insolvent nor has the Seller any reason to believe that any Borrower is about to enter into, or to file for, any of the above situations or procedures.

(o) Incapacity

The Seller has not received notice of the death or any other incapacity of any Borrower.

(p) No Withholding Tax

Neither the Seller nor the Borrower is required to make any withholding or deduction for or on account of tax in respect of any payment in respect of the Mortgage Loans.

(q) Assignability of the Mortgage Receivables

(i) Each Mortgage Receivable, secured by the Loan Security and Additional Security, may be validly assigned to the Issuer and pledged by the Issuer in accordance with the Pledge Agreement;

(ii) each Mortgage Receivable, secured by the Related Security, is legally entitled to be being transferred by way of sale, and the transfer by way of sale is not subject to any contractual or legal restriction, other than the notification to the Borrower for the purpose of rendering the sale enforceable against the Borrower;

(iii) the sale of each Mortgage Receivable in the manner contemplated in the MRPA will not be recharacterised as any other type of transaction other than a sale;

(iv) the sale of each Mortgage Receivable will be effective to pass to the Issuer full and unencumbered title and benefit, and no further act, condition or thing will be required to be done in connection with the Mortgage Receivable to enable the Issuer to require payment of each Mortgage Receivable, or the enforcement of each Mortgage Receivable, in any court other than the giving of notice to the Borrower of the sale of such Mortgage Receivable by it to the Issuer for the purpose of rendering the sale enforceable against the Borrower;

(v) upon the sale of any Mortgage Receivable such Mortgage Receivable will no longer be available to the creditors of the Seller on its liquidation.

(vi) the Standard Loan Documentation specifically provides that the Mortgage Receivables may be assigned.

(r) Valid Mortgage

(i) Each Mortgage exists and constitutes or, upon registration at the office (*hypotheekkantoor/bureau des hypothèques*) where mortgages are or, are to be, registered in accordance with the Mortgage Law (the **Mortgage Register**) will constitute, a valid, enforceable and subsisting mortgage over the relevant Mortgaged Asset;

(ii) each Mortgage which has been registered at the relevant Mortgage Register, is first ranking over any other mortgage or security interest attached to any Mortgaged Asset, save in case the Seller also has first ranking Mortgage and such Mortgage is/are also transferred to the Issuer;

(iii) no other mortgage or security interest attaches to any Mortgaged Asset other than any:

(A) mortgages and liens which apply to the Mortgaged Asset by operation of law;

(B) higher ranking mortgages as envisaged in paragraph (ii) above; and

(C) lower ranking mortgages, liens, encumbrances, claims or mortgage mandates;

(iv) if, at the Cut-Off Date, the registration of any Mortgage created in favour of the Seller is pending at the Mortgage Registration Office:

(A) the Seller shall have, and be capable of having, an absolute right to be registered as mortgagee of the relevant Mortgaged Asset;

(B) such Mortgage shall have no condition, notice or other entry which will prevent such registration;

(C) the Seller has instructed the relevant notary to take all action to effectively register the Seller as mortgagee of the relevant Mortgaged Asset; and

(D) such registration will be accomplished ultimately before the Mortgage Loan is in arrears for more than two (2) months;

(v) all steps necessary with a view to perfecting the Seller's title to each Mortgage were duly taken at the appropriate time or are in the process of being taken without undue delay on the part of the Seller and those within its control;

(vi) as at the date of origination of the Mortgage Loan the immovable property over which such Mortgage has been granted existed or was under construction and the Seller has received no notice nor has it any reason to believe that it does not exist;

(s) Mortgage Mandate

(i) Each attorney appointed under a Mortgage Mandate and as long as such attorney, if a legal person, exists, or, if a private person, is alive, has the power under the Mortgage Mandate to create a mortgage in favour of the Issuer;

(ii) Each Mortgage Mandate permits the appointment of a substitute attorney under such Mortgage Mandate.

(t) Missing Data

As for any Mortgage Loans where the Seller confirms that no actual or no complete data are available, the characteristics of those Mortgage Loans are substantially the same as the ones under the Credit Policies.

(u) Servicing

Immediately before the sale on the Closing Date pursuant to the Mortgage Receivables Purchase Agreement and the pledging pursuant to the Pledge Agreement, each Mortgage Receivables was serviced in the systems of the MPT Provider.

(v) Financial Criteria

(i) The interest rate on each Mortgage Loan was market conform at its origination date.

(ii) Each Mortgage Receivable, except Mortgage Receivables under Interest-only Mortgage Loans, is repayable by way of monthly Instalments. In relation to Interest-only Mortgage Loans, interest is payable on a monthly basis.

(iii) Each Mortgage Receivable is denominated exclusively in euro

(iv) On the Cut-Off Date, no Mortgage Receivable is a Disputed Mortgage Receivable.

(v) Each Mortgage Receivable has a fixed interest rate period that does not exceed 30 years.

(vi) No Mortgage Receivable has an initial maturity in excess of 30 years.

(vii) In respect of each Mortgage Loan, at least one Instalment has been received.

(viii) On the Cut-Off Date, the interest rate on each Mortgage Loan was at least 0% and not more than 10%.

(ix) Each Mortgage Loan was granted as from 1 January 2015.

Instalment shall mean, in respect of any Mortgage Loan, the aggregate amount of principal and interest which is scheduled to be payable by a Borrower on a particular repayment date or after a particular period in accordance with the contractual terms of such Mortgage Loan (as amended from time to time),

(w) Mortgage Pool Characteristics

(i) On the Cut-Off Date, no Mortgage Receivables are in arrears.

(ii) On the Cut-Off Date, each Mortgage Receivable has a mortgage inscription to current loan (MTCL) of not less than 10%.

MTCL means the ratio between (i) the secured amount (including an amount for accessories) for which the Seller benefits from a registered first ranking Mortgage or from several Mortgages registered successively so as to provide an effective first rank for their aggregate amount and (ii) the Current Balance of the Mortgage Receivables of the Borrower increased by aggregate outstanding principal amount of all other loans existing at the Closing Date secured by the same Mortgage.

(iii) On the Cut-Off Date, each Mortgage Receivable has a current loan to mortgage inscription and mandate (CLTMM) of not more than 100%.

CLTMM means the ratio between (i) the Current Balance of the Mortgage Receivables of the Borrower increased by aggregate outstanding principal amount of all other loans existing at the Closing Date secured by the same Mortgage and (ii) the secured amount (including an amount for accessories) for which the Seller benefits from a registered first ranking Mortgage or from several Mortgages registered successively so as to provide an effective first rank for their aggregate amount or from a mandate to create such Mortgages.

(iv) A Mortgage Loan does not have a connection with a loan of a different client (meaning that in case different clients each have been granted a loan in respect of which the mortgage securing each such loans is registered on, or the mortgage mandate is granted on, the same mortgaged property, the loans of both clients will not be eligible); and

(v) The final possible maturity date for the Mortgage Receivables is not later than 40 months prior to the Final Maturity Date.

(vi) The sum of the Current Balances of the Mortgage Receivables of the Borrower does not exceed 1,500,000 EUR

(vii) The mortgages securing the Mortgage Receivables of the Borrower apply to a maximum of 4 different Mortgaged Assets

(viii) The Mortgage Receivables of the Borrower have been granted under a maximum of 2 different credit facilities.

(x) Reconstitution Loans

None of the Mortgage Loans is a reconstitution loan (*reconstitutielening/crédit de reconstitution*) within the meaning set out in Book VII, Title 4, Chapter 2 of the Code of Economic Law.

(y) All sums Mortgage

Each Mortgage Loan is secured by an All Sums Mortgage.

(z) Loan Security

The Seller has not received notice of any material breach of the terms of any Related Security.

(aa) The Mortgaged Assets

(i) Prior to providing a Mortgage Loan to a Borrower, the Seller instructed the notary public to conduct a search on origin and validity of the Borrower's title to the Mortgaged Asset and such search:

(A) did not disclose anything material which would cause the Seller, acting reasonably, not to proceed with the Mortgage Loan on the proposed terms;

(B) did disclose that the Borrower or a third party collateral provider had the exclusive, absolute and unencumbered title over the Mortgaged Asset; and

(C) did not disclose any tax liabilities or, if applicable, any social security (*sociale zekerheid/sécurité sociale*) liabilities, registrations, annotations or transcriptions or deficiencies in the title of property which may substantially impair the rights of the Seller, including, but not limited to, deferred payment of the purchase price, reservation of title (*eigendomsvoorbehoud/réserve de propriété*), any condition precedent or any resolutive condition, usufruct (*vruchtgebruik/usufruit*) or negative undertakings not to transfer or mortgage.

(ii) The notary public has not been dispensed from any of its responsibilities and/or liabilities in relation to any Mortgage Loan, Mortgage and Mortgage Mandate.

(iii) None of the Mortgages and Mortgage Mandates have been created over a part in an undivided property, a collective property (*mede-eigendom/co-propriété*) or a property which has been purchased pursuant to a purchase agreement which results in an effective *tontine* or a similar arrangement, except:

(A) in case there is another first-ranking Mortgage relating to the same Borrower that meets all representations and warranties set out herein; or

(B) in case of a *tontine* or a similar arrangement:

I. the parties to the arrangement are Borrowers under the same Mortgage Loan, are held jointly and severally, and have granted the relevant Mortgage with respect to all their present and future rights in respect of the Mortgaged Asset; and

II. such Mortgage is still in full force and effect for each such Borrower.

(iv) The Seller has not received any notice requiring the compulsory acquisition (*expropriation/onteigening*) of such Mortgaged Asset.

(bb) The Seller's compliance with laws

The original lender or the Seller, as applicable, has, in relation to the origination, the servicing and the assignment of the Mortgage Loans and Mortgage Receivables, complied in all material respects with all relevant banking, consumer protection, privacy, money laundering and other laws.

(cc) Selection process

(i) The Seller has not taken any action in selecting the Mortgage Loans which, to the Seller's knowledge, would result in delinquencies or losses on the Mortgage Loans being materially in excess of the average delinquencies or losses on the Seller's total portfolio of loans of the same type.

(ii) Mortgage Loans have not been selected to be sold to the Issuer with the aim of rendering losses on the Mortgage Loans sold to the Issuer, measured over a period of four years, higher than the losses over the same period on comparable assets held on the balance sheet of the Seller.

(dd) Originating and Standard Loan Documentation

(i) Prior to making each Mortgage Loan the Seller or the original lender, as applicable, carried out or caused to be carried out all investigations, searches and other actions and made such enquiries as to the Borrower's status and obtained such consents (if any) as would a reasonably prudent lender and nothing which would cause any such a lender to decline to proceed with the initial loan on the proposed terms was disclosed.

(ii) Prior to making each Mortgage Loan, the Seller's lending criteria laid down in the Credit Policies or, as the case may be, the lending criteria of the Seller or the original lender, as applicable at the time, were satisfied so far as applicable subject to such waivers as might be exercised by a reasonably prudent mortgage lender.

(iii) Each Mortgage Loan has been granted and each of the Related Security (other than any Other Security) has been created, subject to the general terms and conditions and materially in the forms of the Standard Loan Documentation (so far as applicable) and any amendment to the terms of the Mortgage Loans has been made substantially in accordance with the Credit Policies or the then prevailing credit policies of the Seller or the original lender, as applicable.

(iv) None of the Mortgage Loans were marketed and underwritten on the premise that the Borrower or where applicable intermediaries, were aware that the information provided might not be verified by the Seller.

(ee) Proper Accounts and Records

Each Mortgage Loan and Loan Security is properly documented in the Contract Records relating to such Mortgage Loan. The relevant transactions, payments, receipts, proceedings and notices relating to such Mortgage Loan and such Contract Records are properly recorded in the Contract Records and in the possession of the Seller or held to its order.

(ff) Data Protection and privacy law

The Seller has taken all appropriate measures to comply with the Data Protection Legislation and, to the best of the Seller's knowledge, the databases it maintains, in particular with regard to the Mortgage Loans and the Borrowers, are in line with the principles set out in the Data Protection Legislation.

The Seller has informed the Borrowers via its privacy statement that their data could be processed for securitisation purposes, such processing being based on the Seller's legitimate interest.

(gg) Credit Policies

The Credit Policies attached as Schedule 10 to the Mortgage Receivables Purchase Agreement are certified by the Seller to be true and accurate.

(hh) Missing Data

As for any Mortgage Loans where the Seller confirms that no actual or no complete data are available, the characteristics of those Mortgage Loans are substantially the same as the ones under the Credit Policies.

4. ELIGIBILITY CRITERIA

All representations and warranties (other than those relating to the Seller) as set out under section 3.2 above, shall be considered to constitute the eligibility criteria relating to the Mortgage Loans or, as the case may be, the Mortgage Receivables (the **Eligibility Criteria**). The Eligibility Criteria pertain to the Mortgage Receivables and Mortgage Loans on the Cut-Off Date.

5. REPURCHASES, CALL OPTIONS AND PERMITTED VARIATIONS

5.1 Repurchase

If at any time after the Closing Date, any of the representations and warranties relating to a Mortgage Loan or a Mortgage Receivable proves to have been untrue or incorrect, the Seller shall within 30 calendar days of the earlier of (i) receipt of written notice thereof from the Issuer or (ii) the date of a notice from the Seller in accordance with the Mortgage Receivables Purchase Agreement, remedy the matter giving rise thereto. The Seller shall, if such matter is not capable of being remedied, on the Monthly Calculation Date immediately following the date of the relevant notice, or if such matter is remediable but not remedied within the said period of 30 calendar days, on the Monthly Calculation Date immediately following the end of the 30 calendar day period, repurchase and accept re-assignment of such Mortgage Receivable and Related Security.

5.2 Clean-Up Call Option

The Issuer shall have the right (but not the obligation) to redeem all of the Notes at their Principal Amount Outstanding on each Quarterly Payment Date if on the Quarterly Calculation Date immediately preceding such Quarterly Payment Date the aggregate Principal Amount Outstanding of

the Notes is less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes on the Closing Date, and if all amounts that are due and payable in priority to the Notes have been paid and provided that it has sufficient funds available to redeem all the Notes on such date.

5.3 Regulatory Call Option

The Seller has the option to repurchase the Portfolio from the Issuer upon the occurrence of a Regulatory Change in which case, the Issuer shall, provided that sufficient fund will be available to redeem all Classes of Notes, be obliged to sell and assign the Mortgage Receivables to the Seller, or any third party appointed by the Seller in their sole discretion. See detailed provisions in Condition 4.5(h).

5.4 Permitted Variations

Upon request of a Borrower to change the terms and conditions of or in relation to a Mortgage Receivable or any rights in relation thereto, the MPT Provider shall be entitled to change such terms and conditions or rights if all the following conditions are satisfied (a **Permitted Variation**):

(a) no Enforcement Notice has been given by the Security Agent that remains in effect at the date of the relevant variation;

(b) the repayment type (e.g. amortising, linear or interest-only) and the repayment frequency of the Mortgage Receivable shall not be changed;

(c) the variation would not cause the Mortgage Receivable to no longer comply with all the Eligibility Criteria;

(d) no variation will cause the interest rate to be lowered ((including, for the avoidance of doubt, the application of commercial discounts on the interest applicable on the Cut-Off Date, which may be granted on, among other things, customer loyalty);

(e) no variation in the interest rate formula will be allowed;

(f) in case of a maturity extension of the Mortgage Loan, such extension will be in accordance with the terms of loan documents of the relevant Mortgage Loan and the Final Maturity Date of such varied Mortgage Loan would as a consequence of the variation not be extended beyond the Quarterly Payment Date falling four (4) years prior to the Final Maturity Date of the Notes;

(g) such variation shall be considered by the MPT Provider acting as a reasonably prudent mortgage lender (*bonus pater familias*);

(h) if the variation relates to a waiver, amendment or release with respect to a Mortgage or a Mortgage Mandate:

  (i) in case of a substitution (or release of any) of the Mortgaged Asset(s) (*pandwissel/substitution d'hypothèque*, *vrijgave/mainlevée*) relating to such Mortgage Loan, the CLTCV will not be higher than the CLTCV immediately preceding such variation;

  (ii) the variation will not provide for a full or partial release of the Mortgage related to the Mortgage Loan as a result of which the MTCL immediately following such variation will be lower than 100%;

(i) the Outstanding Principal Amount of the Mortgage Receivable shall not be reduced otherwise than as a result of an effective payment of principal.

A proposed variation that does not meet the conditions set out above, is a **Non-Permitted Variation**.

For the avoidance of doubt:

(a) the waiver by the MPT Provider of any Prepayment Penalty in connection with the voluntary prepayment of any Mortgage Receivable, is a Non-Permitted Variation; and

(b) the power of the MPT Provider to agree to a Permitted Variation is subject to a request to that effect being made by the relevant Borrower.

The MPT Provider shall keep a note of any variation, amendment or waiver with respect to a Mortgage Receivable.

The Issuer or the Security Agent shall be entitled to terminate the powers of the MPT Provider to make Permitted Variations with three months' prior notice, provided another procedure or powers are put into place to deal with variations without any additional cost or expense for the MPT Provider.

6. NON-PERMITTED VARIATIONS

If the proposed variation is a Non-Permitted Variation and provided that the Non-Permitted Variation has been requested by the Borrower of the relevant Mortgage Receivable:

(a) the MPT Provider must promptly inform the Issuer Administrator; and

(b) if and to the extent that the Seller requests that such Non-Permitted Variation is accepted, the Seller shall repurchase and accept re-assignment of the relevant Mortgage Receivable on the next payment date under the relevant Mortgage Receivable, at a price equal to the Optional Repurchase Price.

The purchase price for any Mortgage Receivable repurchased by the Seller in accordance with the preceding paragraph will be paid to the Issuer.

7. NOTIFICATION EVENTS

The sale of the Mortgage Receivables under the MRPA and pledge of the Mortgage Receivables under the Pledge Agreement will be notified only upon the occurrence of a Notification Event or a Pledge Notification Event to any relevant Borrowers and any other relevant parties by the Issuer (acting on the instructions of the Security Agent) pursuant to the terms and conditions set out in the MRPA and the Pledge Agreement.

Each of the following events is a **Notification Event** under the MRPA:

(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 MRPA or under any Transaction Document to which it is a party and such failure is not remedied within ten (10) Business Days after notice thereof has been given by the Issuer or the Security Agent to such Seller;

(b) the Seller fails duly to perform or comply with any of its material obligations under the MRPA or under any other Transaction Document, with a negative impact on the Notes, to which it is a party and if such failure, capable of being remedied, is not remedied within thirty (30) Business Days after having knowledge of such failure or notice thereof has been given by such Issuer or the Security Agent to such Seller;

(c) any representation, warranty or statement made or deemed to be made by the Seller in the MRPA, other than the representations and warranties made in respect of the Mortgage

Receivables (which the Seller consequently repurchases), or under any of the other Transaction Documents to which it is or will be a party or if any notice or other document, certificate or statement delivered by it pursuant hereto 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 and with a direct negative impact on the Notes. A representation or warranty will be considered to be untrue or incorrect in a material respect if it affects the validity of the material obligations of the Seller under the Transaction Documents;

(d) an order being made or an effective resolution being passed for the winding up (*ontbinding/dissolution*) of the Seller except a winding up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Security Agent in writing or by an Extraordinary Resolution of Noteholders;

(e) the Seller, otherwise than for the purpose of such an amalgamation or reconstruction as referred to in paragraph (d) above, ceases or, through an official action of the board or directors of the Seller, threatens to cease to carry on business or the Seller is unable to pay its debts as and when they fall due or the value of its assets falling to less than the amount of its liabilities or otherwise becomes insolvent;

(f) any steps have been taken or legal proceedings have been instituted or threatened by the Seller for the bankruptcy (*faillissement*/*faillite*), stay of payment (*uitstel van betaling*/*sursis de paiement*) or for any analogous insolvency proceedings under any applicable law, or an administrator, receiver or like officer (including a *voorlopig bewindvoerder*/*administrateur provisoire* (ad hoc administrator)) has been appointed in respect of the Seller or any of its assets;

(g) 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 reorganisation measures (*saneringsmaatregel/mesure d'assainissement*) as referred to in article 3, §1, 56° of the Credit Institutions Supervision Law, as amended from time to time, or winding-up procedures (*liquidatieprocedures*/*procédures de liquidation*) within the meaning of Article 3 §1, 59° of the Credit Institutions Supervision Law or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets;

(h) at any time it becomes unlawful for the Seller to perform all or a material part of its obligations hereunder or under any Transaction Document to which it is a party;

(i) any action is taken by any authority, court or tribunal, which results or may result in the revocation of the license of the Seller (i) to act as a credit institution within the meaning of the Credit Institutions Supervision Law or (ii) as a mortgage credit provider under the Belgian Mortgage Credit Act or as mortgage credit provider under Book VII, Title 4, Chapter 4 of the Code of Economic Law;

(j) the service of an Enforcement Notice by the Security Agent;

(k) a Termination Event has occurred under the Issuer Services Agreement;

(l) the Issuer is so required by an order of any court or supervisory authority;

(m) an attachment or similar claim in respect of any Mortgage Loan is received, in which case notice shall be given only to the Borrower of the Mortgage Loan concerned; or

(n) whether as a reason of a change in law (or case law) or for any other reason and to the extent notified thereof by the Servicer, the Security Agent reasonably considers it necessary to protect the interests of the Secured Parties in the Mortgage Receivables, the Loan Security or the Additional Security to do so, and serves notice on the Seller to such effect (setting out its reasons therefor).

Furthermore, when it becomes necessary to protect the interest of the Issuer by recording the sale to the Issuer by way of a marginal notation (*notation marginale/kantmelding*) at the mortgage registry in accordance with article 5 of the Mortgage Law and such the marginal notation applies to all or a substantial portion of the Mortgage Receivables sold to and still owned by the Issuer, the Seller may declare that this also constitutes a Notification Event within a period of ten (10) Business Days after the Seller is informed thereof.

The occurrence of any Notification Event other than the Notification Event as referred to under paragraph (m) above will constitute a Pledge Notification Event under the Pledge Agreement.

8. DESCRIPTION OF THE MORTGAGE LOANS

8.1 Governing law

The Mortgage Loans are governed by the following laws:

(a) the Mortgage Loans entered into after 1 January 1995 until 1 April 2015 (excluded) are governed by the Mortgage Credit Act; and

(b) the Mortgage Loans entered into after 1 April 2015 (included) are governed by Book VII, Title 4, Chapter 2 of the Code of Economic Law.

8.2 Interest Rates

The interest rate on each Mortgage Loan has been fixed for an interest period as of the date of the origination of the relevant Mortgage Loan.

The interest period can be equal to the term of the Mortgage Loan, in which case the interest rate is called a fixed interest rate.

If the interest period is not equal to the term of the Mortgage Loan, the interest rate will change at the end of the relevant interest period. The interest period can vary from one to ten years. In this case, the interest rate is called a variable interest rate. The change to the interest rate is based on the change in an underlying reference index. Changes to the interest rate are subject to a maximum increase and decrease agreed upon origination of the relevant Mortgage Loan. The maximum increase of the interest rate may not exceed the maximum decrease.

Upon origination of the relevant Mortgage Loan, the Seller may grant certain commercial discounts on the initial (fixed or variable) interest rate. Such discounts may be granted depending on, among other things, customer loyalty. The discounts are often granted if the Borrower satisfies and continues to satisfy the conditions for the discount. If the Borrower would no longer satisfy the conditions for the discount, the Seller may revoke such discount.

8.3 Types of Loans

The Mortgage Loans are granted under the form of a credit facility (*kredietopening/ouverture de crédit*), under which the Borrower may, subject to certain conditions being satisfied and the agreement of the Seller, re-borrow repaid amounts.

The Mortgage Loans can be categorised according to their repayment schedules:

(a) Linear Mortgage Loans;

(b) Annuity Mortgage Loans; and

(c) Interest-only Mortgage Loans.

The types of Mortgage Loans set forth under (a) and (b) above are fully amortising, which means that the repayment schedules are designed such that the amount of the outstanding balance of the Mortgage Loans is zero after the last scheduled periodical payment has been made.

A Mortgage Loan with *linear* repayment is a Mortgage Loan under which the Borrower repays a fixed amount of principal per period, so that the debt gradually decreases. Due to the decreasing outstanding balance, the interest payment decreases proportionally. As a result, the gross mortgage costs (interest plus repayment of principal) decreases over time. (a **Linear Mortgage Loan**)

With an Annuity Mortgage Loan, the periodical gross payments under the Mortgage Loans remain the same, whereby the interest payments decrease and the repayments of principal increase. The monthly payment is calculated based on monthly scheduled payments in arrears, as a result of which the distribution between the interest and principal component alters every month. (a **Annuity Mortgage Loan**)

Interest-only Mortgage Loans are free of redemption during the lifetime of the loan. As the Borrower only pays interest during the lifetime of the mortgage loan, the monthly payments by the Borrower are low. At the maturity of the mortgage loan, the Borrower must repay the entire principal of the mortgage loan. (a **Interest-only Mortgage Loan**)

8.4 Loan Security

The Mortgage Loans are secured by:

(a) a first ranking mortgage; and/or, as the case may be

(b) a lower ranking mortgage; and/or

(c) a mandate to create further mortgages.

(i) Mortgage

A Mortgage creates a priority right to payment out of the Mortgaged Assets, subject to mandatory statutory priorities (including beneficiaries of prior ranking mortgages).

Most of the Mortgage Receivables relate to All Sums Mortgages.

Pursuant to article 81*quinquies* of the Mortgage Law, a receivable secured by an All Sums Mortgage which is transferred to a VBS/SIC, such as the Issuer, shall rank in priority to any receivable which arises after the date of the transfer and which is also secured by the same All Sums Mortgage. Whereas the transferred receivable ranks in priority to further loans, it will have equal ranking with loans or debts which existed at the time of the transfer and which were secured by the same All Sums Mortgage, unless otherwise agreed between the Seller and the Issuer (as is the case, under the Mortgage Receivables Purchase Agreement).

Other Mortgage Receivables relate to facilities which have the form of a credit facility (*kredietopening/ouverture de crédit*). The Mortgage that is granted as security for this

type of loans is used to secure all advances (*voorschotten/avances*) made available under such credit facility.

Pursuant to article 81*quater* of the Mortgage Law, advances granted under a credit facility secured by a mortgage can be transferred to a VBS/SIC, such as the Issuer. Furthermore, pursuant to Articles 81*quater* and 81*quinquies* of the Mortgage Law, an advance or loan secured by an All Sums Mortgage which is transferred to a VBS/SIC, such as the Issuer, shall rank in priority to any debt which arises after the date of the transfer and which is also secured by the same All Sums Mortgage. However, whereas the transferred loan ranks in priority to further loans, it will have equal ranking with loans or debts which existed at the time of the transfer and which were secured by the same All Sums Mortgage, unless contractually agreed otherwise (as is the case, under the Mortgage Receivables Purchase Agreement).

The Mortgage may be granted by either the Borrower and/or a third party collateral provider.

For steps taken to prevent any equal ranking with existing loans or advances that are not transferred to the Issuer, see Section 12 (*Mortgage Receivables Purchase Agreement*).

(ii) Mortgage Mandate

A Mortgage Mandate is often used in addition to a Mortgage to limit registration duties payable by the Borrower.

A Mortgage Mandate does not constitute an actual security and does not therefore create an actual priority right of payment out of the proceeds of a sale of the Mortgaged Assets. The Mortgage Mandate is an irrevocable mandate granted by a Borrower or a third party collateral provider to certain attorneys to create a mortgage as security for the Mortgage Loan and all other amounts which the Borrower owes or in the future may owe to the Seller. Only after creation and registration of the Mortgage, the beneficiary of the Mortgage will have a priority right to payment out of the proceeds of a sale of the Mortgaged Assets. See further Section 1 (*Risk Factors)*, paragraph 3.4).

(d) Other security interests

The Mortgage Loans may, as the case may be, be further secured by:

(i) Life Insurance Policies and Hazard Insurance Policies;

(ii) an assignment of salary by the Borrower;

(iii) any pledge, set-off or unity of account rights of the Seller pursuant to its applicable general banking terms and conditions;

(iv) a Mortgage Promise; and/or

(v) any other type of security interest as may be agreed on a case by case basis.

Section 13 - Overview of the mortgage and housing market in Belgium

1. BELGIAN RESIDENTIAL MORTGAGE MARKET

Compared to other European countries, the Belgian mortgage market is quite standardised due to regulatory constraints.

The mortgage inscription: A mortgage deed is executed by a notary public. The notary registers the mortgage at the mortgage registration office. The date of such registration determines the lien of the mortgage. The validity of a mortgage can not exceed 30 years.

Maturity & amortisation profile: Because of the legal limit on the validity of a mortgage, the term of a mortgage loan rarely exceeds 30 years (see graph 1). The vast majority of loans is an annuity mortgage loan, whereby interest and capital reimbursement payments are made every month (see graph 2).

Interest rate formulas: The interest rate formulas that can be offered are described by law. Mortgage receivables have a mortgage interest rate that is fixed for at least 1 year. The interest margin is determined at the moment of the offering as the difference between the initial mortgage interest rate fixing and the reference index for the comparable term as published on the website of the FOD Economie. These reference indices reflect the average of the 12-month Belgian T-bill yields or the Belgian benchmark government bond (*obligations linéaires/lineaire obligaties* or *OLO*) yields in the previous calendar month. This interest margin is fixed for the lifetime of the loan.

When the mortgage interest rate is refixed, this is done by adding the interest margin to the relevant reference index, which is applicable during the month of the refixing. However, this refixing is subject to the following limitations:

(a) If the mortgage interest rate refixes one (1) year after the loan origination, then the maximum increase in the mortgage interest rate is one (1) percentage point compared to the initial mortgage interest rate.

(b) If the mortgage interest rate refixes two (2) years after the loan origination, then the maximum increase in the mortgage interest rate is two (2) percentage points compared to the initial mortgage interest rate.

(c) The mortgage interest rate may not refix at more than double the initial mortgage interest rate (assuming the terms and conditions foresee a floor at zero per cent.).

(d) Each interest rate formula must specify a symmetric cap and floor on the mortgage interest rate refixing relative to the original interest rate, meaning that it must be specified by how many percentage points the interest rate may increase and decrease, and the maximum percentage points increase is the same as the maximum percentage point decrease, compared to the original interest rate.

For all Mortgage Receivables where the interest rate can be refixed, an interest rate floor of 0 per cent. applies.

The strict regulation of the mortgage interest rate refixings means that the Belgian mortgage borrower are relatively well-insulated against interest rate fluctuations.

Prepayment penalties: Under current legislation, each borrower has the right to prepay part or the whole of his loan. Prepayments are allowed subject to paying a prepayment penalty of maximum three (3) months interest, at the interest rate applicable to the loan at such time, on such prepaid amount.

Because of this relatively low prepayment penalties and the competitive Belgian mortgage market, prepayments can be sizeable, in periods when the mortgage interest rates decline.

Registration taxes: Belgium is a relatively expensive country to register a property. The costs consist mainly of a registration tax on the purchase of a house, a registration tax on the mortgage registration and notary fees.

The standard registration tax on the purchase of a house ranges between 3% of the sale value in the Flemish Region to 12.5% of the sale value in the Walloon Region and in the Brussels Capital Region.

The registration and inscription taxes on a mortgage registration amount to 1.3% of the sum of the mortgage amount. To reduce the tax charge of taking out a loan, borrowers frequently opt to cover their loan partly by a mortgage and partly by a mortgage mandate (which is not subject to this registration inscription tax).

2. RECENT REGULATORY CHANGES

On 23 October 2019, the National Bank of Belgium published its expectations regarding Belgian mortgage lending for banks and insurers active in Belgium. The expectations set out parameters on loan-to-value, debt-service-to-income and debt-to-income for new loan production as from 1 January 2020, with tolerance margins where applicable. The National Bank of Belgium defined a "comply or explain" principle, whereby in case of non-compliance the institution should explain the reasons for non-compliance.

The National Bank of Belgium also announced the introduction of a sectoral systemic risk buffer for Belgian residential real estate exposures of banks that use internal models for the computation of risk-weighted exposures (IRB banks). This measure took effect on 1 May 2022.

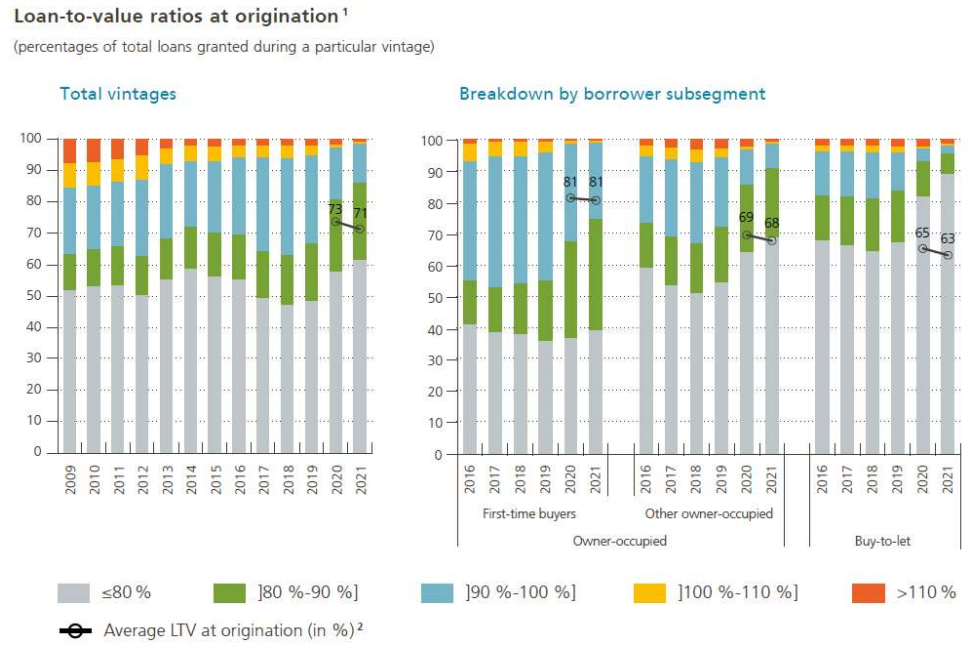
3. RECENT DEVELOPMENTS IN THE HOUSING MARKET

On graph 1, we can see the effect of the above-mentioned prudential and previous meansures of the expectation of the National Bank of Belgium. The loan production in the high loan-to-value buckets has declined proportionally in recent years. The maturity of new loan production has shortened. Debt-service-to-income ratios have generally been stable over the past year.

Belgian house prices increased 60% year-on-year in nominal terms, which is sizeable but still at a slower pace than in neighbouring France, Germany and the Netherlands (see graph 2). This was in part driven by the ever-lower interest rates on new mortgage loan contracts (see graph 4).

Although residential mortgage debt has been increasing in Belgium over the past decade, residential mortgage debt expressed as a percentage of GDP is not much higher in Belgium than it is in France and in Germany, and is much lower than in the Netherlands (see graph 3).

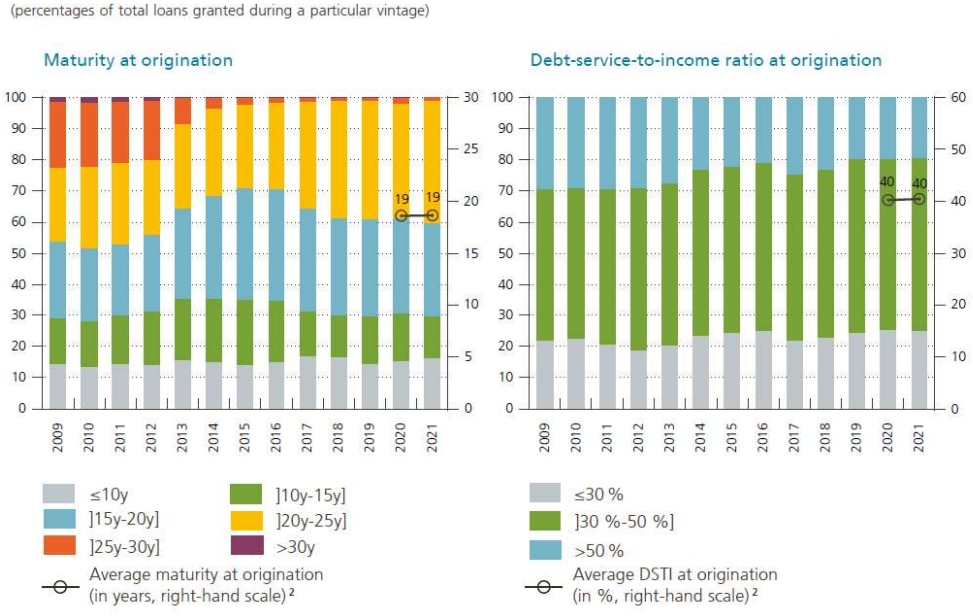
Graph 1: Developments in credit standard for new mortgage loans [1]



Source: NBB (PHL survey of the banking sector).

1 The data include refinanced loans recorded as new contracts (such refinanced loans may artificially improve the credit standards of new mortgage loans, as a proportion of the loan has already been repaid).

2 The average loan-to-value (LTV) ratio at origination is available since 2020.



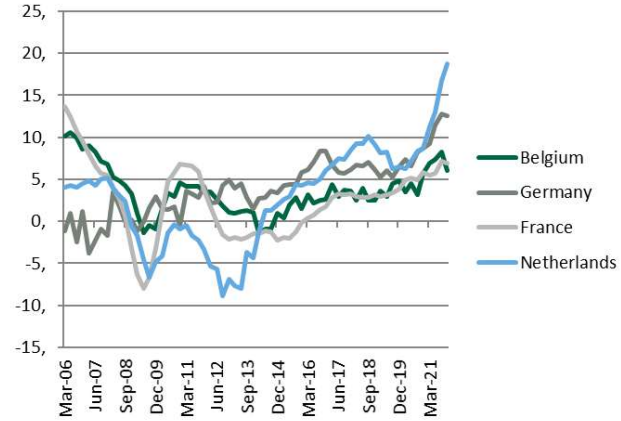
Source: NBB (PHL survey of the banking sector).

1 These data include refinanced loans recorded as new contracts (such refinanced loans may artificially improve the credit standards of new mortgage loans, as a proportion of the loan has already been repaid).

2 The average maturity and debt-service-to-income (DSTI) ratio at origination are available since 2020.

Graph 2: House Price Index, change year-on-year

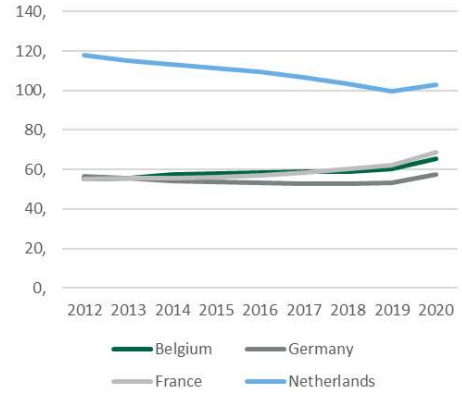
(quarterly figures)



Source: Eurostat

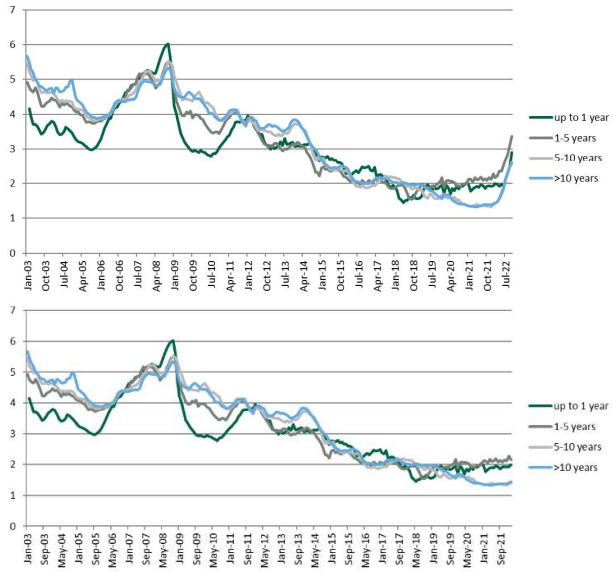
Graph 3: Outstanding Residential Mortgage Debt

(% of GDP)



Source: EMF – Hypostat

Graph 4: Mortgage interest rates on new contracts by initial interest rate fixing period



Source: NBB

Section 14 - The Seller

1. INTRODUCTION

Bank Nagelmackers NV/SA (**Bank Nagelmackers**) is a company with limited liability (*naamloze vennootschap/société anonyme*) existing for an unlimited duration under the laws of Belgium, having its registered office at Montoyerstraat 14, 1000 Brussels. It is registered with the Crossroads Bank for Enterprises under number 0404.140.107 (RPR/RPM Brussels). Bank Nagelmackers is recognised as a credit institution under the provisions of the Credit Institutions Supervision Law.

2. HISTORY

From 1999 through July 2015, Bank Nagelmackers (under its former name, Delta Lloyd Bank NV) was an indirect subsidiary of the Delta Lloyd N.V, a Dutch limited liability company (*naamloze vennootschap*).

In July 2015, Delta Lloyd NV was acquired by Anbang Belgium Holding NV (now part of Dajia Insurance Group), and its name was changed in October 2015 to Bank Nagelmackers. For a further description of the group to which Bank Nagelmackers belongs (the Group), see paragraph 4.2 below.

3. SUPERVISORY AND EXECUTIVE BODIES

The composition of the Board of Directors of Bank Nagelmackers is as follows Mr. Sheng LUO (Chairman), Mr. Prakash ADVANI, Mr. Zhijun (David) YUAN, Ms. Shu-Yen LIU, Mr. Zhongyuan LI, Mrs. Beatrijs VAN DE CAPPELLE, Mr. Guy VAN DEN EYNDE, Mr. Bert DE GRAEVE, Mr. Yves VAN LAECKE.

The composition of the Audit Committee is as follows: Ms. Shu-Yen LIU (Chairlady), Mr. Sheng LUO, Mr. Prakash ADVANI and Mr. Bert DE GRAEVE.

The composition of the Executive Committee is as follows: Mr. Zhijun (DAVID) YUAN, Mrs. Beatrijs VAN DE CAPPELLE, Mr. Guy VAN DEN EYNDE, Mr. Yves VAN LAECKE.

The composition of the Risk Committee is as follows: Mr. Bert DE GRAEVE (Chairman), Ms. Shu-Yen LIU, Mr. Zhongyuan LI, Mr. Prakash ADVANI.

The composition of the Remuneration Committee is as follows: Ms. Shu-Yen LIU (Chairlady), Mr. Zhongyan LI, Mr. Sheng LUO.

The composition of the Nomination Committee is as follows: Mr. Sheng LUO, Mr Zhongyan LI, Mr. Prakash ADVANI.

4. BUSINESS

4.1 Bank Nagelmackers

Bank Nagelmackers provides a comprehensive range of financial products and services: private banking, wealth management, investment products, deposits and loans.

It actually serves a base of around 118,000 customers through a network of 54 sales points: 22 branches + 32 independent agencies (2022, April 30th) which are spread throughout Belgium.

The bank focuses primarily on middle and high end segment individual customers who are seeking advice regarding their financial future.

Besides this private banking business line, personal banking, digital banking, and corporate banking are in focus of the business model and growth strategy of the bank.

At the end of 2021, the total customer portfolio reached € 12,90 Bln, composed of € 4.8 Bln off-balance client assets, € 4.5 Bln client deposits and € 3.7 Bln client loans.

The off-balance portfolio increased with € 600 mln (+14%) in 2021, reflecting the execution of the personal and private Banking strategic focus. Apart from the positive financial markets impact and the good performance of the in-house asset management, the bank also realised a net growth, spread over all business lines, of almost € 300 mln in the off-balance portfolio.

Both the deposit and loan portfolios declined, by -7% and -14% respectively. Challenged by the persistent low interest rate environment, the bank indeed continued its measures to reduce the deposit cost throughout 2021, resulting in an anticipated reduction of the customer deposit portfolio of the Bank and a decrease of the linked interest expenses for its main funding.

Besides, the bank focused the loan approach on the core client base, with correct global customer margins and without volume-driven targets, leading to a lower credit production and a decrease of the bank's loan portfolio. That portfolio was consisting for approx.. ¾ of mortgage loans and approx. ¼ of professional loans at the end of 2021.

In terms of financial key figures, the bank remains very well in line with all the requirements: Solvency Ratio (IFRS, Tier 1 capital) at 21.69% and Liquidity Coverage Ratio at 277%, compared to regulatory minimum thresholds of 14.06% and 100% respectively (2021, December 31st).

4.2 The Group

Dajia Insurance Group Co., Ltd. ("Dajia") is an insurance group based in China, with total assets of nearly RMB 1.2 trillion as of the end of 2020. Its businesses include, among others, property and casualty insurance, life insurance, pension insurance and asset management.

As one of the insurance groups with the most extensive branch coverage, Dajia boasts a network of 1,500 service outlets across 31 provincial regions in China. In addition, Dajia established its overseas investments in Asia, America and Europe.

With a focus on the insurance business, Dajia integrates resources group-wide to offer a full range of products and services, and unleashes its full license and broad network to continuously boost the efficiency of management and improve customer experience through technological empowerment and innovation. It actively responds to and meets the core needs of consumers in the fields of health care, property security and wealth management.

5. INCOME AND RESULTS BANK NAGELMACKERS

The (IFRS) annual result before tax in 2021 amounted to +1.9 million euro. The operational result before tax reached 35.7 million euro.

The operational revenue, related to the day-to-day business, amounted to € 116,8 mln, an increase of about 4% compared to 2020. 64% of the operational revenue is realized by the on-balance activities (net interest income) and 36% by off-balance activities (fee business).

Despite the decrease of the average interest rate on loan production and the decreasing loan portfolio, the net interest income could be preserved thanks to an important decrease of swap and funding costs. Only a limited decrease of 1% was observed:

- Interest income generated by the loan portfolio decreased by 13%.

- The low interest environment, the introduction of negative rates for some segments and the maturity of an important amount of term deposits, decreased the cost of the customer deposits by 42%.

- The interest cost on the swap portfolio decreased with 65%. The gradual unwinding of all the legacy swaps during the last years clearly paid off and will also positively impact the interest margin the coming years.

- The income generated by the bond portfolio decreased by 11% due to the relatively limited sales transactions.

The sustained strategic focus and the important growth of the off-balance portfolio generated extra fee income. The Assets under Management (AuM) related fee income increased with 19% in 2021 to € 35,9 mln, which is an historically high level for Bank Nagelmackers. Other fees (e.g., insurance, payments, etc.) remained at the same level.

The total impact of non-operational items such as the sales of bonds and hedge accounting was € -33,5 mln compared to € -3,5 mln in 2020. This loss was fully related to the accelerated amortizations of the fair value adjustment relating to the hedged risk of the loans. In 2021 sales in the bond portfolio generated a realized gain of € 3,9 mln, compared to € 5,8 mln in 2020.

Taking all operational and non-operational items into account, the total income of the Bank reached € 83,3 mln.

At the end of 2021, Nagelmackers had 366,53 FTE. The total staff cost for 2021 amounted to € 41,9 mln, a decrease of 4% compared to last year, including not only salaries but all types of employee costs (training, recruitment, consumables, etc.). Activated leasing costs are excluded from this figure.

Total of administrative expenses (depreciation excluded) amounted to € 35,1 mln compared to € 38,4 mln in 2020 (-9%). Depreciation and amortizations decreased with -10% to € 7,8 mln.

Focus on efficiency and strict cost control have resulted in a year-on-year decrease of € 4,8 mln of the staff and administrative expenses.

Banking taxes remained high and stayed at the same level as last year (€ 11,3 mln), representing 13% of the total operating expenses.

Globally the Bank succeeded in reducing costs from € 90,5 mln in 2020 to € 84,8 mln in 2021.

With regard to impairments for loans (including as well expected credit losses as individual impairments for litigation files) a revenue of € 3,4 mln was generated in 2021. This net release of provisions can mainly be explained by good recoveries in the credit litigation files, the good quality and collateralization of the loan portfolio, the decrease of the loan exposure and the update of the macro-economic outlook. However, as the full Covid impact remained uncertain at the end of 2021, 60% of the initial Covid impairment was maintained to cover possible future losses related to the Covid 19-pandemic.

Total corporate tax-cost for 2021 was € 1,3 mln.

The increase in operational revenue and decrease of expenses combined resulted in a decrease of the cost/income ratio to 72% (2020: 79%).

Net profit before taxes reached € 1,9 mln. The operational result before tax for 2021 reached € 35,7 mln (2020: € 24 mln), giving an operational return on equity for 2021 of 8% (2020: 5%).

Amounts in KEUR

	31/12/2021	31/12/2020
Net interest income	75.124	75.504
Net fee and commission income	41.667	37.300
Net result from hedge accounting	-37.742	-10.969
Realised gain investment portfolio	3.888	5.851
Net other income	404	1.642
Total income	83.342	109.328
Staff and adminstrative expenses	77.022	81.837
Depreciation and amortisation of fixed assets	7.825	8.656
Total operating expenses	84.847	90.493
Impairments	-3.366	7.054
Net income before tax	1.861	11.781
Tax expense	1.261	4.933
Net income after tax	600	6.847
Total assets	5.214.216	5.610.397
Total equity	460.450	469.463
Number FTE's	366,5	404,9
CAPITAL ADEQUACY RATIO	21,7%	18,5%
LIQUIDITY RATIO	277%	183%

Section 15 - Issuer Services Agreement

1. SERVICES

In the Issuer Services Agreement, the **MPT Provider** will agree to provide mortgage payment transactions 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 Loans and the Mortgage Receivables.

The MPT Provider will be obliged to administer the Mortgage Loans and the Mortgage Receivables at the same level of skill, care and diligence as it administers mortgage loans in its own portfolio.

In the Issuer Services Agreement, the **Issuer Administrator** will agree to provide certain administration, calculation and cash management services to the Issuer, including (a) the direction of amounts received by the Seller to the Issuer Collection Account and the production of quarterly reports in relation thereto, (b) the operation of the Transaction Accounts, (c) drawings (if any) to be made by the Issuer from the Reserve Account, (d) drawings (if any) to be made by the Issuer under the Liquidity Facility Agreement, (e) all payments to be made by the Issuer under the Cap Agreement and under the other Transaction Documents, (f) all payments to be made by the Issuer under the Notes in accordance with the Agency Agreement and the Conditions, (g) all calculations to be made pursuant to the Conditions under the Notes, and (h) the production of all information necessary for the Issuer in order to perform its obligations under the ECB regulation No 1075/2013 of 18 October 2013 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (recast).

In the Issuer Services Agreement, the **Back-Up Servicer Facilitator** will agree to assist the Issuer in appointing a third party back-up or substitute servicer, within 60 calendar days, in the event the MPT Provider needs to be replaced upon termination of its appointment by the Issuer in accordance with the Issuer Services Agreement.

2. TERMINATION

The appointment of the MPT Provider and/or the Issuer Administrator under the Issuer Services Agreement may be terminated by the Issuer (with the consent of the Security Agent) or the Security Agent in certain circumstances, including (a) a default by the MPT Provider and/or the Issuer Administrator in the payment on the due date of any payment due and payable by it under the Issuer Services Agreement, (b) a default by the MPT Provider and/or the Issuer Administrator in the performance or observance of any of its other covenants and obligations under the Issuer Services Agreement, (c) the MPT Provider and/or the Issuer Administrator has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it under any reorganisation procedure (*saneringsmaatregelen/mesures d'assainissement*) within the meaning of Article 3 §1, 56° of the Credit Institutions Supervision Law or winding-up procedures (*liquidatieprocedures/procédures de liquidation*) within the meaning of Article 3, §1, 59° of the Credit Institutions Supervision Law or for any 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 license of the MPT Provider as mortgage undertaking or mortgage credit provider is revoked by the FSMA in accordance with Article 43, §3 of the Mortgage Credit Act or Article 67/1 of Book XV of the Belgian Code of Economic Law; or (e) the license of the MPT Provider as credit institution has been revoked in accordance with Article 233 of the Credit Institutions Supervision Law.

After termination of the appointment of the MPT Provider and/or the Issuer Administrator under the Issuer Services Agreement, the Issuer and, in the case of a termination of the appointment of the MPT Provider, the Issuer Administrator (and whenever a Protection Notice or Enforcement Notice has been served, the Security Agent in consultation with the Issuer and/or Issuer Administrator) shall use their

best efforts to appoint a substitute mortgage payment transaction services provider and/or issuer administrator and such substitute mortgage payment transaction services provider and/or issuer administrator shall enter into an agreement with the Issuer and the Security Agent substantially on the terms of the Issuer Services Agreement, provided that such substitute mortgage payment transaction services provider and/or issuer administrator shall have the benefit of a fee at a level to be then determined. Any such substitute mortgage payment transaction services provider and/or issuer administrator is obliged to, among other things, (i) have experience of administering mortgage loans and mortgages of residential property in Belgium and (ii) hold all required licences under applicable law therefore. The Issuer shall, promptly following the execution of such agreement, pledge its interest in such agreement in favour of the Secured Parties, including the Security Agent on behalf of the Noteholders and the other Secured Parties, on the terms of the Pledge Agreement, *mutatis mutandis*, to the satisfaction of the Security Agent.

The Issuer Services Agreement may be terminated by the MPT Provider and/or the Issuer Administrator upon the expiry of not less than 12 months' notice of termination given by the MPT Provider and/or the Issuer Administrator to each of the Issuer and the Security Agent provided that – *inter alia* – (a) the Security Agent consents in writing to such termination, which consent shall not be unreasonably withheld and (b) a substitute mortgage payment transaction services provider and/or issuer administrator shall be appointed on the same terms as the terms of the Issuer Services Agreement, such appointment to be effective not later than the date of termination of the Issuer Services Agreement and the MPT Provider and/or the Issuer Administrator shall not be released from its obligations under the Issuer Services Agreement until such substitute mortgage payment transaction services provider and/or issuer administrator has entered into such new agreement.

If the appointment of the MPT Provider is terminated, the Issuer, the Issuer Administrator and/or the Security Agent, as applicable, with the assistance of the Back-Up Servicer Facilitator, may appoint a substitute MPT Provider pursuant to the Issuer Services Agreement. Intertrust Administrative Services B.V. has been appointed as Back-up Servicer Facilitator pursuant to the back-up servicing facilitator agreement entered into between the Issuer, the Issuer Administrator, the Security Agent and Intertrust Administrative Services B.V. as Back-up Servicer Facilitator.

Section 16- Description of Portfolio

The final pool of Mortgage Receivables will be selected from a provisional pool of Mortgage Loans (the **Provisional Pool**) that have been selected in accordance with the criteria set forth in the Mortgage Receivables Purchase Agreement and will be selected in accordance with such agreement on the Closing Date. The final pool will have the same general characteristics as the Provisional Pool.

Under the Mortgage Receivables Purchase Agreement the Issuer, acting through its Compartment No. 5 shall purchase and, on the Closing Date accept the assignment of the Mortgage Receivables relating to the Mortgage Loans selected from the Provisional Pool and any other Mortgage Receivables resulting from Mortgage Loans originated by the Seller or its legal predecessors. On the Closing Date, the Issuer will purchase such Mortgage Receivables representing an aggregate Outstanding Principal Amount of EUR 996,881,541.05.

All Mortgage Receivables selected and purchased by the Issuer shall comply with the Eligibility Criteria (see Section 12 (*Mortgage Receivables Purchase Agreement*) below).

The numerical information set out below relates to the Provisional Pool which was selected as of 31 October 2022. All amounts are in euro. Therefore, the information set out below in relation to the Provisional Pool may not necessarily correspond to that of the Mortgage Receivables actually sold and assigned on the Closing Date. After the Closing Date, the portfolio will change from time to time as a result of repayment, prepayment, amendment and repurchase of Mortgage Receivables.

Summary of the Provisional Pool as of 31 October 2022:

A. Summary Statistics	
Outstanding balance of the Mortgage Receivables (EUR)	1 128 256 250
Number of Mortgage Loans	8 937
Number of borrowers	6 513
Average outstanding balance per borrower (EUR)	173 231
Weighted average current interest rate	1.70%
Weighted average seasoning (in months)	58.5
Weighted average Remaining Term to Maturity (in months)	198
Weighted average Initial Loan to Initial Value (ILTIV)	80.9%
Weighted average Current Loan to Current Value (CLTCV)	50.7%
Weighted average Mortgage Inscription to Current Loan ratio (MTCL)	134.0%

B. Initial Loan to Initial Value (ILTIV)		
Range	Outstanding Balance in EUR	% of Total
]0% - 10%]	485 015	0.0%
]10% - 20%]	4 210 090	0.4%
]20% - 30%]	13 052 364	1.2%
]30% - 40%]	23 781 762	2.1%
]40% - 50%]	48 340 917	4.3%
]50% - 60%]	94 031 962	8.3%
]60% - 70%]	145 029 564	12.9%
]70% - 80%]	264 967 263	23.5%
]80% - 90%]	169 199 225	15.0%
]90% - 100%]	266 929 560	23.7%
]100% - 110%]	30 926 276	2.7%
]110% - 120%]	21 511 002	1.9%
]120% - 130%]	45 791 250	4.1%
Total	1 128 256 250	100.00%

C. Current Loan to Current Value (CLTCV)		
Range	Outstanding Balance in EUR	% of Total
]0% - 10%]	16 682 930	1.5%
]10% - 20%]	47 204 604	4.2%
]20% - 30%]	79 276 663	7.0%
]30% - 40%]	142 952 757	12.7%
]40% - 50%]	222 305 791	19.7%
]50% - 60%]	253 533 611	22.5%
]60% - 70%]	232 901 118	20.6%
]70% - 80%]	103 038 814	9.1%
]80% - 90%]	27 616 578	2.4%
]90% - 100%]	2 379 321	0.2%
]100% - 110%]	364 062	0.0%
> 110%	-	0.0%
Total	1 128 256 250	100.00%

D. Remaining term to maturity (in years)		
Range	Outstanding Balance in EUR	% of Total
]0 - 2]	4 588 806	0.41%
]2 - 4]	11 469 106	1.02%
]4 - 6]	25 688 037	2.28%
]6 - 8]	35 759 432	3.17%
]8 - 10]	52 645 198	4.67%
]10 - 12]	54 740 605	4.85%
]12 - 14]	95 806 085	8.49%
]14 - 16]	187 511 242	16.62%
]16 - 18]	143 397 360	12.71%
]18 - 20]	217 836 256	19.31%
]20 - 22]	202 151 817	17.92%
]22 - 24]	90 288 130	8.00%
]24 - 26]	6 374 176	0.56%
]26 - 28]	-	0.00%
]28 - 30]	-	0.00%
Total	1 128 256 250	100.00%

E. Distribution of Outstanding Balance per Borrower (in EUR thousand)		
Range	Outstanding Balance in EUR	% of Total
]0 - 50]	21 549 340	1.9%
]50 - 100]	74 277 414	6.6%
]100 - 150]	173 137 903	15.3%
]150 - 200]	205 980 275	18.3%
]200 - 250]	214 197 616	19.0%
]250 - 300]	144 724 986	12.8%
]300 - 400]	141 045 808	12.5%
]400 - 500]	67 372 983	6.0%
]500 - 600]	29 950 842	2.7%
]600 - 700]	16 245 081	1.4%
]700 - 800]	14 032 810	1.2%
]800 - 900]	6 653 362	0.6%
]900 – 1,000]	5 712 417	0.5%
> 1,000	13 375 412	1.2%
Total	1 128 256 250	100.00%

F. Mortgage Inscription-to-Current Loan Ratio		
Range	Outstanding Balance in EUR	% of Total
]0% - 10%]	-	0.0%
]10% - 20%]	2 025 817	0.2%
]20% - 40%]	16 488 166	1.5%
]40% - 60%]	39 039 754	3.5%
]60% - 80%]	117 670 263	10.4%
]80% - 100%]	88 316 165	7.8%
> 100%	864 716 085	76.6%
Total	1 128 256 250	100.00%

G. Seasoning (in months) (*)		
Range	Outstanding Balance in EUR	% of Total
]0 - 12]	7 405 841	0,7%
]12 - 24]	18 753 785	1,7%
]24 - 36]	111 205 644	9,9%
]36 - 48]	210 083 151	18,6%
]48 - 60]	205 331 689	18,2%
]60 - 72]	373 852 785	33,1%
]72 - 84]	113 618 912	10,1%
]84 - 96]	88 004 442	7,8%
Total	1 128 256 250	100.00%

(*) Seasoning means the number of months that have passed since the origination of the loan up to the Cut-Off Date.

H. Interest Type		
Type	Outstanding Balance in EUR	% of Total
Fixed Rate (until maturity)	533 249 977	47.3%
10/5/5	377 419 727	33.5%
5/5/5	127 881 966	11.3%
3/3/3	76 782 580	6.8%
20/5	12 921 999	1.1%
Total	1 128 256 250	100.00%

I. Interest Rate Bucket		
Range	Outstanding Balance in EUR	% of Total
]0% - 0.5%]	-	0.0%
]0.5% - 1%]	42 429 330	3.8%
]1% - 1.5%]	413 373 179	36.6%
]1.5% - 2%]	406 815 473	36.1%
]2% - 2.5%]	207 821 587	18.4%
]2.5% - 3%]	49 315 693	4.4%
]3% - 3.5%]	7 169 750	0.6%
]3.5% - 4%]	1 149 266	0.1%
]4% - 4.5%]	24 701	0.0%
]4.5% - 5%]	131 721	0.0%
]5% - 5.5%]	-	0.0%
]5.5% - 6%]	-	0.0%
]6% - 6.5%]	25 549	0.0%
]6.5% - 7%]	-	0.0%
Total	1 128 256 250	100.00%

J. Loan Purpose		
Type	Outstanding Balance in EUR	% of Total
Purchase	608 754 792	54.0%
Renovation	56 638 501	5.0%
Construction	125 047 149	11.1%
Remortgage	333 161 125	29.5%
Other	4 654 683	0.4%
Total	1 128 256 250	100.00%

K. Employment Type		
Type	Outstanding Balance in EUR	% of Total
Employed - Private Sector	676 449 760,80	60.0%
Employed - Public Sector	103 850 461,51	9.2%
Self-employed	278 470 181,97	24.7%
Pensioner	5 825 456,32	0.5%
Student	8 452 871,20	0.7%
Unemployed	9 529 491,81	0.8%
Other	45 678 026,28	4.0%
	1 128 256 250	100.00%

L. Property Type		
Type	Outstanding Balance in EUR	% of Total
Residential (House, detached or semi-detached)	921 779 850,35	81.7%
Residential (Flat or Apartment)	177 823 085,18	15.8%
Residential (Bungalow)	1 105 482,85	0.1%
Other	27 547 831,52	2.4%
Total	1 128 256 250	100.00%

M. Geographic Distribution		
Description	Outstanding Balance in EUR	% of Total
Antwerpen	320 019 473	28.4%
Limburg	137 473 632	12.2%
Brussels	98 431 821	8.7%
West-Vlaanderen	102 609 017	9.1%
Oost-Vlaanderen	80 404 698	7.1%
Hainaut	91 010 479	8.1%
Liège	74 063 961	6.6%
Vlaams-Brabant	144 993 992	12.9%
Brabant wallon	44 195 247	3.9%
Namur	29 994 370	2.7%
Luxembourg	5 059 561	0.4%
Total	1 128 256 250	100.00%

N. Repayment Type		
Description	Outstanding Balance in EUR	% of Total
Annuity Mortgage Loan	1 044 941 235	92.62%
Linear Mortgage Loan	6 594 357	0.58%
Interest-only Mortgage Loan	76 720 658	6.80%
Total	1 128 256 250	100.00%

O. Occupancy Type		
Description	Outstanding Balance in EUR	% of Total
Owner occupied	978 448 343	86.7%
Partially owner occupied	23 212 086	2.1%
Non owner occupied	126 079 847	11.2%
No data	515 974	0.0%
Total	1 128 256 250	100.00%

Section 17 - Purchase and Sale

Bank Nagelmackers (the **Manager**) has pursuant to a subscription agreement dated on or before the Closing Date and entered into between the Manager, the Arranger, the Issuer and the Seller (the **Subscription Agreement**) agreed with the Issuer, subject to certain conditions, to subscribe and pay for or to procure subscription and payment for the Notes at their respective issue prices. Bank Nagelmackers may acquire a substantial part of the Notes, which may result in Bank Nagelmackers holding a participation exceeding seventy-five (75) per cent. of the Principal Amount Outstanding of the Notes. In addition, Affiliated Entities of Bank Nagelmackers may also subscribe to the Notes. The Issuer has agreed to indemnify and reimburse the Arranger and the Manager against certain liabilities and expenses in connection with the issue of the Notes.

1. 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 and the Manager to inform themselves about and to observe any such restrictions, including those set out in the following paragraphs. No action has been taken or will be taken in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. This Prospectus or any part thereof does not constitute an offer, or an invitation to sell or a solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

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

2. ELIGIBLE HOLDERS

The Notes are only offered, directly or indirectly to holders who satisfy the following criteria (**Eligible Holders**):

(a) they qualify as qualifying investors (*in aanmerking komende beleggers/investisseurs éligibles*) within the meaning of Article 5, §3/1 of the UCITS Act (**Qualifying Investors**), acting for their own account:

(b) they do not constitute investors that, in accordance with annex A, (I), second indent, of the Royal Decree of 19 December 2017 concerning further rules for implementation of the directive on markets in financial instruments (**MiFID II**), have registered to be treated as non-professional investors; and

(c) they qualify as a holder of an exempt securities account (**X-Account**) with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a participant in such system and will use that X-Account for the holding of the Notes.

The Notes may only be acquired, by direct subscription, by transfer or otherwise and may only be held by Eligible Holders.

A list of, for the time, being Qualifying Investors is attached as Annex 2 (Qualifying Investors under the UCITS Act).

The minimum investment required per investor acting for its own account is EUR 250,000.

Any acquisition of a Note by or transfer of a Note to, a person who is not an Eligible Holder or to a person who is an Excluded Holder shall be void and not binding on the Issuer and the Security Agent. If a Noteholder ceases to be an Eligible Holder, it is obliged to report this to the Issuer and such Noteholder must promptly transfer the Notes it holds to a person that qualifies as an Eligible Holder or that does not qualify as an Excluded Holder.

Each payment of interest on Notes of which the Issuer becomes aware that they are held by a holder that does not qualify as an Eligible Holder or that qualifies as an Excluded Holder, will be suspended.

The Manager will not, after the initial distribution, offer and sale of the Notes as provided in the Subscription Agreement, have any obligation whatsoever to ensure that the Notes are offered, sold, delivered or held by Eligible Holders.

In addition, the sale and purchase restrictions set out below will apply.

3. EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area (each, a **Relevant Member State**), the Manager has represented and agreed that it has not made and will not make an offer of the Notes to the public in that Relevant Member State, except that they may make an offer of the Notes to the public in a Relevant Member State at any time:

(a) to any legal entity which is a qualified investors as defined in the Prospectus Regulation;

(b) to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided always that such offering shall be restricted to Qualifying Investors only and that no such offer shall require the Issuer or any dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of the 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.

The Issuer does not intend to request that the FSMA provides the competent authority of other EEA Member States or in the UK a certificate for approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Regulation.

Prohibition of sales to EEA and UK retail investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**) or in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, **Insurance Mediation Directive**), where the customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (**Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (PRIIPS Regulation) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore

offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

4. KINGDOM OF BELGIUM

This Prospectus has been submitted to the FSMA only for the purpose of the admission to trading of the Notes on Euronext Brussels.

Any offer will be made in Belgium exclusively to Eligible Holders. The Notes may only be acquired, by direct subscription, by transfer or otherwise and may only be held by Eligible Holders. The minimum investment required per investor acting for its own account is EUR 250,000.

This Prospectus is intended for the confidential use of the offeree, and may not be reproduced or used for any other purpose.

5. UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or under the securities law of any state or political sub-division of the United States. No person has registered nor will register as a commodity pool operator of the Issuer under the United States Commodity Exchange Act of 1936, as amended (the "CEA") and the rules thereunder (the "CFTC Rules") of the Commodity Futures Trading Commission (the "CFTC"), and the Issuer has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other United States federal laws. The Notes are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act pursuant to Regulation S.

Accordingly, the Notes may not be offered, sold, pledged or otherwise transferred except in an "Offshore Transaction" (as such term is defined under Regulation S) to or for the account or benefit of a Permitted Transferee.

The following definitions shall apply for the purposes of this United States selling and transfer restriction:

"Permitted Transferee" means any person who is not:

(a) a U.S. person as defined in Rule 902(k)(1) of Regulation S;

(b) a U.S. person as defined in the final rules promulgated pursuant to Section 15G of the Securities Exchange Act of 1934, as amended; or

(c) a person who comes within any definition of U.S. person for the purposes of the CEA or any CFTC Rule, guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a "Non-United States person" as such term is defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not "Non-United States persons", shall be considered a U.S. person).

The Manager has agreed that it will not offer, sell or deliver the Notes as part of its distribution at any time to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the U.S. Securities Act and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Notes a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of U.S. persons.

6. UNITED KINGDOM

The Manager represents and agrees that:

(a) it has only communicated or caused to be communicated and they will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, the **UK FSMA**) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the UK FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the UK FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

7. EXCLUDED HOLDERS

The Notes may not be acquired by a Belgian or foreign transferee who is not subject to income tax or who is, as far as interest income is concerned, subject to a tax regime that is deemed by the Belgian tax authorities to be significantly more advantageous than the common Belgian tax regime applicable to interest income (within the meaning of Articles 54 and 198, §1, 11° of the Belgian Income Tax Code 1992).

Furthermore, no Notes may be acquired by a Belgian or foreign transferee that qualifies as an "affiliated company" (within the meaning of Article 1:20 of the Belgian Code of Companies and Associations) of the Issuing Company, save where such transferee also qualifies as a "financial institution" referred to in Article 56, §2, 2° of the Belgian Income Tax Code 1992.

Finally, Notes may not be acquired by a Belgian or foreign transferee being a resident of or having an establishment in, or acting, for the purposes of the Notes, through a bank account held on a tax haven jurisdiction as referred to in Article 307, §1/2 of the Belgian Income Tax Code of 1992.

Section 18 - Use of Proceeds

The Issuer will use the net proceeds from the issue of the Notes and the proceeds of the Class B Subordinated Loan to pay to the Seller (part of) the Initial Purchase Price for the Mortgage Receivables, pursuant to the provisions of an agreement dated on or before the Closing Date (the **Mortgage Receivables Purchase Agreement**) and made between the Seller, the Issuer and the Security Agent. See further *Mortgage Receivables Purchase Agreement*.

The Issuer will credit the net proceeds from the issue of the Class C Subordinated Loan to the Reserve Account.

The proceeds of the Expenses Subordinated Loan, in the amount of EUR 1,300,000 will be used by the Issuer to pay the Initial Cap Payment and certain start-up costs and expenses incurred by the Issuer in connection with the issue of the Notes and, as the case may be, part of the Initial Purchase Price.

Section 19 - General Information

1. EXPENSES OF THE ADMISSION TO TRADING

1.1 Euronext

Costs are:

- per tranche of EUR 25 million: EUR 200 with a maximum of EUR 6,000;
- plus EUR 800 per listing year for each of the Class A1 Notes and the Class A2 Notes;.

The maximum amounts to EUR 20,000 (and this per tranche as there will be two listings (*lignes de cotation*)).

The costs are to be paid as of the time of listing.

1.2 NBB

All costs due in connection with the admission of the Notes to the Securities Settlement System are set out in the terms and conditions of the Securities Settlement System, which are available online at https://www.nbb.be/en/payments-and-securities/securities-settlement-system-nbb-sss[10].

2. INFORMATION MADE AVAILABLE TO INVESTORS

2.1 Investor Reports

On each Quarterly Payment Date, the Issuer Administrator on behalf of the Issuer will, also on behalf of the Seller, prepare the Investor Report. The Investor Report will be made available to Noteholders, to the competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors, through European DataWarehouse GmbH, available at https://eurodw.eu[11], which is a securitisation repository that has been designated within the meaning of Article 10 of the Securitisation Regulation and which has been appointed for the transaction described in the Prospectus. The Investor Report will consist of a duly completed report comprising information regarding, among other things:

(a) all materially relevant data on the credit quality and the performance of the Mortgage Receivables in respect of the preceding Quarterly Calculation period;

(b) information on events which trigger changes in the Priority of Payments or the replacement of any counterparties and data on the cash flows generated by the Mortgage Receivables and by the liabilities of the Transaction; and

(c) an overview of the retention of the material net economic interest by the Seller in the form set out in Schedule 5 of the Issuer Services Agreement.

The Investor Reports will be made available in accordance with paragraph 2.6 (Availability of information) below.

See also paragraph 15 (*Information to investors – availability of information*) of Section 7.

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[10] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

[11] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

2.2 Loan-by-loan information

The Issuer Administrator, on behalf of the Issuer, will, also on behalf of the Seller, make available loan-by-loan information (i) on the Mortgage Receivables prior to the Closing Date which information can be obtained by potential investors upon request from the Issuer and (ii) after the Closing Date, on a quarterly basis, which information can be obtained within one month after the relevant Quarterly Payment Date, for as long as such requirement is effective, provided that (i) the Issuer Administrator has received the relevant information from the MPT Provider, (ii) such information is complete and correct and (iii) such information is provided in a format which enables the Issuer Administrator to use it for the purposes of the template.

The loan-by-loan information will be made available in accordance with paragraph 2.6 (Availability of information) below.

2.3 Documents available

Copies of the following documents shall be made available by the Issuer Administrator, on behalf of the Issuer, through European DataWarehouse GmbH which is a securitisation repository, registered in accordance with Article 10 of the Securitisation Regulation, to investors and potential investors no later than 15 calendar days after the Closing Date in accordance with paragraph 2.6 (Availability of information) below:

(a) this Prospectus and any supplements to this Prospectus published from time to time by the Issuer after approval by the FSMA, (including any documents containing information that may be incorporated by reference into those supplements);

(b) the articles of association of the Issuer;

(c) the articles of association of the Security Agent;

(d) the Mortgage Receivables Purchase Agreement;

(e) the Pledge Agreement;

(f) the Agency Agreement;

(g) the Account Bank Agreement;

(h) the Common Representative Appointment Agreement;

(i) the Floating Rate GIC;

(j) the Liquidity Facility Agreement;

(k) The Class B Subordinated Loan Agreement;

(l) The Class C Subordinated Loan Agreement;

(m) the Expenses Subordinated Loan Agreement;

(n) the Master Definition Agreement;

(o) the Subscription Agreement;

(p) the Issuer Services Agreement;

(q) the Cap Agreement;

(r) any other transaction documents entered into from time to time; and

(s) all reports, letters and other documents, valuations and statements prepared by an expert at the Issuer's request, any part of which is included or referred to in the Prospectus.

These documents shall be made available to investors before pricing at least in draft or initial form.

In case of amendment to any of the documents listed above, such amended document shall be made available by the Issuer Administrator in accordance with paragraph 2.6 (Availability of information) below.

2.4 Inside information

Any priviledged information relating to the securitisation that the Seller or the Issuer are obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and Council on insider dealing and market manipulation, shall be made available by the Issuer Administrator in accordance with paragraph 2.6 (Availability of information) below.

2.5 Responsibility

For the purpose of Article 7(2) of the Securitisation Regulation, the Seller as originator has been designated as the entity responsible for compliance with Article 7 of the Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf, among others by the Issuer Administrator as set out in paragraphs 2.1 to 2.4 above.

2.6 Availability of information

The information set out under paragraphs 2.1 to 2.5 above will be made available by the Issuer Administrator on behalf of the Issuer and also on behalf of the Seller by means of a securitisation repository, registered in accordance with Article 10 of the Securitisation Regulation.

The securitisation repository is expected to be European DataWarehouse GmbH, available at https://eurodw.eu[12], or any other website that may be notified by the Issuer from time to time, provided that such replacement website conforms to the requirements set out in Article 7(2) of the Securitisation Regulation. Any information on or linked to by the website https://eurodw.eu does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

Without prejudice to what is set out above, the information set out under paragraphs 2.1 to 2.5 above will be made available to the Noteholders and competent authorities and, upon request, to potential investors.

In addition to what is set out above, the Investor Reports will be made available free of charge at the office of the Paying Agent.

In addition to what is set out above, the documents listed under paragraph 2.3 (Documents available) above, may be inspected at the specified offices of the Paying Agent during normal business hourts, as long as any Notes are outstanding. In addition to what is set out above, the Prospectus, any supplements to this Prospectus published from time to time by the Issuer after approval by the FSMA, (including any documents containing information that may be incorporated by reference into those supplements), the articles of association of the Issuer and the Investor Reports will be published on the website of the Issuer.

[12] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

2.7 Other information

The Issuer shall make available any other mandatory information, such as described in the royal decree of 14 November 2007, as amended from time to time, on the obligations of issuers of financial instruments which are admitted to trading on a Belgian regulated market (including information as to modifications to the conditions, rights or guarantees attached to the Notes).

Furthermore, the Issuer will be required to provide certain information to the NBB for statistical purposes.

Section 20- Related Party Transactions – Material Contracts

1. THE SELLER

1.1 Name and Status

The Mortgage Receivables have been originated by the Seller or its legal predecessors.

For a description of the Seller, see further Section 14 (*The Seller*).

1.2 Mortgage Receivables Purchase Agreement

Under the Mortgage Receivables Purchase Agreement, the Issuer will purchase and on the Closing Date accept the transfer by way of assignment of legal title to any and all relevant rights (the **Mortgage Receivables**) of the Seller against certain borrowers (the **Borrowers**) under or in connection with certain selected Mortgage Loans. The Issuer will be entitled to the proceeds of the Mortgage Receivables from 1 January 2023 (included).

For a description of the Mortgage Receivables Purchase Agreement, see further in the section entitled Section 12 (*Mortgage Receivables Purchase Agreement*).

2. THE ISSUER ADMINISTRATOR

2.1 Name and status

Pursuant to the Issuer Services Agreement, the Issuer has appointed Intertrust Administrative Services B.V., a Dutch private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, registered with the chamber of commerce trade register (*kamer van koophandel*) under number 33210270 as the Issuer Administrator. Its phone number is +31 20 521 4777 and fax number: +31 20 521 4888. Email: securitisation@intertrustgroup.com. Corporate website: www.intertrustgroup.com[13]

2.2 Issuer Services Agreement

Under the Issuer Services Agreement, the Issuer Administrator will agree to provide certain administration, calculation and cash management services for the Issuer.

For a description of the Issuer Services Agreement, see further in the section entitled Section 15 (*Issuer Services Agreement*).

2.3 Remuneration

The Issuer Administrator shall receive a one-time upfront fee of EUR 7,000, exclusive of VAT (if any) and payable by the Issuer on the Closing Date, for its involvement in setting up the Transaction, subject to certain assumptions as further agreed with the Seller in the Issuer Administrator fee letter signed on 12 January 2023. With respect to the duties and responsibilities as Issuer Administrator from the Closing Date and during the Transaction, the Issuer shall pay on each Quarterly Payment Date in arrears an amount of minimum EUR 10,250 but not more than EUR 11,250 (i.e., minimum EUR 41,000 but not more than EUR 45,000 on an annual basis) (exclusive of VAT), subject to certain assumptions as further agreed with the Seller in the Issuer Administrator fee letter signed on 12 January 2023.

[13] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

2.4 Replacement

In certain events, the Issuer (with the prior consent of the Security Agent) or the Security Agent may terminate the appointment of the Issuer Administrator with effect from a date (no earlier than the date of the notice) specified in the notice provided that the effective date of such termination shall be no earlier than the effective date of the appointment of a substitute issuer administrator.

The appointment of a substitute issuer administrator is subject to the following conditions:

(a) such substitute issuer administrator must be approved by the Security Agent;

(b) such substitute issuer administrator must have experience in delivering the relevant services and must hold all required licences under applicable law therefore;

(c) there will be no adverse impact on the then current rating assigned to the Notes;

(d) the termination shall not become effective and the Issuer Administrator shall not be released from its obligations under this Agreement until such substitute issuer administrator has entered into such new agreement; and

(e) the Issuer shall promptly following the execution of the agreement with the substitute issuer administrator pledge its interest in such agreement in favour of the Secured Parties, including the Security Agent acting in its own name on behalf of the Noteholders and the other Secured Parties, on the terms of the Pledge Agreement, *mutatis mutandis*, to the satisfaction of the Security Agent.

3. THE SECURITY AGENT

3.1 Name and status

Stichting Security Agent B-Arena (the **Security Agent**), a foundation (*stichting*) existing under the laws of the Netherlands, with its registered office at Basisweg 10, 1043 AP Amsterdam, the Netherlands, and registered with the chamber of commerce trade register (*kamer van koophandel*) under number 68322593, is appointed as representative of the Noteholders and as agent acting in its own name but on behalf of the Noteholders and the other Secured Parties on terms and subject to the conditions set out in the Common Representative Appointment Agreement. The Security Agent is appointed as representative (*vertegenwoordiger/représentant*) of the Noteholders in accordance with the UCITS Act.

3.2 Common Representative Appointment Agreement

For a description of the rights, duties and obligations of the Security Agent under the Common Representative Appointment Agreement, see further under Condition 4.12 (*The Security Agent*).

3.3 Remuneration

With respect to duties and responsibilities carried out by the Security Agent up to and including the Closing Date the Issuer shall pay to the Security Agent on the Closing Date and upon presentation of an invoice, a one off fee of EUR 2,000, exclusive of VAT.

With respect to duties and responsibilities as Security Agent carried out after the Closing Date and during the lifetime of the Transaction, the remuneration of the Security Agent shall be EUR 5,000 per annum (exclusive of VAT), subject to annual indexation as from 1 January 2024.

The Issuer will furthermore owe a variable fee to the Security Agent for the services that are not part of the fixed fee services as set out in the relevant management agreement.

The Issuer will also reimburse to the Security Agent any costs, charges, liabilities and expenses reasonably incurred by it in connection with or in relation to the performance of its powers or duties under the Common Representative Agreement or any other Transaction Document.

3.4 Replacement

In certain events, the Issuer may by written notice to the Security Agent, the other Secured Parties and the Rating Agencies terminate the powers delegated to the Security Agent under the Common Representative Appointment Agreement and the Transaction Documents with effect from a date (no earlier than the date of the notice) specified in the notice and appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders, which shall promptly be convened by the Issuer.

In addition, the Noteholders shall be entitled to terminate the appointment of the Security Agent by an Extraordinary Resolution notified to the Issuer and the Security Agent, provided that (i) in the same resolution a substitute security agent is appointed, and (ii) such substitute security agent meets all legal requirements to act as security agent and representative and accepts to be bound by the terms of the Transaction Documents in the same way as its predecessor.

Such termination shall also terminate the appointment and power of attorney by the other Secured Parties. The other Secured Parties hereby irrevocably agree that the substitute security agent shall from the date of its appointment act as attorney (*mandataris/mandataire*) of the other Secured Parties on the terms and conditions set out in these Conditions and the Transaction Documents.

The Security Agent shall not be discharged from its responsibilities under the Common Representative Appointment Agreement until a suitable substitute security agent, which has been accepted by the Issuer and the Noteholders (such approval not being unreasonably withheld) is appointed.

4. THE MPT PROVIDER

4.1 Name and Status

The Seller has been appointed as MPT Provider.

For a description of the Seller, see further Section 14 (*The Seller*).

4.2 The Issuer Services Agreement

Pursuant to the Issuer Services Agreement, the Seller has been appointed as MPT Provider and, in this capacity as MPT Provider, will agree to provide mortgage payment transactions and the other services as agreed in the Issuer Services Agreement in relation to the Mortgage Receivables.

For a description of the Issuer Services Agreement, see further in Section 15 (*Issuer Services Agreement*).

4.3 Remuneration

In consideration of the MPT Provider's agreement to carry out certain services as agreed in the Issuer Services Agreement, the Issuer shall pay quarterly in arrears on each Quarterly Payment Date a servicing fee of approximately (depending on a number of parameters) 0.015% calculated over the aggregate Outstanding Principal Amount of all Mortgage Receivables as at the Quarterly Calculation Date.

4.4 Replacement

In certain events, the Security Agent or the Issuer (with the prior consent of the Security Agent) may terminate the appointment of the MPT Provider with effect from a date (no earlier than the date of the notice) specified in the notice provided that the effective date of such termination shall be no earlier than the effective date of the appointment of a substitute mortgage payment transaction services provider.

The appointment of a substitute mortgage payment transaction services provider is subject to the following conditions:

(a) such substitute mortgage payment transaction services provider must be approved by the Security Agent;

(b) such substitute mortgage payment transaction services provider must have experience in delivering the relevant services and must hold all required licences under applicable law therefore;

(c) there will be no adverse impact on the then current rating assigned to the Notes;

(d) the termination shall not become effective and the MPT Provider shall not be released from its obligations under this Agreement until such substitute mortgage payment transaction services provider has entered into such new agreement; and

(e) the Issuer shall promptly following the execution of the agreement with the substitute mortgage payment transaction services provider pledge its interest in such agreement in favour of the Secured Parties, including the Security Agent acting in its own name but on behalf of the Noteholders and the other Secured Parties, on the terms of the Pledge Agreement, *mutatis mutandis*, to the satisfaction of the Security Agent.

If the appointment of the MPT Provider is terminated, the Security Agent or the Issuer (with the prior consent of the Security Agent), with the assistance of the Back-Up Servicer Facilitator, may appoint a substitute MPT Provider pursuant to the Issuer Services Agreement. Intertrust Administrative Services B.V. has been appointed as Back-up Servicer Facilitator pursuant to the Issuer Services Agreement.

4.5 Conflict of Interest

The MPT Provider may have a conflict of interest resulting from its responsibilities as MPT Provider for the Issuer pursuant to the Issuer Services Agreement, on the one hand, and its concern to preserve its commercial relations with the Borrowers, on the other hand. This conflict of interest risk is mitigated by the terms of the Issuer Services Agreement. The Issuer Services Agreement provides, among other things, that the MPT Provider must at all times act in such a manner as would be reasonable to expect from a reasonably prudent professional of high standing in providing services similar to the services provided by the MPT Provider. In addition, the Issuer Services Agreement contains certain specific undertakings to protect the interests of the Issuer.

5. THE FLOATING RATE GIC PROVIDER

5.1 Name and status

Pursuant to the Floating Rate GIC, Belfius Bank SA/NV as the Floating Rate GIC Provider guarantees a certain interest rate (the **Floating Rate GIC Interest Rate**) equal to 1-month EURIBOR minus 0.20%, in respect of the balance standing from time to time to the credit of certain bank accounts maintained by the Issuer with the Floating Rate GIC Provider.

Belfius Bank SA/NV was incorporated under the laws of Belgium. It is duly licensed as a credit institution by the NBB under the Credit Institutions Supervision Law.

The registered office of Belfius Bank SA/NV are located Place Charles Rogier 11, 1210 Brussels and is registered with the Crossroads Bank for enterprises under number 0403.201.185.

5.2 Floating Rate GIC

For a description of the Floating Rate GIC, see further in the section entitled Section 6 (*Credit Structure*), paragraph 3 (*Transaction Accounts*).

5.3 Replacement of the Floating Rate GIC Provider

Upon the occurrence of certain events, the Issuer may at any time (but, if prior to the date on which the Notes are redeemed or written off in full, only with the prior written consent of the Security Agent), by written notice terminate the appointment of the Floating Rate GIC with immediate effect.

See further Section 6 - *Credit Structure*.

6. THE PAYING AGENT – THE LISTING AGENT – THE REFERENCE AGENT

6.1 Name and Status

Belfius Bank SA/NV has been appointed as Paying Agent, Listing Agent and Reference Agent (together referred to as **Agents**) pursuant to the Agency Agreement dated on or about the Closing Date.

Belfius Bank SA/NV is incorporated under the laws of Belgium.

The registered office of Belfius Bank SA/NV are located Place Charles Rogier 11, 1210 Brussels and is registered with the Crossroads Bank for enterprises under number 0403.201.185.

6.2 Agency Agreement

Under the Agency Agreement, the Paying Agent will undertake to ensure the payment of the sums due on the Notes and perform all other obligations and duties imposed on it by the Conditions and the Agency Agreement.

The Paying Agent will perform the tasks described in the Clearing Agreement dated on or about the Closing Date, which comprise *inter alia* providing the Securities Settlement System Operator with information relating to the issue of the Notes, the Prospectus and other documents required by law.

The Listing Agent will cause an application to be made to Euronext Brussels NV/SA for the admission to trading of the Class of Notes.

The Reference Agent shall determine the Floating Rates of Interest for each Class of Notes applicable to each Floating Rate Interest Period, the Interest Amount and the relevant Quarterly Payment Date, all subject to and in accordance with the Conditions and the Agency Agreement.

6.3 Remuneration

The Issuer shall pay to the Paying Agent an amount of EUR 1,500 per Class of Notes on an annual basis for commissions, fees and expenses in respect of the services of the Paying Agent and the Reference Agent.

The Issuer shall pay to the Listing Agent on the Closing Date an upfront listing fee of EUR 1,000.

Any transaction fees and costs with respect to the Securities Settlement System will be charged to the Issuer.

6.4 Replacement of the Paying Agent, Listing Agent or Reference Agent

The Issuer and each Agent may at any time, subject to prior written notice, terminate the appointment of a relevant Agent under the Agency Agreement. In addition, in certain events, the Issuer may terminate the appointment of an Agent forthwith, subject to the prior approval of the Security Agent.

The termination of the appointment of an Agent (whether by the Issuer or by the resignation of the Agent) shall not be effective unless upon the expiry of the relevant notice there is:

(a) a Paying Agent that has its specified offices in a European city which, so long as the Notes are listed on Euronext Brussels, shall be Brussels and that will at all times be a participant in the Securities Settlement System;

(b) a Listing Agent; and

(c) a Reference Agent.

The information in sections 6.1 and 6.2 has been provided solely by Belfius Bank SA/NV for use in this Prospectus and Belfius Bank SA/NV is solely responsible for the accuracy of these sections. Except for these sections, Belfius Bank SA/NV in its capacity as Paying Agent, Listing Agent and Reference Agent has not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

7. THE RATING AGENCIES

The following rating agencies have been requested to rate the Notes:

(a) DBRS; and

(b) Moody's France SAS.

8. THE CAP PROVIDER

8.1 Name and Status

Pursuant to the Cap Agreement, Belfius Bank SA/NV has been appointed as Cap Provider.

8.2 Cap Agreement

For a description of the Cap Agreement and the termination thereof and the hedging of interest rates, see Section 6 (*Credit Structure*), paragraph 13 (*Interest Rate Hedging*), above.

9. THE CLASS B SUBORDINATED LOAN PROVIDER AND THE CLASS C SUBORDINATED LOAN PROVIDER

9.1 Name and Status

The Seller will act as Class B Subordinated Loan Porvider and as Class C Subordinated Loan Provider.

For a description of the Seller, see further Section 7 (*The Issuer*).

9.2 The Class B Subordinated Loan Agreement

Pursuant to the Class B Subordinated Loan Agreement, the Seller, as subordinated loan provider, will agree to make a subordinated loan to the Issuer, the proceeds of which will be used to pay part of the Initial Purchase Price.

The Class B Subordinated Loan will bear interest from (and including) the Closing Date until the Class B Subordinated Loan (and all approved interest thereon) will be paid in full at the rate of 3-month EURIBOR + 2.50% per annum, with a maximum rate of 5.00% per annum.

9.3 The Class C Subordinated Loan Agreement

Pursuant to the Class C Subordinated Loan Agreement, the Seller, as subordinated loan provider, will agree to make a subordinated loan to the Issuer, the proceeds of which will be used to credit the Reserve Account.

The Class C Subordinated Loan will bear interest from (and including) the Closing Date until the Class C Subordinated Loan (and all approved interest thereon) will be paid in full at the rate of 3-month EURIBOR + 3.50% per annum, with a maximum rate of 6.00% per annum.

10. THE EXPENSES SUBORDINATED LOAN PROVIDER

10.1 Name and Status

The Seller will act as Expenses Subordinated Loan Provider.

For a description of the Seller, see further Section 7 (*The Issuer*).

10.2 The Expenses Subordinated Loan Agreement

Pursuant to the Expenses Subordinated Loan Agreement, the Seller, as subordinated loan provider, will agree to make a subordinated loan to the Issuer, the proceeds of which will be used to pay the Initial Cap Payment and certain start-up costs and expenses incurred by the Issuer in connection with the issue of the Notes and, as the case may be, part of the Initial Purchase Price.

The Expenses Subordinated Loan will bear interest from (and including) the Closing Date until the Expenses Subordinated Loan (and all approved interest thereon) will be paid in full at the rate of 5% per annum.

11. THE LIQUIDITY FACILITY PROVIDER

11.1 Name and status

Pursuant to the Liquidity Facility Agreement, Belfius Bank SA/NV has been appointed as Liquidity Facility Provider.

11.2 Liquidity Facility Agreement

For a description of the Liquidity Facility Agreement and the termination thereof and the interest rates, see Section 6 (*Credit Structure*), paragraph 4 (*Liquidity Facility*) above.

11.3 **Replacement**

In certain circumstances, the Security Agent or the Issuer (with the prior consent of the Security Agent) may terminate the appointment of the Liquidity Facility Provider. Upon termination, the Issuer shall appoint a new Liquidity Facility Provider.

12. THE SECURITIES SETTLEMENT SYSTEM OPERATOR

Pursuant to the Clearing Agreement, the Securities Settlement System Operator will provide clearing services for the Issuer.

13. SECURITY

A description of the security is given in the section entitled Section 9 (*Issuer Security*).

Section 21 - Main Transaction Expenses

1. ISSUER ADMINISTRATOR

The Issuer Administrator shall receive a one-time upfront fee of EUR 7,000, exclusive of VAT (if any) and payable by the Issuer on the Closing Date, for its involvement in setting up the Transaction, subject to certain assumptions as further agreed with the Seller in the Issuer Administrator fee letter signed on 12 January 2023. With respect to the duties and responsibilities as Issuer Administrator from the Closing Date and during the Transaction, the Issuer shall pay on each Quarterly Payment Date in arrears an amount of minimum EUR 10,250 but not more than EUR 11,250 (i.e., minimum EUR 41,000 but not more than EUR 45,000 on an annual basis) (exclusive of VAT), subject to certain assumptions as further agreed with the Seller in the Issuer Administrator fee letter signed on 12 January 2023.

2. SECURITY AGENT

With respect to duties and responsibilities carried out by the Security Agent up to and including the Closing Date the Issuer shall pay to the Security Agent on the Closing Date and upon presentation of an invoice, a one off fee of euro 2,000, exclusive of VAT.

With respect to duties and responsibilities as Security Agent carried out after the Closing Date and during the lifetime of the Transaction, the remuneration of the Security Agent shall be euro 5,000 per annum (exclusive of VAT), subject to annual indexation as from 1 January 2024.

3. MPT PROVIDER

In consideration of the MPT Provider's agreement to carry out certain services as agreed in the Issuer Services Agreement, the Issuer shall pay quarterly in arrears on each Quarterly Payment Date a servicing fee of approximately (depending on a number of parameters) 0.015% calculated over the aggregate Outstanding Principal Amount of all Mortgage Receivables as at the Quarterly Calculation Date.

4. PAYING AGENT, LISTING AGENT AND REFERENCE AGENT

The Issuer shall pay to the Paying Agent an amount of EUR 1,500 per Class of Notes on an annual basis for commissions, fees and expenses in respect of the services of the Paying Agent and the Reference Agent.

The Issuer shall pay to the Listing Agent on the Closing Date an upfront listing fee of EUR 1,000.

Any transaction fees and costs with respect to the Securities Settlement System will be charged to the Issuer.

5. OTHER SENIOR EXPENSES PAYABLE BY THE ISSUER

The Issuer shall in addition pay the following on-going expenses:

(a) to the Auditors;

(b) to the NBB, fees as provided under the Clearing Agreement, which will be payable as long as any of the Notes are outstanding and any other fees in accordance with Belgian law and regulations;

(c) to the FSMA, Accesso VZW and/or the FOD Economie, an annual fee calculated in accordance with Belgian law and regulations;

(d) and others, provided that they are justified and duly documented.

Section 22 - Dematerialised Notes

The Notes will be issued in the form of dematerialised notes under the Belgian Code of Companies and Associations and cannot be physically delivered. They will be represented exclusively by book entries in the records of the Securities Settlement System.

Access to the Securities Settlement System is available through its Securities Settlement System Participants whose membership extends to certain banks, stock brokers (*beursvennootschappen/sociétés de bourse*), as well as: Euroclear Bank, Clearstream Banking Frankfurt, SIX SIS Ltd (Switzerland), Euroclear France SA, Euronext Securities Porto, Euronext Securities Milan and LuxCSD.

Each of the persons appearing from time to time in the records of the Securities Settlement System as the Noteholder will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of the Securities Settlement System. Such persons shall have no claim directly against the Issuer in respect of payment due on the Notes.

The Issuer and the Paying Agent will not have any responsibility for the proper performance by the Securities Settlement System or its Securities Settlement System Participants of their obligations under their respective rules and operating procedures.

Section 23 - Admission to Trading and Dealing Arrangements

Total amount and denomination

The Issuer's Board of Directors has resolved to issue EUR 425,000,000 Class A1 Notes and EUR 425,000,000 Class A2 Notes.

The Class A1 Notes are Notes with each a nominal amount of EUR 250,000.

The Class A2 Notes are Notes with each a nominal amount of EUR 250,000.

Admission to trading

Application has been made for an admission to trading of the Class A1 Notes and the Class A2 Notes on Euronext Brussels.

Clearing

The Notes will be accepted for clearance through the Securities Settlement System (the **Securities Settlement System**) under:

(a) the ISIN number BE0002908896 and common code 257713075 for the Class A1 Notes;

(b) the ISIN number BE0002909902 and common code 257713342 for the Class A2 Notes.

Access to the Securities Settlement System is available through those of the participants to the Securities Settlement System Participants (the **Securities Settlement System Participants** whose membership extends to securities such as the Notes.

Securities Settlement System Participants include certain banks, stock brokers (*beursvennootschappen/sociétés de bourse*), and Euroclear Bank NV/SA (**Euroclear**) and Clearstream Banking Frankfurt (**Clearstream**). Accordingly, the Notes will be eligible to clear through, and therefore accepted by, Euroclear and Clearstream and investors can hold their Notes on securities accounts in Euroclear and Clearstream.

Transfers of interests in the Notes will be effected between Securities Settlement System Participants in accordance with the rules and operating procedures of the Securities Settlement System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Securities Settlement System Participants through which they hold their Notes.

The Paying Agent will perform the obligations of paying agent included in the Clearing Agreement, including, without limitation, providing the Securities Settlement System Operator the information required by law, publishing notices required in connection with any redemption of the Notes and notifying, on behalf of the Issuer, the Paying Agent, the Securities Settlement System Operator and the Cap Provider of the Interest Amounts and amounts of principal relating to each Note.

The Issuer and the Paying Agent will not have any responsibility for the proper performance by the Securities Settlement System or its Securities Settlement System Participants of their obligations under their respective rules and operating procedures.

ANNEX 1 - TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions (the **Conditions**, and each a **Condition**) of the Notes. They will be incorporated by reference into the Notes. Except where the context otherwise requires, each of the Conditions will apply to each Class of the Notes and any reference herein to the Notes means the Notes of that Class.*

The Notes are obligations solely of B-Arena NV/SA, *Institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* (the **Issuing Company**), acting through its Compartment No. 5 and are not obligations of, or guaranteed by, any of the other parties to the Transaction Documents. In particular, the Notes will not be the obligations or responsibilities of the Seller and the Seller will not be under any obligation whatsoever to provide additional funds to the Issuer.

The Issuing Company is organised into separate subdivisions, each a Compartment. On the date of issuance of the Notes, 7 Compartments have been created: Compartment No. 1, Compartment No. 2, Compartment No. 3, Compartment No. 4, Compartment No. 5, Compartment No. 6 and Compartment No. 7, each for the purpose of investment of funds collected in accordance with the articles of association of the Issuing Company in a portfolio of selected loans. Obligations of the Issuer to the Noteholders and all other Secured Parties are allocated exclusively to Compartment No. 5 and the recourse for such obligations is limited so that only the assets of Compartment No. 5 subject to the relevant Security Interest will be available to meet the claims of the Noteholders and the other Secured Parties.

By subscribing or otherwise acquiring the Notes, the Noteholders (i) shall be deemed to have acknowledged receipt of, accept and be bound by the Conditions, (ii) acknowledge and accept that the Notes are allocated to Compartment No. 5, (iii) acknowledge that they are Eligible Investors and that they can only transfer their Notes to Eligible Investors and (iv) shall be deemed to have undertaken that they will comply (and arrange for any transferee to comply) with any procedural formalities necessary for the Issuer to obtain the authorisation to make a payment to which that holder is entitled without a tax deduction.

Except as expressly provided otherwise, all Conditions apply exclusively to the Notes as allocated to Compartment No. 5 of the Issuer and all appointments, rights, title, assignments, covenants, representations, assets and liabilities generally in relation to this transaction are exclusively allocated to, or binding on, Compartment No. 5 and will not be recoverable against any other compartments of the Issuer or any assets of the Issuer other than those allocated to Compartment No. 5.

Unless otherwise stated, defined terms used in these Conditions shall have the meaning given to them in the Master Definitions Agreement. In this Prospectus the term "Issuer" shall generally refer only to B-Arena NV/SA *institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* acting through and for the account of its Compartment No. 5, unless where the context requires, in which case such term may refer to the entire company as such, but in each case without prejudice to the limitation of recourse set out in Condition 4.11(b).

Where these Conditions refer to any computation of a term or period of time, Article 1.7 of the Belgian Civil Code shall not apply.

1. DESCRIPTION OF THE NOTES

The issue of:

(a) EUR 425,000,000 Class A1 Mortgage-Backed Floating Rate Notes due 2057 (the **Class A1 Notes**); and

(b) EUR 425,000,000 Class A2 Mortgage-Backed Floating Rate Notes due 2057 (the **Class A2 Notes**, and together with the Class A1 Notes, the **Notes**),

is authorised by a resolution of the board of directors of B-Arena NV/SA, an *institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* (an institutional company for investment in receivables under Belgian law) acting through its Compartment No. 5 (the **Issuer**) adopted on 17 January 2023.

The Notes will be issued on or about 27 January 2023 (the **Closing Date**), in accordance with the provisions of an agency agreement to be entered into on or before the Closing Date (the **Agency Agreement**) between the Issuer, Belfius Bank SA/NV (the **Paying Agent**, the **Listing Agent** and the **Reference Agent**) and Stichting Security Agent B-Arena (the **Security Agent**) as security agent for, *inter alios*, the holders for the time being of the Notes (the **Noteholders**).

Pursuant to the Agency Agreement, provision is made for the payment of principal and interest in respect of the Notes and for the determination of the rate of interest payable on the Notes.

The Notes are secured by the security created pursuant to, and on the terms set out in, a Belgian law pledge agreement establishing security over certain assets of the Issuer (the **Pledge Agreement**) to be entered into on or before the Closing Date between, *inter alios*, the Issuer, the Security Agent, the Seller and the MPT Provider.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of:

(a) the Common Representative Appointment Agreement;

(b) the Agency Agreement;

(c) the Pledge Agreement;

(d) the issuer services agreement (the **Issuer Services Agreement**) to be entered into on or before the Closing Date between, among others, the Issuer, the Seller, acting as MPT Provider, and Intertrust Administrative Services B.V., acting as Issuer Administrator;

(e) the floating rate guaranteed investment contract (the **Floating Rate GIC**) to be entered into on or before the Closing Date between, among others, the Issuer and Belfius Bank SA/NV, acting as Floating Rate GIC Provider;

(f) the mortgage receivables purchase agreement (the **Mortgage Receivables Purchase Agreement** or **MRPA**) between, among others, the Seller and the Issuer to be entered into on or before the Closing Date;

(g) the expenses subordinated loan agreement (the **Expenses Subordinated Loan Agreement**) between, among others, the Seller as the Expenses Subordinated Loan Provider and the Issuer to be entered into on or before the Closing Date;

(h) the class B subordinated loan agreement (the **Class B Subordinated Loan Agreement**) between, among others, the Seller as the Class B Subordinated Loan Provider and the Issuer to be entered into on or before the Closing Date;

(i) the class C subordinated loan agreement (the **Class C Subordinated Loan Agreement**) between, among others, the Seller as the Class C Subordinated Loan Provider and the Issuer to be entered into on or before the Closing Date;

(j) the liquidity facility agreement (the **Liquidity Facility Agreement**) between, among others, the Issuer and Belfius Bank SA/NV as Liquidity Facility Provider to be entered into on or before the Closing Date;

(k) the clearing agreement (the **Clearing Agreement**) to be entered into on or before the Closing Date between the Issuer, the Paying Agent and the Securities Settlement System Operator;

(l) the master definitions agreement (the **Master Definitions Agreement**) to be entered into on or before the Closing Date between, among others, the Issuer, the Seller and the Security Agent;

(m) the cap agreement (the **Cap Agreement**) to be entered into on or before the Closing Date between the Issuer, the Security Agent and Belfius Bank SA/NV as Cap Provider (the **Cap Provider**);

(n) the issuer management agreements (the **Issuer Management Agreements**) to be entered into on or before the Closing Date between, among others, the Issuer and the Issuer Directors; and

(o) the shareholder management agreements (the **Shareholder Management Agreements**) to be entered into on or before the Closing Date between, among others, the Stichting Shareholder, the Shareholder, the Issuer and the Shareholder Director.

Pursuant to the MRPA, a portfolio of Belgian mortgage loans (the **Mortgage Receivables**) will be sold by the Seller to the Issuer acting through its Compartment No. 5 on the Closing Date.

The Issuer, the Seller and the Manager will enter into a subscription agreement on or before the Closing Date (the **Subscription Agreement**).

The Mortgage Receivables Purchase Agreement, the Issuer Services Agreement, the Agency Agreement, the Pledge Agreement, the Cap Agreement, the Floating Rate GIC, the Liquidity Facility Agreement, the Clearing Agreement, the Class B Subordinated Loan Agreement, the Class C Subordinated Loan Agreement, the Expenses Subordinated Loan Agreement, the Master Definitions Agreement, the Issuer Management Agreements, the Shareholder Management Agreements, the Common Representative Appointment Agreement, the Subscription Agreement and all agreements, forms and documents executed pursuant to or in relation to such documents collectively, will be referred to as the **Transaction Documents**. The issue of the Notes and the other transactions contemplated in the Transaction Documents shall be referred to as the **Transaction**.

Any reference in these Conditions to any Transaction Document, is to such document, as may be from time to time amended, varied or novated in accordance with its provisions and includes any deed or other document expressed to be supplemental to it, as from time to time so amended.

References to the Transaction Parties shall, where the context permits, include references to its successors, transferees and permitted assigns.

The Issuer has been incorporated as an Institutional VBS subject to the provisions the Act of 20 July 2004 on certain forms of collective management of investment portfolios (*Wet betreffende bepaalde vormen van collectief beheer van beleggingsportefeuilles/Loi relative à certaines formes de gestion collective de portefeuilles d'investissement*) as replaced by the Act of 3 August 2012 on institutions for collective investment that satisfy the criteria of directive 2009/65/EC and on institutions for investment in receivables (*Wet betreffende de instellingen voor collectieve belegging die voldoen aan de criteria van richtlijn 2009/65/EG en de instellingen voor belegging in schuldvorderingen/Loi relative aux organismes de placement collectif qui répondent aux conditions de la Directive 2009/65/CE et aux organismes de placement en créances*), as amended from time to time (the **UCITS Act**).

Copies of the Agency Agreement, the Pledge Agreement, the Clearing Agreement and the other Transaction Documents are available for inspection at the specified offices of the Paying Agent and

on the website https://eurodw.eu[14] of the securitisation repository which is expected to be European DataWarehouse GmbH or any other website that may be notified by the Issuer from time to time, provided that such replacement website conforms to the requirements set out in Article 7(2) of the Securitisation Regulation. By subscribing for or otherwise acquiring the Notes, the Noteholders will be deemed to have knowledge of, accept and be bound by all the provisions of the Mortgage Receivables Purchase Agreement, the Issuer Services Agreement, the Agency Agreement, the Pledge Agreement, the Cap Agreement, the Floating Rate GIC, the Clearing Agreement, the Class B Subordinated Loan Agreement, the Class C Subordinated Loan Agreement, the Expenses Subordinated Loan Agreement, the Master Definitions Agreement, the Management Agreements, the Common Representative Appointment Agreement and all other Transaction Documents (other than the Subscription Agreement).

2. DEMATERIALISED NOTES

2.1 Denomination

The Notes will be issued in denominations of EUR 250,000.

2.2 Form and clearing

The Notes are issued in dematerialised form under the Belgian Code of Companies and Associations as amended from time to time.

They will be represented exclusively by book entries in the records of the securities settlement system operated by the National Bank of Belgium or any successor thereto (the **Securities Settlement System**), and are accordingly subject to the applicable securities settlement system regulations of the National Bank of Belgium (the **Securities Settlement System Operator**). The Notes may be cleared through the securities settlement clearing system in accordance with the Act of 6 August 1993 on transactions in certain securities (*loi relative aux opérations sur certaines valeurs mobilières/wet betreffende de transacties met bepaalde effecten*) and the corresponding royal decrees of 26 May 1994 and 14 June 1994.

If at any time the Notes are transferred to another securities settlement system, not operated or not exclusively operated by the National Bank of Belgium, these provisions shall apply *mutatis mutandis* to such successor securities settlement system and successor securities settlement system operator or any additional securities settlement system and additional securities settlement system operator (any such securities settlement system, an **Alternative Securities Settlement System**).

2.3 Title and Transfer

Title to and transfer of Notes will be evidenced only by records maintained by the Securities Settlement System or other Securities Settlement System Participants and in accordance with the rules and applicable operating procedures of the Securities Settlement System and other Securities Settlement System Participants.

Transfers of interests in the Notes will be effected between Securities Settlement System Participants in accordance with the rules and operating procedures of the Securities Settlement System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Securities Settlement System Participants through which they hold their Notes.

Each person who is for the time being shown in the records of the Securities Settlement System Operator or of a Securities Settlement System Participant, as applicable, as the holder of a particular principal amount of Notes (each such person, an **Accountholder**) will be entitled to be treated by the

[14] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

Issuer, the Paying Agent and the Security Agent as the holder of such principal amount of Notes and the expression **Noteholder** shall be construed accordingly, but without prejudice to the application of the provisions of Belgian Code of Companies and Associations on dematerialisation, including, without limitation, Article 7:38 thereof.

The Issuer and the Paying Agent will not have any responsibility for the proper performance by the Securities Settlement System or the Securities Settlement System Participants of their obligations under their respective rules and operating procedures.

Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

Transfer of Notes on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar may require).

2.4 Rating withdrawal

In the event any of the Rating Agencies (other than upon request of the Issuer) would decide no longer to rate the Notes and withdraw its rating of the Notes, all references in the Transaction Documents to the "Rating Agencies" will be deemed to refer solely to the Rating Agency(ies) that rate(s) the Notes and all references to the Rating Agency(ies) that has(have) ceased to rate the Notes, will be deemed no longer to be applicable. A withdrawal of the ratings by the Rating Agencies would not constitute an Event of Default or a breach of the obligations of the Issuer.

3. HOLDING AND TRANSFER RESTRICTIONS - ONLY ELIGIBLE HOLDERS

The Notes may only be acquired, by direct subscription, by transfer or otherwise and may only be held by holders who satisfy the following criteria (**Eligible Holders**):

(a) they qualify as qualifying investors within the meaning of Article 5, §3/1 of the UCITS Act (**Qualifying Investors**), acting for their own account. A list of Qualifying Investors is attached in Annex 2 (*Qualifying Investors under the UCITS ACT*);

(b) they do not constitute investors that, in accordance with section (I), second indent, of the Royal Decree of 19 December 2017 concerning further rules for implementation for the directive on markets in financial instruments, have registered to be treated as non-professional investors; and

(c) they are holders of an exempt securities account (**X-Account**) with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a participant in such system;

Notes may not be acquired by a Belgian or foreign transferee who is not subject to income tax or who is, as far as interest income is concerned, subject to a tax regime that is deemed by the Belgian tax authorities to be significantly more advantageous than the Belgian tax regime applicable to interest income (within the meaning of Articles 54 and 198, §1 11° of the Belgian Income Tax Code 1992 or any successor provision) or by a transferee who is a resident of, or has an establishment in, or acts, for the purposes of the Notes, through a bank account held on, a tax haven jurisdiction, a low-tax jurisdiction or a non-cooperative jurisdiction within the meaning of Article 307, §1/2 of the Belgian Income Tax Code 1992 or any successor provision (the "**Excluded Holders**").

Furthermore, no Notes may be acquired by a Belgian or foreign transferee that qualifies as an "affiliated company" (within the meaning of Article 1:20 of the Belgian Code of Companies and Associations) of the Issuer, save where such transferee also qualifies as a "financial institution" referred to in Article 56, §2, 2° of the Belgian Income Tax Code 1992.

Any acquisition of a Note by, or transfer of a Note to, a person who is not an Eligible Holder or to a person who is an Excluded Holder shall be void and not binding on the Issuer and the Security Agent.

If a Noteholder ceases to be an Eligible Holder or becomes an Excluded Holder, it is obliged to report this to the Issuer and it will promptly transfer the Notes it holds to a person that qualifies as an Eligible Holder and that does not qualify as an Excluded Holder. Each payment of interest on Notes of which the Issuer becomes aware that they are held by a holder that does not qualify as an Eligible Holder and that qualifies as an Excluded Holder, will be suspended.

By subscribing or otherwise acquiring the Notes, the Noteholders certify that they are an Eligible Holder, and that they will only sell, transfer or otherwise assign the Notes to prospective Noteholders that qualify as Eligible Holders.

4. TERMS AND CONDITIONS OF THE NOTES

4.1 Form denomination and title

(a) The Notes are issued in dematerialised form under the Belgian Code of Companies and Associations as amended from time to time, in a denomination of EUR 250,000.

(b) The Notes may only be acquired, by subscription, transfer or otherwise and may only be held by Eligible Holders. Any acquisition of a Note by or transfer of a Note to a person who is not an Eligible Holder shall be void and not binding on the Issuer and the Security Agent. If a Noteholder ceases to be an Eligible Holder, it is obliged to report this to the Issuer and such Noteholder will promptly transfer the Notes it holds to a person that qualifies as an Eligible Holder on at arm's length market conditions. If the Issuer becomes aware that Notes are held by a holder that does not qualify as an Eligible Holder, each payment of interest on such Notes will be suspended.

See also Condition 3 (*Holding and Transfer Restrictions - Only Eligible Holders*) above.

(c) By subscribing or otherwise acquiring the Notes, the Noteholders certify that they are an Eligible Holder, and that they will only sell, transfer or otherwise assign the Notes to prospective Noteholders that qualify as Eligible Holders.

4.2 Status, Security and Priority

(a) Status and priority

(i) The Notes constitute direct, secured and unconditional obligations of the Issuer and rank (subject to the provisions of Condition 4.10 (*Subordination*)) *pari passu* without preference or priority amongst themselves. Prior to an Enforcement Notice being served, the Classes of Notes are repaid sequentially with the Class A1 Notes being repaid prior to the Class A2 Notes and the Class A2 Notes being repaid after the Class A1 Notes. Following the service of an Enforcement Notice, the Notes of the Classes of Notes are repaid without preference or priority among the Classes of Notes. The rights of the Notes, in respect of priority of payment and security are further set out in this Condition 4.2 (*Status, Security and Priority*) and Condition 4.10 (*Subordination*).

(ii) The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any of the other parties to the Transaction Documents.

(iii) The Notes are allocated exclusively to Compartment No. 5.

(b) Security

(i) As Security for the obligations of the Issuer under the Notes and the Transactions Documents, the Issuer will pursuant to the Pledge Agreement, create a first ranking pledge in favour of the Secured Parties, including the Security Agent acting in its own name and as representative of the Noteholders over:

(A) all right and title of the Issuer to and under or in connection with all the Mortgage Receivables and the Related Security;

(B) all right and title of the Issuer to and under all the Transaction Documents and all other documents to which the Issuer is a party;

(C) the Issuer's right and title in and to the Transaction Accounts and any amounts standing to the credit thereof from time to time; and

(D) all other assets of the Issuer (including, without limitation, the Standard Loan Documentation, the Contract Records and any other documents).

(ii) The security created by the Issuer (in favour of all the Secured Parties) pursuant to the Pledge Agreement is collectively referred to herein as the **Security Interests**. The assets over which the Security is created are referred to herein as the **Pledged Assets**. The Pledged Assets will, amongst other things, provide security for the Issuer's obligation to pay amounts due to the Secured Parties under the Transaction Documents, including amounts payable to:

(A) the Noteholders;

(B) the Class B Subordinated Loan Provider;

(C) the Security Agent under the Common Representative Appointment Agreement or the Pledge Agreement;

(D) the MPT Provider under the Issuer Services Agreement;

(E) the Issuer Administrator under the Issuer Services Agreement;

(F) the Seller under the MRPA;

(G) the Floating Rate GIC Provider under the Floating Rate GIC;

(H) the Paying Agent, the Listing Agent and the Reference Agent under the Agency Agreement;

(I) the Liquidity Facility Provider under the Liquidity Facility Agreement;

(J) the Cap Provider under the Cap Agreement;

(K) the Expenses Subordinated Loan Provider under the Expenses Subordinated Loan Agreement; and

(L) the Directors under the Management Agreements,

all such beneficiaries of such security referred to as the **Secured Parties**, in accordance with the applicable Priority of Payments, but only to the extent that such amounts as listed above have been properly and specifically allocated to Compartment No. 5.

The Noteholders will be entitled to the benefit of the Pledge Agreement and by subscribing for or otherwise acquiring the Notes, the Noteholders shall be deemed to have knowledge of, accept and be bound by, the terms and conditions set out therein, including the appointment of the Security Agent to hold the Security and to exercise the rights arising under the Pledge Agreement for the benefit of the Noteholders and the other Secured Parties.

The Pledge Agreement also contains provisions regulating the priority of the application of amounts forming part of the Security among the persons entitled thereto.

(c) Priorities of payment

(i) Notes Interest Available Amount

On each Quarterly Calculation Date, the Issuer Administrator shall calculate the Notes Interest Available Amount available to the Issuer in the Issuer Collection Account on the following Quarterly Payment Date.

The term **Quarterly Calculation Date** means, in relation to a Quarterly Payment Date, the third Business Day prior to such Quarterly Payment Date.

The term **Quarterly Calculation Period** means a period of three consecutive months commencing on, and including the first day of each of January, April, July and October of each year, except for the first Quarterly Calculation Period which will commence on the Closing Date and end on and include the last day of March 2023.

Prior to the delivery of an Enforcement Notice by the Security Agent, the sum of the following amounts, which have been received or deposited during the Quarterly Calculation Period immediately preceding such Quarterly Calculation Date or, for items (i), (x) and (xii), which will have been received at the latest on the corresponding Quarterly Payment Date, will be the **Notes Interest Available Amount**:

(i) any amounts received under the Cap Agreement excluding any Cap Collateral (as defined below) transferred by the Cap Provider pursuant to the Cap Agreement;

(ii) any interest received by the Issuer on the Mortgage Receivables;

(iii) any Prepayment Penalties and default interest received by the Issuer on the Mortgage Receivables;

(iv) all other monies received by the Issuer in respect of the Mortgage Receivables to the extent these do not relate to principal;

(v) all amounts received in connection with a repurchase or sale of a Mortgage Receivable or in respect of other amounts received under the Mortgage Receivables Purchase Agreement, to the extent they do not relate to principal;

(vi) any amounts received as Post-Forclosure Proceeds on the Mortgage Receivables;

(vii) if and to the extent that the Class B Subordinated Loan has been repaid, any amount referred to in item (f) of the Principal Priority of Payments;

(viii) any interest accrued and received on sums standing to the credit of the Transaction Accounts (with the exception of the Cap Collateral Accounts);

(ix) any remaining amount standing to the credit of the Issuer Collection Account (other than (i) an amount already included in the Notes Interest Available Amount under items (i) to viii (inclusive) or in the Notes Redemption Available Amount, (ii) amounts received in respect of the new running Quarterly Calculation Period and (iii) amounts of retained interest for non-Eligible Holders), as reasonably determined by the Issuer Administrator in accordance with the Transaction Documents;

(x) any amounts to be drawn from the Reserve Account (to the extent available) in accordance with the Common Representative Appointment Agreement on the immediately succeeding Quarterly Payment Date;

(xi) as long as any Class of Notes are outstanding, the Notes Redemption Available Amount that may be used to fund a Class A Interest Shortfall in accordance with the Principal Priority of Payments, to the extent that the sum of items (i) to (x) (inclusive) above is not sufficient to cover item (i) to (iii) of the Pre-FORD Interest Priority of Payments or in item (i) to (iii) of the Post-FORD Interest Priority of Payments; and

(xii) any amounts (which are to be transferred to the Issuer Collection Account) to be drawn under the Liquidity Facility Agreement (to the extent available) (other than the Liquidity Facility Stand-by Drawing) and amounts to be debited from the Liquidity Facility Stand-by Drawing Account (other than with a view to repaying the Liquidity Facility Stand-by Drawing) on the immediately succeeding Quarterly Payment Date to cover any shortfalls that would otherwise exist for as long as any of the Notes remains outstanding on items (i) to (iii) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (iii) (inclusive) of the Post-FORD Interest Priority of Payments, to the extent that the sum of items (i) to (xi) (inclusive) above is not sufficient to cover such shortfall;

minus

funds deducted from the Issuer Collection Account during the applicable Quarterly Calculation Period as referred to in section 7.1(b) (*Payments during any Interest Period*)

and excluding, for the avoidance of doubt

any amounts received by the Issuer and payable to the Cap Provider in respect of Tax Credits.

(ii) Payments during any Interest Period

Provided no Enforcement Notice has been given, amounts due and payable by the Issuer:

(a) to satisfy any expenses referred to in items (i) and (ii) of the Pre-FORD Interest Priority of Payments or in items (i) and (ii) of the Post-FORD Interest Priority of Payments that become due and payable at such time; and

(b) in respect of payments to the MPT Provider of any amount previously credited to the Transaction Accounts in error;

may be paid by the Issuer on a date that is not a Quarterly Payment Date provided there are sufficient funds available in the Issuer Collection Account or (solely for the purposes of (a) above) can be drawn from the Reserve Account.

(iii) Interest Priority of Payments before the First Optional Redemption Date

On each Quarterly Payment Date prior to the issuance of an Enforcement Notice and up to (and including) the First Optional Redemption Date, the Issuer Administrator on behalf of the Issuer shall apply the Notes Interest Available Amount in making the following payments or provisions, in the following order of priority (in each case, only if, and to the extent that the Issuer Collection Account would not be overdrawn, and to the extent that payments or provisions of a higher order of priority have been made in full, and to the extent that such liabilities are due by and recoverable against the Issuer) (the **Pre-FORD Interest Priority of Payments**):

(i) *first*, in or towards payment *pari passu* and *pro rata* of the following expenses of the Issuer:

(A) the amounts due and payable to the MPT Provider;

(B) the amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(C) the amounts due and payable to the FSMA and/or the FOD Economie;

(D) the amounts due and payable to Euronext Brussels;

(E) the amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(F) the amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(G) the amounts due and payable to Accesso VZW;

(H) the amounts due and payable to the Auditor;

(I) the amounts due and payable to the Rating Agencies;

(J) the amounts due and payable to the Security Agent;

(K) the amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(L) the Availability Fee or the Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(M) the amounts due and payable to the Paying Agent;

(N) the amounts due and payable to the Reference Agent;

(O) the amounts due and payable to the Listing Agent;

(P) the amounts due and payable to the Issuer Administrator;

(Q) the amounts due and payable to European DataWarehouse GmbH;

(R) the amounts due and payable to the Directors, if any;

(S) the amounts due and payable to the Cap Provider, if any;

(T) the amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes; and

(U) the amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement;

(ii) *second*, in or towards satisfaction of, *pari passu* and *pro rata,* all amounts that the Issuer Administrator certifies are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (i) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(iii) *third*, in or towards satisfaction of, *pro rata* and *pari passu*, (a) all amounts of Accrued Interest due and payable in respect of the Class A1 Notes, and (b) all amounts of Accrued Interest due and payable in respect of the Class A2 Notes;

(iv) *fourth*, (i) in or towards satisfaction of any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero or (ii) following a Liquidity Facility Stand-by Drawing to replenish (as the case may be) the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount;

(v) *fifth*, in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, excluding the Availability Fee and the Drawn Liquidity Facility Interest under item (i) (L) above and any gross-up amounts or additional amounts due under the Liquidity Facility Agreement and payable under item (xi) below;

(vi) *sixth*, in or towards satisfaction of all amounts debited to the Class A Principal Deficiency Ledger, until any debit balance on the Class A Principal Deficiency Ledger is reduced to zero;

(vii) *seventh*, in or towards satisfaction of all amounts required to replenish (as the case may be) the Reserve Account up to the Reserve Account Required Amount;

(viii) *eigth*, in or towards satisfaction of all amounts debited to the Class B Principal Deficiency Ledger, until any debit balance on the Class B Principal Deficiency Ledger is reduced to zero;

(ix) *ninth,* in or towards satisfaction of interest due or interest accrued but unpaid on the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement;

(x) *tenth*, in or towards satisfaction of all amounts debited to the Class B Interest Deficiency Ledger, until any debit balance on the Class B Interest Deficiency Ledger is reduced to zero;

(xi) *eleventh,* in or towards satisfaction of gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(xii) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class C Subordinated Loan in accordance with the terms of the Class C Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction of all amounts debited to the Class C Interest Deficiency Ledger, until any debit balance on the Class C Interest Deficiency Ledger is reduced to zero;

(xiv) *fourteenth*, in or towards satisfaction ofamounts of principal due and payable but unpaid in respect of the Class C Subordinated Loan, on the Quarterly Payment Date whereon the Notes have been or are to be redeemed in full and each Quarterly Payment Date thereafter in accordance with the terms of the Class C Subordinated Loan Agreement;

(xv) *fifteenth*, in or towards satisfaction of interest due or interest accrued but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;

(xvi) *sixteenth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;

(xvii) *seventeenth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller.

Accesso VZW is the compensation fund (*compensatiekas*/*caisse de compensation*), established in accordance with article 220 of the Insurance Act and the Royal Decree of 10 April 2014 with regard to the regulation of certain insurance policies (*koninklijk besluit van 10 april 2014 tot regeling van sommige verzekeringsovereenkomsten tot waarborg van de terugbetaling van het kapitaal van een hypothecair krediet/Arrêté royal du 10 avril 2014 réglementant certains contrats d'assurance visant à garantir le remboursement du capital d'un crédit hypothécaire*) and the Royal Decree of 4 March 2015 by which Accesso VZW is recognised as compensation fund within the meaning of article 220 of the act of 4 April 2014 on insurances.

The **Share Capital Account** means the bank account opened by the Issuer with BNP Paribas Fortis SA/NV in which (i) the share capital portion allocated to Compartment No. 5; (ii) the amounts credited at item (i)(U) of the Interest Priority of Payments; and (iii) the interest accrued on the Share Capital Account are held.

(iv) Class A Additional Amounts

On each Quarterly Payment Date as from the First Optional Redemption Date and in accordance with the Post-FORD Interest Priority of Payments and until the Notes have been redeemed in full, the Class A Additional Amounts will be equal to the positive amount (if any) of the Notes Interest Available Amount remaining after amounts payable under items (i) to (x) (inclusive) of the Post-FORD Interest Priority of Payments have been fully satisfied on such Quarterly Payment Date (the **Class A Additional Amounts**).

Until the Notes have been fully redeemed, and provided amounts are available as described in the preceding paragraph, any Class A Additional Amounts will be added to the Notes Redemption Available Amount.

(v) Interest Deficiency Ledgers

Interest Deficiency Ledgers will be established by the Issuer Administrator on behalf of the Issuer in respect of the Class B Subordinated Loan (the **Class B Interest Deficiency Ledger**) and the Class C Subordinated Loan (the **Class C Interest Deficiency Ledger**) in order to record any shortfalls in the payment of interest due or interest accrued but unpaid on the Class

B Subordinated Loan and the Class C Subordinated Loan, as applicable, in accordance with Conditions 4.4(o) and 4.4(p).

Non-payment of interest due or interest accrued but unpaid on the Class B Subordinated Loan and the Class C Subordinated Loan will not cause an Event of Default.

(vi) Interest Deficiency Allocation and Coupon Excess Consideration

Event of Default in respect of failure to pay the interest due under the Notes

Subject to Condition 4.9 (Events of Default), it shall be an Event of Default under the Notes if on any Quarterly Payment Date, the Accrued Interest under and in respect of the Notes has not been paid in full and remain unpaid ten (10) Business Days after such due date.

Non-payment of Coupon Excess Consideration will not cause an Event of Default.

Coupon Excess Consideration

Two ledgers, known as the Class A1 Coupon Excess Consideration Deficiency Ledger and the Class A2 Coupon Excess Consideration Deficiency Ledger (together referred to as the **Coupon Excess Consideration Deficiency Ledgers**) will be established by the Issuer Administrator on behalf of the Issuer in respect of each Class of Notes in order to record any amounts of Coupon Excess Consideration that have not been (fully) paid out on the relevant Quarterly Payment Date(s) to the Noteholders. The balance of the respective Coupon Excess Consideration Deficiency Ledger existing on any Quarterly Calculation Date shall on the next succeeding Quarterly Payment Date be reduced with the pro-rata amount of Coupon Excess Consideration Surplus, if any, to be allocated to the Class A1 Coupon Excess Consideration Deficiency Ledger and the Class A2 Coupon Excess Consideration Deficiency Ledger.

Whereby:

> **Coupon Excess Consideration** means, in respect of each relevant Class of Class Notes, the amount obtained by the product of, in respect of any Quarterly Calculation Date as from the First Optional Redemption Date, (i) the Principal Amount Outstanding of the relevant Class A1 Notes and Class A2 Notes respectively and (ii) the positive difference (excess) between the relevant Coupon Rate and the relevant Maximum Rate, multiplied by the actual number of days elapsed in the then current Interest Period divided by 360 days;
>
> **Class A1 Coupon Excess Consideration Deficiency Ledger** means the coupon excess consideration deficiency ledger relating to the Class A1 Notes; and
>
> **Class A2 Coupon Excess Consideration Deficiency Ledger** means the coupon excess consideration deficiency ledger relating to the Class A2 Notes.
>
> **Coupon Excess Consideration Deficiency** means any shortfall reflected in the Coupon Excess Consideration Deficiency Ledgers, if any, of the relevant Coupon Excess Consideration.
>
> **Coupon Excess Consideration Surplus** means, on any Quarterly Calculation Date, the sum of (i) the Notes Interest Available Amount and (ii) the Notes Redemption Available Amount to be allocated to the Coupon Excess Consideration Deficiency Ledgers on the next succeeding Quarterly Payment Date in accordance with the Interest Priority of Payments or the Principal Priority of Payments, as applicable.

For the avoidance of doubt, upon the final redemption of the Class A1 Notes and if the Class A1 Coupon Excess Consideration Deficiency Ledger has not been reduced to zero at such time, the Noteholders of the Class A1 Notes shall continue to have a claim on the Coupon Excess Consideration due but not paid and such Coupon Excess Consideration shall be payable as soon as amounts are available to that effect in accordance with the applicable Priority of Payments. Upon the final redemption of the Class A2 Notes and if the Class A2 Coupon Excess Consideration Deficiency Ledger has not been reduced to zero at such time, the Noteholders of the Class A2 Notes shall continue to have a claim on the Coupon Excess Consideration due but not paid and such Coupon Excess Consideration shall become payable as soon as amounts are available to that effect in accordance with the applicable Priority of Payments.

On each Quarterly Payment Date as from the First Optional Redemption Date, the Noteholders will, in accordance with the Post-FORD Interest Priority of Payments or the Principal Priority of Payments, on a *pro-rata* and *pari passu* basis and in accordance with the respective Principal Amounts Outstanding of the Class A1 Notes and the Class A2 Notes at such time, be entitled to the Coupon Excess Consideration, if any.

The Coupon Excess Consideration will be subordinated to payments of a higher order of priority including, but not limited to, any amounts necessary to (i) make good any shortfall reflected in the Class A Principal Deficiency Ledgers until the debit balance, if any, on the Class A Principal Deficiency Ledgers is reduced to zero and (ii) replenish the Reserve Account up to the amount of the Reserve Account Required Amount.

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

(vii) Interest Priority of Payments as from the First Optional Redemption Date

Prior to the service of an Enforcement Notice and as from the First Optional Redemption Date, the Notes Interest Available Amount will be applied by the Issuer on the immediately succeeding Quarterly Payment Date following the First Optional Redemption Date, and on each Quarterly Payment Date thereafter as follows (in each case, only if, and to the extent that the Issuer Collection Account would not be overdrawn, and to the extent that payments or provisions of a higher order of priority have been made in full, and to the extent that such liabilities are due by and recoverable against the Issuer) (the **Post-FORD Interest Priority of Payments** and together with the Pre-FORD Interest Priority of Payments, each (where relevant) the **Interest Priority of Payments**):

(i) *first*, in or towards payment *pari passu* and *pro rata* of the following expenses of the Issuer:

(A) the amounts due and payable to the MPT Provider;

(B) the amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(C) the amounts due and payable to the FSMA and/or the FOD Economie;

(D) the amounts due and payable to Euronext Brussels;

(E) the amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(F) the amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(G) the amounts due and payable to Accesso VZW;

(H) the amounts due and payable to the Auditor;

(I) the amounts due and payable to the Rating Agencies;

(J) the amounts due and payable to the Security Agent;

(K) the amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(L) the Availability Fee or the Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(M) the amounts due and payable to the Paying Agent;

(N) the amounts due and payable to the Reference Agent;

(O) the amounts due and payable to the Listing Agent;

(P) the amounts due and payable to the Issuer Administrator;

(Q) the amounts due and payable to European DataWarehouse GmbH;

(R) the amounts due and payable to the Directors, if any;

(S) the amounts due and payable to the Cap Provider, if any;

(T) the amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes; and

(U) the amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement;

(ii) *second*, in or towards satisfaction of, pari passu and pro rata, all amounts that the Issuer Administrator certifies are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (i) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(iii) *third*, in or towards satisfaction of, pro rata and pari passu, all amounts of Accrued Interest due and payable in respect of the Class A1 Notes and the Class A2 Notes;

(iv) *fourth*, (i) in or towards satisfaction of any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero or (ii) following a Liquidity Facility Stand-by Drawing to replenish (as the case may be) the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount;

(v) *fifth*, in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, excluding the Availability Fee and the Drawn Liquidity Facility Interest under item (i) (L) above and any gross-

up amounts or additional amounts due under the Liquidity Facility Agreement and payable under item (xiv) below;

(vi) *sixth*, in or towards satisfaction of all amounts debited to the Class A Principal Deficiency Ledger, until any debit balance on the Class A Principal Deficiency Ledger is reduced to zero;

(vii) *seventh*, in or towards satisfaction of all amounts required to replenish (as the case may be) the Reserve Account up to the Reserve Account Required Amount;

(viii) *eighth*, for as long as the Notes have not been redeemed in full, in or towards satisfaction pro-rata and pari passu, of all amounts of Coupon Excess Consideration due and payable in respect of the Class A1 Notes and the Class A2 Notes;

(ix) *ninth*, in or towards making good (pro-rata and pari passu) any shortfall reflected in the Coupon Excess Consideration Deficiency Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero;

(x) *tenth*, in or towards satisfaction of all amounts debited to the Class B Principal Deficiency Ledger, until any debit balance on the Class B Principal Deficiency Ledger is reduced to zero;

(xi) *eleventh*, for as long as the Notes are not redeemed in full, in or towards funding the Class A Additional Amounts to be added to the Notes Redemption Available Amounts on the same Quarterly Calculation Date;

(xii) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction of all amounts debited to the Class B Interest Deficiency Ledger, until any debit balance on the Class B Interest Deficiency Ledger is reduced to zero;

(xiv) *fourteenth,* in or towards satisfaction of gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(xv) *fifteenth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Class C Subordinated Loan in accordance with the terms of the Class C Subordinated Loan Agreement;

(xvi) *sixteenth*, in or towards satisfaction of all amounts debited to the Class C Interest Deficiency Ledger, until any debit balance on the Class C Interest Deficiency Ledger is reduced to zero;

(xvii) *seventeenth*, in or towards satisfaction of, *pari passu* and *pro rata*, amounts of principal due and payable but unpaid in respect of the Class C Subordinated Loan, on the Quarterly Payment Date whereon the Notes have been or are to be redeemed in full and each Quarterly Payment Date thereafter in accordance with the terms of the Class C Subordinated Loan Agreement;

(xviii) *eighteenth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;

(xix) *nineteenth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;

(xx) *twentieth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller.

(viii) Notes Redemption Available Amount

On each Quarterly Calculation Date, prior to the issuance of an Enforcement Notice, the Issuer Administrator shall calculate the amount of principal funds which will be available to the Issuer in the Issuer Collection Account on the following Quarterly Payment Date to satisfy its obligations under the Notes by reference to the applicable Quarterly Calculation Period, and such principal funds (the **Notes Redemption Available Amount**) shall be the sum of the following:

(a) the aggregate amount of any repayment and prepayment of principal amounts under the Mortgage Receivables received from any person (but excluding Prepayment Penalties, if any);

(b) the aggregate of any amounts received:

(i) in respect of a repurchase of Mortgage Receivables by the Seller under the Mortgage Receivables Purchase Agreement; and

(ii) in respect of any other amounts received by the Issuer under the Mortgage Receivables Purchase Agreement in connection with the Mortgage Receivables,

in each case, to the extent such amounts relate to principal amounts;

(c) any amounts to be credited to the Principal Deficiency Ledgers on the immediately following Quarterly Payment Date pursuant to items (vi) and (viii) of the Pre-FORD Interest Priority of Payments and items (vi) and (x) of the Post-FORD Interest Priority of Payments;

(d) any Notes Redemption Available Amount calculated on the immediately preceding Quarterly Calculation Date which has not been applied towards satisfaction of the items set forth in the Principal Priority of Payments on the immediately preceding Quarterly Payment Date;

(e) the Class A Additional Amounts as calculated on the same Quarterly Calculation Date;

(f) any amounts received as Net Proceeds on any Mortgage Receivables; and

(g) in respect of the first (1st) Quarterly Payment Date, the positive difference between (i) the sum of Principal Amount Outstanding of the Notes and the outstanding principal balance on the Class B Subordinated Loan on the Closing Date and (ii) the Current Balances of all Mortgage Receivables on the Closing Date.

excluding, for the avoidance of doubt, any amounts received by the Issuer and payable to the Cap Provider in respect of Tax Credits and/or Excess Cap Collateral.

The **Principal Amount Outstanding** of a Note on any date shall be the principal amount of that Note upon issue less the aggregate amount of all payments of principal in respect of such Note that have been paid by the Issuer since the Closing Date and on or prior to such date.

Post-foreclosure Proceeds shall mean any amounts received, recovered or collected from a Borrower or a third party collateral provider in respect of a Mortgage Receivable in addition to Net Proceeds, following completion of foreclosure on the Mortgage and other collateral securing the Mortgage.

Net Proceeds shall mean (a) the proceeds of a foreclosure on the Mortgage, (b) the proceeds of foreclosure on any other collateral securing the Mortgage Receivable, (c) the proceeds, if any, of collection of any insurance policies in connection with the Mortgage Receivable, including but not limited to any Insurance Policy, (d) the proceeds of foreclosure on any other assets of the relevant debtor, after deduction of foreclosure costs or (e) the proceeds on an amicable sale of a property (it being understood that the Net Proceeds refer only the amount needed to redeem the Outstanding Principal Amount of such Mortgage Receivable(s)).

(ix) Pre-enforcement Principal Priority of Payments

Prior to the issuance of an Enforcement Notice, the Issuer shall, on each Quarterly Payment Date, apply the Notes Redemption Available Amount (if any) in making the following payments or provisions, in the following order of priority (in each case, only if, and to the extent that the Issuer Collection Account would not be overdrawn, and to the extent that payments or provisions of a higher order of priority have been made in full, and to the extent that such liabilities are due by and recoverable against the Issuer) (the **Principal Priority of Payments**):

(a) for so long as any Notes are outstanding, *first*, in or towards funding, pari passu and pro rata, any Class A Interest Shortfall which has become due during the relevant Interest Period in accordance with the Interest Priority of Payments;

(b) *second*, in redeeming, pari passu and pro rata, all principal amounts outstanding in respect of the Class A1 Notes until all of the Class A1 Notes have been redeemed in full;

(c) *third*, in redeeming, pari passu and pro rata, all principal amounts outstanding in respect of the Class A2 Notes until all of the Class A2 Notes have been redeemed in full;

(d) *fourth*, as from the First Optional Redemption Date, in or towards satisfaction pari passu and pro rata, according to the respective amounts thereof, of all amounts of Coupon Excess Consideration due or accrued but unpaid (after the application of the Post-FORD Interest Priority of Payments) in respect of the Class A1 Notes and the Class A2 Notes which payment has been reflected by crediting any shortfall in the Coupon Excess Consideration Deficiency Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero;

(e) *fifth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement; and

(f) *sixth*, if, and to the extent the Class B Subordinated Loan has been fully repaid, any remaining amount will be added to the Notes Interest Available Amount.

(x) Redemption of Class C Subordinated Loan from Notes Interest Available Amount only

Notes Redemption Available Amount shall not be used to repay the Class C Subordinated Loan. Amounts due and payable under the Class C Subordinated Loan shall be paid from the Notes Interest Available Amount under items (xii) to (xiv) of the Pre-FORD Interest Priority of Payments and items (xv) to (xvii) of the Post-FORD Interest Priority of Payments in accordance with Condition 4.5(b)(vi).

(xi) Post-enforcement Priority of Payments up to (but excluding) the First Optional Redemption Date

Following the service of an Enforcement Notice and up to (but excluding) the First Optional Redemption Date, all monies standing to the credit of the Transaction Accounts (subject, in the case of the Cap Collateral Accounts, to the provisions of the Common Representative Appointment Agreement) and received by the Issuer (or the Security Agent or the Issuer Administrator) will be applied in the following priority (the **Pre-FORD Post-Enforcement Priority of Payments**) (if and to the extent that payments or provisions of a higher order have been made and to the extent that such liabilities are due by and recoverable against the Issuer):

(i) *first*, in or towards satisfaction of all amounts due and payable to any receiver or agent appointed by the Security Agent for the enforcement of the Security and any costs, charges, liabilities and expenses incurred by such receiver or agent together with interest as provided in the Pledge Agreement;

(ii) *second*, in or *towards* satisfaction of all amounts due and payable to the Security Agent, together with interest thereon as provided in the Pledge Agreement;

(iii) *third*, in or *towards* all amounts due to the Issuer Administrator acting in that capacity;

(iv) *fourth*, in or *towards* satisfaction of all amounts due and payable to the MPT Provider;

(v) fifth, in or towards satisfaction of *pari passu* and *pro rata*:

(A) all amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(B) all amounts due and payable to the FSMA and/or the FOD Economie;

(C) all amounts due and payable to Euronext Brussels;

(D) all amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(E) all amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(F) all amounts due and payable to Accesso VZW;

(G) all amounts due and payable to the Auditor;

(H) all amounts due and payable to the Rating Agencies;

(I) all amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(J) all amounts of Availability Fee and Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(K) all amounts due and payable to the Paying Agent;

(L) all amounts due and payable to the Reference Agent;

(M) all amounts due and payable to the Listing Agent;

(N) all amounts due and payable to European DataWarehouse GmbH;

(O) all amounts due and payable to the Directors, if any;

(P) the amounts due and payable to the Cap Provider, if any;

(Q) all amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement; and

(R) all other amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes;

(vi) *sixth,* in or towards satisfaction of all amounts of principal due in respect of the Liquidity Facility including for the avoidance of doubt any Liquidity Facility Stand-by Drawing, which payment has been reflected by crediting any shortfall in the Liquidity Facility Drawn Amount Ledger until the debit balance, if any, on the Liquidity Facility Drawn Amount Ledger is reduced to zero;

(vii) *seventh,* in or towards satisfaction of, *pari passu* and *pro rata*, all amounts that the Issuer Administrator *certifies* are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (v) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(viii) *eighth*, in or *towards* satisfaction of, *pari passu* and *pro rata*, (a) all amounts of interest due or overdue in respect of the Class A1 Notes, and (b) all amounts of interest due or overdue in respect of the Class A2 Notes;

(ix) *ninth*, until the Notes have been redeemed in full, in or towards redemption of, *pari passu* and *pro rata*, *according* to the respective amounts thereof, (a) all amounts of principal outstanding in respect of the Class A1 Notes until redeemed in full, and (b) all amounts of principal outstanding in respect of the Class A2 Notes until redeemed in full;

(x) *tenth*, in or towards satisfaction of all amounts of interest due or overdue in respect of the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement;

(xi) *eleventh*, in or towards redemption of all amounts of principal due but unpaid in respect of the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement;

(xii) *twelfth*, in or towards satisfaction of all interest due or overdue and principal due but unpaid in respect of the Class C Subordinated Loan in accordance with the terms of the Class C Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction of all amounts of interest due, interest accrued and principal due but unpaid in respect of the Expenses Subordinated Loan; and

(xiv) *fourteenth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller,

it being understood that any Excess Cap Collateral and income arising from Cap Collateral will be paid directly to the Cap Provider, as the case may be, and not in accordance with the Pre-FORD Post-Enforcement Priority of Payments.

(xii) Post-enforcement Priority of Payments as of First Optional Redemption Date

Following the service of an Enforcement Notice and as of the First Optional Redemption Date, all monies standing to the credit of the Transaction Accounts (subject, in the case of the Cap Collateral Accounts, to the provisions of the Common Representative Appointment Agreement) and received by the Issuer (or the Security Agent or the Issuer Administrator) will be applied in the following priority (the **Post-FORD Post-Enforcement Priority of Payments** and, together with the Pre-FORD Post-Enforcement Priority of Payments, the **Post-Enforcement Priority of Payments**) (if and to the extent that payments or provisions of a higher order have been made and to the extent that such liabilities are due by and recoverable against the Issuer):

(i) *first*, in or towards satisfaction of all amounts due and payable to any receiver or agent appointed by the Security Agent for the enforcement of the security and any costs, charges, liabilities and expenses incurred by such receiver or agent together with interest as provided in the Pledge Agreement;

(ii) *second*, in or towards satisfaction of all amounts due and payable to the Security Agent, together with interest thereon as provided in the Pledge Agreement;

(iii) *third*, in or towards all amounts due to the Issuer Administrator acting in that capacity;

(iv) *fourth*, in or towards satisfaction of all amounts due and payable to the MPT Provider;

(v) *fifth*, in or towards satisfaction of *pari passu* and *pro rata*:

(A) all amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System or any Alternative Securities Settlement System;

(B) all amounts due and payable to the FSMA and/or the FOD Economie;

(C) all amounts due and payable to Euronext Brussels;

(D) all amounts due and payable to the CFI (*Controledienst voor Financiële Informatie/Service de Contrôle de l'Information Financière*);

(E) all amounts due and payable to the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(F) all amounts due and payable to Accesso VZW;

(G) all amounts due and payable to the Auditor;

(H) all amounts due and payable to the Rating Agencies;

(I) all amounts due and payable to the Floating Rate GIC Provider (including negative interest on the Transaction Accounts, if any);

(J) all amounts of Availability Fee and Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(K) all amounts due and payable to the Paying Agent;

(L) all amounts due and payable to the Reference Agent;

(M) all amounts due and payable to European DataWarehouse GmbH;

(N) all amounts due and payable to the Directors, if any;

(O) the amounts due and payable to the Cap Provider, if any;

(P) all amounts due and payable to the Issuer into the Share Capital Account under Clause 10.2 of the Common Representative Appointment Agreement; and

(Q) all other amounts due and payable to third parties for any payment of the Issuer's liability, if any, for taxes;

(vi) *sixth,* in or towards satisfaction of all amounts of principal due in respect of the Liquidity Facility including for the avoidance of doubt any Liquidity Facility Stand-by Drawing, which payment has been reflected by crediting any shortfall in the Liquidity Facility Drawn Amount Ledger until the debit balance, if any, on the Liquidity Facility Drawn Amount Ledger is reduced to zero;

(vii) *seventh,* in or towards satisfaction of, *pari passu* and *pro rata*, all amounts that the Issuer Administrator certifies are due and payable by the Issuer to third parties (other than any Secured Parties) that are not yet included in item (v) above in the normal course of its business conducted in accordance with its by-laws and the Transaction Documents;

(viii) *eighth*, in or towards satisfaction of, *pari passu* and *pro rata*, according to the respective amounts thereof, (a) all amounts of interest due or overdue in respect of the Class A1 Notes, and (b) all amounts of interest due or overdue in respect of the Class A2 Notes, which are calculated on the basis of the Coupon Rate capped at the Maximum Rate;

(ix) *ninth*, until the Class of Notes have been redeemed in full, in or towards redemption of, *pari passu* and *pro rata,* according to the respective amounts thereof, (a) all amounts of principal outstanding in respect of the Class A1 Notes until redeemed in full, and (b) all amounts of principal outstanding in respect of the Class A2 Notes until redeemed in full;

(x) *tenth*, in or towards satisfaction *pari passu* and *pro rata*, according to the respective amounts thereof, of all amounts of Coupon Excess Consideration due or accrued but unpaid in respect of the Class A1 Notes and the Class A2 Notes which payment has been reflected by crediting any shortfall in the Coupon Excess Consideration Deficiency Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero;

(xi) *eleventh*, in or towards satisfaction of all amounts of interest overdue in respect of the Class B Subordinated Loan in accordance with the terms of the Class B Subordinated Loan Agreement;

(xii) *twelfth*, in or towards redemption of all amounts of principal outstanding and any other amount due but unpaid in respect of the Class B Subordinated Loan until redeemed in full in accordance with the terms of the Class B Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction of all interest overdue and principal due but unpaid and any other amount due but unpaid due in respect of the Class C Subordinated Loan in accordance with the terms of the Class C Subordinated Loan Agreement;

(xiv) *fourteenth*, in or towards satisfaction of all amounts of interest due, interest accrued and principal due but unpaid in respect of the Expenses Subordinated Loan; and

(xv) *fifteenth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Seller,

it being understood that any Excess Cap Collateral and income arising from Cap Collateral will be paid directly to the Cap Provider, as the case may be, and not in accordance with the Post-FORD Post Enforcement Priority of Payments.

(xiii) Calculations in case of Disruption

If no mortgage statement to be delivered by the MPT Provider pursuant to the Issuer Services Agreement (the Mortgage Statement) is delivered by the MPT Provider to the Issuer Administrator in accordance with the terms of the Issuer Services Agreement (a Disruption), the Notes Interest Available Amount and the Notes Redemption Available Amount shall be determined in accordance with the Issuer Services Agreement.

Notwithstanding any other provision in any of the Transaction Documents, if the Issuer Administrator does not receive a Mortgage Statement from the MPT Provider with respect to a Monthly Calculation Period in accordance with Clause 4.7 of the Issuer Services Agreement, the Issuer and the Issuer Administrator on its behalf may use the three most recent Mortgage Statements to calculate the amounts available for payments as a result of determinations made by the Issuer Administrator during the period when no Mortgage Statement was available, as further set out in Clause 4.7 (d) and Schedule 8 of the Issuer Services Agreement.

When the Issuer Administrator receives the Mortgage Statements relating to the Monthly Calculation Periods for which such calculations have been made, it will make reconciliation calculations to determine any Disruption Overpaid Amount or any Disruption Underpaid Amount and will make the reconciliation payments or withholdings on the following Quarterly Payment Date as set out in the Issuer Services Agreement.

Any (i) calculations properly done on the basis of such estimates in accordance with the Issuer Services 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 Clause 4.7 (d) and Schedule 8 of the Issuer Services Agreement, shall be deemed to be done, made or not made in accordance with the provisions of the applicable Priority of Payments and 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 Notification Events).

Disruption Overpaid Amount means any Secured Parties Overpaid Amount and any Notes Disruption Overpaid Amount.

Disruption Underpaid Amount means any Secured Parties Underpaid Amount and any Notes Disruption Underpaid Amount.

Notes Disruption Overpaid Amount means any amount overpaid on the Notes on a Quarterly Payment Date as a consequence of insufficient information being available to calculate the exact amount due on the Notes following a Disruption as determined in accordance with Schedule 8 of the Issuer Services Agreement.

Notes Disruption Underpaid Amount means any amount underpaid on the Notes on a Quarterly Payment Date as a consequence of insufficient information being available to calculate the exact amount due on the Notes following a Disruption as determined in accordance with Schedule 8 of the Issuer Services Agreement.

Secured Parties Overpaid Amount means any amount overpaid to the Secured Parties (other than the Noteholders) as a consequence of insufficient information being available to calculate the exact amount due to these Secured Parties following a Disruption as determined in accordance with Schedule 8 of the Issuer Services Agreement.

Secured Parties Underpaid Amount means any amount underpaid to the Secured Parties (other than the Noteholders) as a consequence of insufficient information being available to calculate the exact amount due to these Secured Parties following a Disruption as determined in accordance with Schedule 8 of the Issuer Services Agreement.

4.3 Covenants of the Issuer

Save with the prior written consent of the Security Agent or as otherwise provided in, or envisaged by the Transaction Documents, the Issuer undertakes with the Secured Parties that, so long as any Note remains outstanding, it (or the Issuing Company, as the case may be) shall not:

(a) engage in or carry on any business or activity other than the business of purchasing receivables from a third party by using different compartments and to finance such acquisitions by issuing securities or by attracting other forms of funding through such compartments and the related activities described therein and in respect of that business;

(b) in relation to Compartment No. 5 and the Transaction, engage in any activity or do anything whatsoever except:

(i) own and exercise its rights in respect of the Pledged Assets and its interests therein and perform its obligations in respect of the Pledged Assets;

(ii) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the Transaction Documents;

(iii) to the extent permitted by the terms of any of the Transaction Documents, pay dividends or make other distributions in the manner permitted by applicable law;

(iv) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Transaction Documents; and

(v) perform any act incidental to or necessary in connection with (i), (ii), (iii) or (iv) above;

(c) in relation to Compartment No. 5 and the Transaction, save as permitted by the Transaction Documents, create, incur or suffer to exist any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness;

(d) in relation to Compartment No. 5 and the Transaction, create or agree to create or permit to exist (or consent to cause or permit in the future upon the occurrence of a contingency or otherwise) any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets other than as expressly contemplated by the Transaction Documents;

(e) sell, transfer, exchange or otherwise dispose of any part of its property or assets or undertaking, present or future (including any Pledged Assets) in relation to Compartment No. 5 other than as expressly contemplated by the Transaction Documents;

(f) consolidate or merge with or into any other person or convey or transfer its property or assets substantially or as an entirety to any person, other than as contemplated by the Transaction Documents;

(g) permit the validity or effectiveness of the Pledge Agreement or any other Transaction Document or the priority of the Security to be amended, terminated postponed or discharged, or permit any person whose obligations form part of the Pledged Assets to be released from such obligations;

(h) amend, supplement or otherwise modify its by-laws (*statuten/statuts*) or any provisions of these covenants save to the extent that such modifications are required by law or relate only to other securitisation transactions that do not adversely affect the assets and liabilities of Compartment No. 5 or as agreed upon with the Security Agent;

(i) have any employees or premises or own shares in or otherwise form or cause to be formed any subsidiary or any company allowing the Issuer to exercise a significant influence on the Issuer Administrator;

(j) in relation to Compartment No. 5 and the Transaction, have an interest in any bank account, other than the Transaction Accounts and the Share Capital Account, unless such account or interest is pledged or charged to the Secured Parties on terms acceptable to the Security Agent;

(k) in relation to Compartment No. 5 and the Transaction, issue any further Notes or any other type of security;

(l) reallocate any assets from Compartment No. 5 to any other Compartment;

(m) have an established place of business in any other jurisdiction than Belgium;

(n) enter into transactions which are not at arm's length;

(o) sell, exchange or transfer any property or assets of Compartment No. 5 to any third party except in accordance with the Transaction Documents;

(p) amend or procure that the MPT Provider does not amend, any terms of the Loans other than in accordance with the provisions or variations as set out in the Common Representative Appointment Agreement, the Pledge Agreement and/or the Issuer Services Agreement;

(q) waive or alter any rights it may have with respect to the Transaction Documents or take any action, or fail to take any action, if such action or failure to take action may interfere with the validity, effectiveness or enforcement of any rights under the Transaction Documents with respect to the rights, benefits or obligations of the Security Agent; and

(r) fail to pay any tax which it is required to pay, or fail to defend any action, if such failure to pay or defend may adversely affect the priority or enforceability of the Security created by or pursuant to the Pledge Agreement or which would have the direct or indirect effect of causing

any amount to be deducted or withheld from any payment in relation to the Notes or the Transaction Documents to which it is a party on account of tax.

In giving any consent to any of the foregoing, the Security Agent may, without the consent of the Noteholders, require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Security Agent may deem reasonably necessary (in its absolute discretion) in the interest of the Noteholders.

In determining whether or not to give any proposed consent, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company or adviser (other than the Rating Agencies) whether obtained by itself or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its gross negligence, being negligence of such a serious nature that no other prudent security agent would have acted similarly (**Gross Negligence**), wilful misconduct or fraud.

The Issuer, further covenants towards the Secured Parties as follows:

(a) at all times to carry on and conduct its affairs in a proper, prudent and efficient manner in accordance with Belgian law;

(b) to give to, and procure that is given to, the Security Agent such information and evidence (and in such form) as the Security Agent shall reasonably require for the purpose of the discharge of the duties, powers, authorities and discretions vested in it under or pursuant to Condition 4.12 (*The Security Agent*), the Common Representative Appointment Agreement and the Pledge Agreement;

(c) to cause to be prepared and certified by its auditors, in respect of each financial year, accounts in such forms as will comply with the requirements for the time being of Belgian laws and regulations;

(d) in respect of Compartment No. 5, to keep proper books of accounts at all times separate from any other person or entity (or compartment) and allow the Security Agent and any person appointed by the Security Agent free access to such books of account at all reasonable times during normal business hours;

(e) forthwith after becoming aware thereof and without waiting for the Security Agent to take any action, to give notice in writing to the Security Agent of the occurrence of any Notification Event or of any Event of Default or any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute a Notification Event or an Event of Default;

(f) at all times to execute all such further documents and do all such acts and things as may be necessary or appropriate at any time or times to give effect to the Transaction Documents;

(g) at all times to comply with and perform all its obligations under or pursuant to the Transaction Documents and to use its best endeavours to procure, so far as it is lawfully and reasonably able to do so, that the other parties thereto, comply with and perform all their respective obligations thereunder and pursuant thereto and not to terminate any of the Transaction Documents or any right or obligation arising pursuant thereto or make any amendment or modification thereto or agree to waive or authorise any material breach thereof, except as permitted under the Transaction Documents;

(h) at all times to comply with any reasonable direction given by the Security Agent in relation to the Security in accordance with the Pledge Agreement and the Common Representative Appointment Agreement;

(i) upon occurrence of a termination event under the Floating Rate GIC, subject to the terms of the Floating Rate GIC, to use its best endeavours to appoint a substitute floating rate GIC provider;

(j) upon resignation of an Agent or upon the revocation of its appointment of an Agent to use its best endeavours to appoint a substitute agent within twenty (20) Business Days, in accordance with the provisions of the Agency Agreement;

(k) to promptly exercise and enforce its rights and discretions in relation to the Cap Agreement and in particular those rights to require a transfer, collateralisation, an indemnity from or a guarantee of the Cap Provider, in each case with the objective of preserving its rights under the Cap Agreement and to maintain the Cap Agreement in the best interest of the Noteholders;

(l) at no time to pledge, change or encumber the assets allocated to Compartment No. 5 otherwise than pursuant to the Pledge Agreement;

(m) that it and the Issuing Company shall at all times to keep separate bank accounts allocated to its separate Compartments;

(n) at all times will clearly identify itself as acting through Compartment No. 5;

(o) at all times pay its own liabilities with its own funds;

(p) that the Issuing Company shall at all times have adequate corporate capital or at least EUR 62,000 to run its business in accordance with the corporate object as set out in its by-laws;

(q) at all times not to commingle its own assets allocated to Compartment No. 5 with the assets of another Compartment or the assets of any third parties;

(r) that it and the Issuing Company shall observe at all times all applicable corporate formalities set out in its by-laws, the UCITS Act, the Belgian Code of Companies and Associations and any other applicable legislation, including any requirement applicable as a consequence of admission of the Notes to Euronext;

(s) that it and the Issuing Company shall comply in all respects with the specific statutory and regulatory provisions applicable to an *institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* and refrain from all acts which could prejudice the continuation of such status at any time;

(t) it will procure that at all times, in respect of the shares of the Issuing Company:

  (i) the shares of the Issuing Company will be registered shares;

  (ii) the by-laws of the Issuing Company contain transfer restrictions stating that its shares can only be transferred to Qualifying Investors acting for their own account;

  (iii) the by-laws of the Issuing Company provide that the Issuing Company will refuse the registration (in its share register) of the prospective purchase of shares, if it becomes aware that the prospective purchaser is not a Qualifying Investor acting for its own account;

  (iv) the by-laws of the Issuing Company provide that the Issuing Company will suspend the payment of dividends in relation to its shares of which it becomes aware that these are held by a person who is not a Qualifying Investor acting for its own account; and

(v) the certificates confirming the inscription of the shares in the share register, mention that the shares may only be acquired by Qualifying Investors, acting for their own account;

(u) it will procure that, in respect of the Notes:

(i) the Conditions of the Notes will contain the selling and holding restrictions described in Section 16 (*Subscription and Sale of the Prospectus*);

(ii) the Manager will undertake pursuant to the Subscription Agreements, to sell the Notes in the primary sales only to Eligible Holders acting for their own account;

(iii) the Notes are issued in dematerialised form and are cleared through the Securities Settlement System operated by the National Bank of Belgium;

(iv) the nominal value of each individual Note is EUR 250,000 on the Closing Date;

(v) in the event that the Issuer becomes aware that Notes are held by investors other than Qualifying Investors in breach of the above requirement, the Issuer will suspend interest payments relating to these Notes until such Notes will have been transferred to and are held by Qualifying Investors acting for their own account;

(vi) the Conditions of the Notes, the by-laws of the Issuer, the Prospectus and any other document issued by the Issuer in relation to the issue and initial placing of the Notes will state that the Notes can only be acquired, held by and transferred to Qualifying Investors acting for their own account;

(vii) all notices, notifications or other documents issued by the Issuer (or a person acting on its account) and relating to transactions with the Notes or the trading of the Notes on Euronext Brussels will state that the Notes can only be acquired, held by and transferred to Qualifying Investors acting for their own account; and

(viii) the Conditions provide that the Notes may only be held by persons that are holders of an X-Account with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a Securities Settlement System Participant;

(v) to conduct at all times its business in its own name; for the avoidance of doubt, this requirement does not prejudice those provisions under the Transaction Documents which provide that certain transaction parties (including the Issuer Administrator, the MPT Provider, and the Floating Rate GIC) shall for certain purposes act on behalf of the Issuer; and

(w) if it finds or has been informed that a substantial change has occurred in the development of the Mortgage Receivables or the cash flows generated by the Mortgage Receivables or that any particular event has occurred which may materially change the ratings of the Notes, the expected financial results of the Transaction or the expected cash flows, it will without delay inform the Security Agent of such change or event.

As long as any of the Notes remains outstanding, the Issuer will procure that there will at all times be a provider of administration services and a servicer for the Mortgage Receivables, the Related Security and the Additional Security. The appointment of the Security Agent, the Issuer Administrator, the Reference Agent, the Paying Agent, the Issuer Administrator, the Listing Agent, the MPT Provider, the Floating Rate GIC Provider, the Cap Provider and the Liquidity Facility Provider may be terminated only as provided in the Transaction Documents.

The Issuer shall provide to the Security Agent, the Rating Agencies and the Paying Agent or procure that the Security Agent, the Rating Agencies and the Paying Agent are provided with the Investor Reports on or about each Quarterly Payment Date.

The Investor Reports will be made available by the Issuer Administrator on behalf of the Issuer and also on behalf of the Seller by means of a securitisation repository, registered in accordance with Article 10 of the Securitisation Regulation. The securitisation repository is expected to be European DataWarehouse GmbH, available at https://eurodw.eu[15], or any other website that may be notified by the Issuer from time to time, provided that such replacement website conforms to the requirements set out in Article 7(2) of the Securitisation Regulation.

4.4 Interest

(a) Period of Accrual

Each Note bears interest on its Principal Amount Outstanding from (and including) the Closing Date. Interest on each Class of Notes will accrue at an annual rate equal to the Interest Rate (as defined in Condition 4.4(c)) in respect of the Principal Amount Outstanding on the first day of the applicable Interest Period and payable in each case on the Quarterly Payment Date at the end of an Interest Period.

Interest on the Notes shall cease to accrue on any part of the Principal Amount Outstanding of a Note as from (and including) the due date for redemption of such part unless, payment of the relevant amount of principal is improperly withheld or refused. In such event, interest will continue to accrue thereon in accordance with this Condition (as well after as before any judgment) up to (but excluding) the date on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder, or (if earlier) the seventh (7th) calendar day after notice is duly given by the Paying Agent to the relevant Noteholder (in accordance with Condition 4.14) that it has received all sums due in respect of such Note (except to the extent that there is any subsequent default in payment).

Whenever it is necessary to compute an amount of interest in respect of any Note for any period (including any Interest Period (as defined in Condition 4.4(c)), such interest shall be calculated on the basis of the actual number of days elapsed in the relevant Interest Period and a 360 day year.

(b) Interest Periods and Quarterly Payment Dates

Subject to this Condition 4.4, interest on a Note is payable quarterly in arrears in Euro on each Quarterly Payment Date in respect of its Principal Amount Outstanding (if any).

The first Interest Period will commence on (and include) the Closing Date and will end on (but exclude) the first Quarterly Payment Date.

Quarterly Payment Date means the twenty-seventh (27^{th}) calendar day of January, April, July and October in every year, or, if such day is not a Business Day, the immediately succeeding Business Day, unless such Business Day would fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Business Day (and the first Quarterly Payment Date, being the Quarterly Payment Date falling in April 2023).

Interest Period means the period from (and including) a Quarterly Payment Date (or the Closing Date in respect of the first Interest Period) to (but excluding) the immediately succeeding (or first) Quarterly Payment Date.

A **Business Day** means a day (other than a Saturday or Sunday) (i) on which banks and forex markets are open for general business in Belgium and (ii) on which the Securities Settlement System is

[15] The website and the information available thereon are not incorporated by reference in this Prospectus and do not form part of this Prospectus. It has not been scrutinised or approved by the FSMA.

operating and (iii) (if a payment in euro is to be made on that day) which is a day on which the TARGET 2 System (or any replacement or successor payment system) is operating (a **TARGET Business Day**).

(c) Interest Rate

The rate of interest payable from time to time in respect of each Class of Notes (each an **Interest Rate**) and the relevant Coupon Amount (as defined in Condition 4.4(k) below) will be determined on the basis of the provisions set out below.

There shall be no minimum Interest Rate in respect of any Class of Notes, the Interest Rate never being in any event less than zero on each Note respectively.

(d) Interest on the Notes as from the Closing Date up to (but excluding) the First Optional Redemption Date

Up until (but excluding) the First Optional Redemption Date, the Interest Rate applicable to the Notes will accrue at an annual rate equal to the sum of:

(a) Euro Reference Rate determined in accordance with Condition 4.4(g); plus

(b) a margin on the Notes which will be:

(i) in respect of the Class A1 Notes: 0.40% per annum;

(ii) in respect of the Class A2 Notes: 0.50% per annum.

(e) Interest on the Notes as from the First Optional Redemption Date

If on the First Optional Redemption Date, the Issuer has not exercised the Optional Redemption Call, the Interest Rate on the Notes will accrue at an amount equal to the lower of:

(a) the **Maximum Rate**, being 4.00% per annum; and

(b) the **Coupon Rate**, being the sum of:

(i) the Euro Reference Rate, as determined in accordance with Condition 4.4(g); plus

(ii) a step-up margin on the Notes which will be:

(A) in respect of the Class A1 Notes: 0.60% per annum; and

(B) in respect of the Class A2 Notes: 0.75% per annum.

(f) Coupon Excess Consideration as from the First Optional Redemption Date and before the service of an Enforcement Notice

On each Quarterly Payment Date as from (but excluding) the First Optional Redemption Date and if the Coupon Rate exceeds the Maximum Rate, the Noteholders will, in accordance with the Post-FORD Interest Priority of Payments or the Principal Priority of Payments, on a *pro rata* and *pari passu* basis and in accordance with the respective amounts outstanding of the Class A1 Notes and the Class A2 Notes at such time, be entitled to an amount equal to, in respect of each Class of Notes, the relevant Principal Amount Outstanding of such Class of Notes multiplied by the excess of the relevant Coupon Rate over the Maximum Rate and calculated on the basis of the actual number of days elapsed in an Interest Period and a year of 360 days.

The Coupon Excess Consideration will only be paid after:

(i) all Accrued Interest due and payable in respect of the Notes has been satisfied in full;

(ii) any shortfall reflected in the Class A Principal Deficiency Ledger has been made good until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero;

(iii) any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero;

(iv) the Reserve Account has been replenished up to the amount of the Reserve Account Required Amount in accordance with the application of the Post-FORD Interest Priority of Payments; and

(v) all payments that are senior to Coupon Excess Consideration in accordance with the relevant Priority of Payments.

The Coupon Excess Consideration will be taken into account in the calculation of the Coupon Amounts as fully described in Condition 4.4(k).

(g) Determination of the Euro Reference Rate

The Reference Agent shall calculate the Euro Reference Rate for each Interest Period and the **Euro Reference Rate** shall mean EURIBOR as determined in accordance with the following (or the relevant successor rate):

(a) **EURIBOR** shall mean for any Interest Period the rate per annum equal to the European Interbank Offered Rate for three (3) months euro deposits (except in the case of the first Interest Period in which case it shall be the rate equal to the linear interpolation between the European Interbank Offered Rate for the relevant periods euro deposits) as determined by the Reference Agent in accordance with this Condition 4.4(g) and subject to Condition 4.4(q) (*Benchmark Replacement*).

(b) Two (2) Business Days prior to the Closing Date (in respect of the first Interest Period) and two (2) Business Days prior to each Quarterly Payment Date in respect of the subsequent Interest Periods (each of these days an **Interest Determination Date**), the Reference Agent shall determine EURIBOR by using the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or, if not available, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters (including, without limitation, the Reuters Monitor Money Rate Service, the Dow Jones Telerate Service and the Bloomberg Service), and which shall be selected by the Reference Agent as at or about 11.00 am (CET time).

(c) If, on the relevant Interest Determination Date, the EURIBOR rate in paragraph (b) above, is not determined and published by the European Money Markets Institute, or if it is not otherwise reasonably practicable to calculate the rate under paragraph (b) above, the Reference Agent will:

(i) request the principal euro-zone office of each of four (4) major banks in the euro-zone interbank market (each a **Euro-Reference Bank** and together the **Euro-Reference Banks**) to provide a quotation for the rate at which three (3) months euro deposits (except in the case of the first Interest Period in which case it shall be the rate equal

to the linear interpolation between the relevant periods euro deposits) offered by it in the euro-zone interbank market at approximately 11.00 am (CET 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;

(ii) if at least two (2) quotations are provided, determine the arithmetic mean (rounded, if necessary, to the fifth (5th) decimal place with 0.000005 being rounded upwards) of such quotations as provided; and

(iii) if fewer than two (2) such quotations are provided as requested, the Reference Agent will determine the arithmetic mean (rounded, if necessary to the fifth (5th) decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two (2) in number, in the euro-zone, selected by the Reference Agent, at approximately 11.00 am (CET time) on the relevant Interest Determination Date for three months euro deposits (except in the case of the first Interest Period in which case it shall be the rate equal to the linear interpolation between the relevant periods euro deposits) to leading euro-zone banks in an amount that is representative for a single transaction in that market at that time.

(d) If the Reference Agent is unable to determine EURIBOR in accordance with this Condition 4.4(g) in relation to any Interest Period, EURIBOR applicable to the Notes during such Interest Period will be EURIBOR last determined in relation thereto.

(h) Determination and notification of Interest Rates

The Reference Agent shall, as soon as practicable after 11.00 a.m. (CET) on each Interest Determination Date, determine and notify the Paying Agent and the Issuer Administrator of the Interest Rate and the Coupon Rate applicable to the Interest Period beginning on and including the first succeeding Quarterly Payment Date in respect of the Notes of each Class of Notes, the Coupon Amount and the relevant Quarterly Payment Date, all subject to and in accordance with the Conditions.

If the Reference Agent does not at any time for any reason determine the Interest Rate for the Notes in accordance with the foregoing paragraphs, the Reference Agent shall forthwith notify the Issuer Administrator, the Floating Rate GIC Provider and the Security Agent thereof and the Issuer Administrator shall, after consultation with the Security Agent, determine the Interest Rate at such rate as, in its reasonable opinion (having such regard as it shall think fit to the procedure described above), it shall deem fair and reasonable in all circumstances and any such determination and/or calculation shall be deemed to have been made by the Reference Agent.

(i) Calculation of Coupon Amounts by the Issuer Administrator

The Issuer Administrator shall calculate the Euro amount of coupon payable on each of relevant Class of Notes for the relevant Interest Period (the **Coupon Amount(s)**) and shall notify the Coupon Amount and the Principal Amount Outstanding in respect of each Note to the Paying Agent by no later than 11:00 am (CET) on the Quarterly Calculation Date.

(j) Calculation of Coupon Amounts

Class A1 Notes

The Coupon Amount for the Class A1 Notes will be equal to:

(i) the Accrued Interest for the Class A1 Notes;

(ii) plus the Coupon Excess Consideration relating to the Class A1 Notes, in accordance with Condition 4.4(f);

(iii) (A) plus the Coupon Excess Consideration Surplus relating to the Class A1 Notes and (B) minus the Coupon Excess Consideration Deficiency relating to the Class A1 Notes;

Class A2 Notes

The Coupon Amount for the Class A2 Notes will be equal to:

(i) the Accrued Interest for the Class A2 Notes;

(ii) plus the Coupon Excess Consideration relating to the Class A2 Notes, in accordance with Condition 4.4(f);

(iii) (A) plus the Coupon Excess Consideration Surplus relating to the Class A2 Notes and (B) minus the Coupon Excess Consideration Deficiency relating to the Class A2 Notes;

Payment of Coupon Amounts

With respect to the payment of Coupon Amounts on the Notes, for rounding purposes only, the Coupon Amounts due and payable to the Notes will be calculated:

(i) for the purpose of providing the Securities Settlement System or the Paying Agent with the necessary funds for the payment of the Coupon Amounts on a Quarterly Payment Date to the Noteholders, by multiplying the Coupon Amount for a Note of the relevant Class of Notes with the aggregate number of all Notes of such Class of Notes and rounding the resultant figure to the nearest Euro cent (half a Euro cent being rounded upwards); and

(ii) in the event of the payment of the Coupon Amounts on a Quarterly Payment Date by the Securities Settlement System or the Paying Agent, by multiplying the Coupon Amount for a Note of a particular Class of Notes with the aggregate number of all Notes of such Class of Notes and rounding the resultant figure down to the lower Euro cent.

Accrued Interest means, in respect of any Quarterly Calculation Date and in respect of any Class of the Notes then outstanding, the amount obtained by applying the relevant Interest Rate to the Principal Amount Outstanding of the relevant Class of the Notes on the first (1st) day of the relevant Interest Period, multiplied by the actual number of days elapsed in the then current Interest Period (or such other period) divided by 360.

(k) Publication of Interest Rate, Coupon Amount and other Notices

As soon as practicable after receiving notification thereof and in any event by 11:00 a.m. (CET) on the Quarterly Calculation Date, the Issuer Administrator will cause the Interest Rate, the Coupon Excess Consideration and the Coupon Amount as applicable to each Class of Notes for each Interest Period on the Quarterly Payment Date falling at the end of such Interest Period to be notified to the Securities Settlement System Operator and the relevant entities or affiliates of Euronext Brussels, the Issuer, the Issuer Administrator, the MPT Provider, the Security Agent, the Cap Provider, the Paying Agent and will cause notice thereof to be given to the relevant Class of Noteholders in accordance with the Conditions. The Interest Rate, the Coupon Excess Consideration, the Coupon Amount and the Quarterly Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the Interest Period or of a manifest error.

(l) Notifications to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition, whether by the Euro-Reference Banks (or any of them), the Reference Agent, the Issuer Administrator or the Security Agent shall (in the absence of wilful misconduct, bad faith or manifest error) be binding on the Issuer, the Euro-Reference Banks, the Reference Agent, the Security Agent and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Issuer, the Euro-Reference Banks, the Reference Agent, the Issuer Administrator or the Security Agent in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

(m) Reference Agent

The Issuer will procure that, as long as any of Notes remain outstanding, there will at all times be a Reference Agent. The Issuer has, subject to prior written consent of the Security Agent, the right to terminate the appointment of the Reference Agent by giving at least ninety (90) calendar days' notice in writing to that effect. Notice of any such termination will be given to the holders of the Notes in accordance with Condition 4.14. If any person shall be unable or unwilling to continue to act as a 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 Agent, 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 Agent has been appointed.

(n) Payments subject to Priority of Payments

All payments of interest and principal in respect of the Notes are subject to the applicable Priority of Payments and all other fiscal laws and regulations applicable in the place of payment.

(o) Class B Interest Roll-Over

To the extent that on any Quarterly Payment Date, the amount of Notes Interest Available Amount is not sufficient to pay the interest due or interest accrued but unpaid in respect of the Class B Subordinated Loan, the amount of such shortfall (the **Class B Interest Deficiency**) shall be recorded in the Class B Interest Deficiency Ledger.

The balance of the Class B Interest Deficiency Ledger existing on any Quarterly Calculation Date shall be aggregated with the interest due or interest accrued but unpaid otherwise due on the Class B Subordinated Loan on the next succeeding Quarterly Payment Date (in accordance with Condition 4.4(k)) to the extent sufficient Notes Interest Available Amount is available on such date (the amount of Notes Interest Available Amount, if any, which is available on the next succeeding Quarterly Payment Date after payment of the Accrued Interest on the Class B Subordinated Loan, in accordance with the Interest Priority of Payments, to reduce the balance of the Class B Interest Deficiency Ledger, the **Class B Interest Surplus**) and such Class B Interest Surplus will be paid under the Class B Subordinated Loan and the Class B Interest Deficiency Ledger will be reduced with such paid amount.

(p) Class C Interest Roll-Over

To the extent that on any Quarterly Payment Date, the amount of Notes Interest Available Amount is not sufficient to pay the interest due or interest accrued but unpaid in respect of the Class C Subordinated Loan, the amount of such shortfall (the **Class C Interest Deficiency**) shall be recorded in the Class C Interest Deficiency Ledger.

The balance of the Class C Interest Deficiency Ledger existing on any Quarterly Calculation Date shall be aggregated with the interest due or interest accrued but unpaid otherwise due on the Class C Subordinated Loan on the next succeeding Quarterly Payment Date (in accordance with Condition 4.4(k)) to the extent sufficient Notes Interest Available Amount is available on such date (the amount

of Notes Interest Available Amount, if any, which is available on the next succeeding Quarterly Payment Date after payment of the Accrued Interest on the Class C Subordinated Loan, in accordance with the Interest Priority of Payments, to reduce the balance of the Class C Interest Deficiency Ledger, the **Class C Interest Surplus**) and such Class C Interest Surplus will be paid under the Class C Subordinated Loan and recorded on the Class C Interest Deficiency Ledger to reduce any debit balance on it (if any).

Class Interest Deficiency of the relevant Class of Notes means the Class B Interest Deficiency, or the Class C Interest Deficiency, as applicable.

Class Interest Surplus of the relevant Class of Notes means the Class B Interest Surplus or the Class C Interest Surplus, as applicable.

(q) Benchmark replacement

Without prejudice to the other provisions in this Condition 4.4, if the Issuer Administrator determines that a Benchmark Event occurs in relation to the Euro Reference Rate when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to such Euro Reference Rate, then the following provisions shall apply to the relevant Notes:

(i) the Issuer Administrator shall use reasonable endeavours, as soon as reasonably practicable, to appoint an Independent Adviser to advise the Issuer Administrator in determining (without any requirement for the consent or approval of the Noteholders) (A) a Successor Rate or, failing which, an Alternative Reference Rate, for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the relevant Notes and (B) in either case, an Adjustment Spread;

(ii) if the Issuer Administrator is unable to appoint an Independent Adviser prior to the IA Determination Cut-Off Date, the Issuer Administrator (acting in good faith and in a commercially reasonable manner) may still determine (A) a Successor Rate or, failing which, an Alternative Reference Rate and (B) in either case, an Adjustment Spread in accordance with this Condition 4.4(q);

(iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with paragraphs (i) or (i) above, such Successor Rate or, failing which, Alternative Reference Rate (as applicable) shall be the Euro Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.4(q));

(iv) the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or Alternative Reference Rate (as applicable). If the Issuer Administrator, following consultation with the Independent Adviser, is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;

(v) if the Issuer Administrator, following consultation with the Independent Adviser (if any), determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Issuer Administrator may (without any requirement for the consent or approval of the Noteholders) also specify changes to these Conditions and/or the Agency Agreement in order to ensure the proper operation of such Successor Rate or Alternative Reference Rate (as applicable) and, in either case, the applicable Adjustment Spread, including, but not limited to, (A) the Business Days, Interest Determination Date and/or the definition of Euro Reference Rate applicable to the Notes and (B) the method for determining the fall-back rate in relation to the Notes. For the avoidance

of doubt, the Paying Agent and any other agents party to the Agency Agreement shall, at the direction and expense of the Issuer Administrator, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to the application of this Condition 4.4(q). No consent shall be required from the Noteholders in connection with determining or giving effect to the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps to be taken by the Agent and any other agents party to the Agency Agreement (if required or useful); and

(vi) the Issuer Administrator shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and, in either case, the applicable Adjustment Spread, give notice thereof to the Paying Agent, the Security Agent, the Reference Agent and, in accordance with Condition 4.14 (*Notices*), the Noteholders. Such notice shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable), the applicable Adjustment Spread and any consequential changes made to the Agency Agreement and these Conditions (if any).

An Independent Adviser appointed pursuant to this Condition 4.4(q) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Paying Agent, the Reference Agent, the Security Agent or the Noteholders for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 4.4(q).

Without prejudice to the obligations of the Issuer under this Condition 4.4(q), the Euro Reference Rate and the other provisions in this Condition 4.4 will continue to apply unless and until the Refernce Agent has been notified of the Successor Rate or Alternative Reference Rate (as applicable), the applicable Adjustment Spread and any consequential changes made to the Agency Agreement and the Conditions (if any).

For the purposes of this Condition 4.4(q):

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Euro Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Issuer Administrator, following consultation with the Independent Adviser (if any) determines is customarily applied to the relevant Successor Rate or Alternative Reference Rate (as applicable) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Euro Reference Rate; or

(iii) if the Issuer determines that no such spread is customarily applied, the Issuer, following consultation with the Independent Adviser (if any), determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Euro Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable).

"**Alternative Reference Rate**" means the rate that the Issuer determines has replaced the relevant Euro Reference Rate and is customarily applied in the international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in respect of bonds denominated in the Euro and of a comparable duration to the relevant Interest Period, or, if the Issuer determines that there is no such rate, such other rate as the Issuer determines in its discretion is most comparable to the Euro Reference Rate.

"**Benchmark Event**" means:

(i) a public statement by the administrator of the Euro Reference Rate stating that, in the view of such administrator, the methodology to calculate such Euro Reference Rate has materially changed;

(ii) the Euro Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or

(iii) a public statement by the administrator of the Euro Reference Rate stating that it has ceased or that it will cease to publish the Euro Reference Rate, permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Euro Reference Rate); or

(iv) a public statement by the supervisor of the administrator of the Euro Reference Rate stating that the Euro Reference Rate has been or will be permanently or indefinitely discontinued; or

(v) a public statement by the supervisor or the administrator of the Euro Reference Rate that means that the Euro Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or

(vi) the making of a public statement by the supervisor of the administrator of the Euro Reference Rate that the Euro Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(vii) it has become unlawful for the Agent, the Reference Agent or any other agents party to the Agency Agreement to calculate any payments due to be made to any Noteholders using the Euro Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Euro Reference Rate or the discontinuation of the Euro Reference Rate (as applicable), (b) in the case of sub-paragraph (v) above, on the date of the prohibition of the use of the Euro Reference Rate and (c) in the case of sub-paragraph (vi) above, on the date with effect from which the Euro Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

"**IA Determination Cut-Off Date**" means no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case selected and appointed by the Issuer at its own expense.

"**Relevant Nominating Body**" means, in respect of the Euro Reference Rate:

(i) the central bank for the currency to which the Euro Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Euro Reference Rate; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the Euro Reference Rate relates, (B) any central bank or other supervisory authority which is responsible for supervising the

administrator of the Euro Reference Rate, (C) a group of the aforementioned central banks or other supervisory authorities or (D) the Financial Stability Board or any part thereof.

"**Successor Rate**" means the rate that the Issuer determines is a successor to, or replacement of, the Euro Reference Rate which is formally recommended by any Relevant Nominating Body.

4.5 Redemption and Cancellation

(a) Final Redemption

Unless previously redeemed or cancelled as provided in this Condition and subject always to Condition 4.10 (*Subordination*) the Issuer shall redeem the Notes at their Principal Amount Outstanding together with the accrued interest thereon on the Quarterly Payment Date falling in January 2057, such date being the **Final Maturity Date**.

The Issuer may not redeem Notes in whole or in part prior to the Final Maturity Date except as provided in Conditions 4.5(b)(i), 4.5(b)(ii), 4.5(b)(iv) and 4.5(b)(vi) but without prejudice to Condition 4.9 (*Events of Default*). For the avoidance of doubt, this Condition is without prejudice to the exercise of the optional redemption rights of the Issuer as provided in Conditions 4.5(e) and 4.5(f).

(b) Mandatory *pro rata* and *pari passu* Redemption in whole or in part

Subject to and in accordance with the Principal Priority of Payments, the Issuer will be obliged to apply the Notes Redemption Available Amount on the Quarterly Payment Date falling in April 2023 and on each Quarterly Payment Date thereafter as set out in this Condition prior to the service of an Enforcement Notice.

(i) The Class A1 Notes shall be subject to mandatory *pari passu* and *pro rata* redemption in whole or in part on each Quarterly Payment Date, if, on the Quarterly Calculation Date relating thereto there is any Notes Redemption Available Amount (after funding any Class A Interest Shortfall).

(ii) If there are no Class A1 Notes outstanding, the Class A2 Notes shall be subject to mandatory *pari passu* and *pro rata* redemption in whole or in part on each Quarterly Payment Date (including the Quarterly Payment Date on which the Class A1 Notes are redeemed in full) if on the Quarterly Calculation Date relating thereto there is any Notes Redemption Available Amount (after providing for all payments to be made in respect of the redemption of the Class A1 Notes and after funding of any Class A Interest Shortfall).

(iii) As from the First Optional Redemption Date and, if there are no Class A2 Notes outstanding (or including the Quarterly Payment Date on which the Class A2 Notes are redeemed in full) in or towards satisfaction *pari passu* and *pro rata*, according to the respective amounts thereof, of all amounts of Coupon Excess Consideration due or accrued but unpaid in respect of the Class A1 Notes and the Class A2 Notes which payment has been reflected by crediting any shortfall in the Coupon Excess Consideration Deficiency Ledgers until the debit balance, if any, on the Coupon Excess Consideration Deficiency Ledgers is reduced to zero.

(iv) The principal amount so redeemable in respect of a Note on any Quarterly Payment Date shall be (i) the amount (if any) of Notes Redemption Available Amount that can be applied in redemption of Notes of the relevant Class subject to the appropriate priority of payments on the applicable Quarterly Calculation Date, divided by (ii) the number of Notes of that Class, as applicable, then outstanding (rounded down to the nearest Euro cent).

(v) If there are no Class A2 Notes outstanding and if the debit balance (if any) of the Coupon Excess Consideration Deficiency Ledgers has been reduced to zero, the Class B Subordinated

Loan shall be repaid in part on each Quarterly Payment Date (including the Quarterly Payment Date on which the Class A2 Notes are redeemed in full and/or the debit balance of the Coupon Excess Consideration Deficiency Ledgers has been reduced to zero) if on the Quarterly Calculation Date relating thereto there is any Notes Redemption Available Amount (after providing for all payments to be made in respect of the redemption of the Class A2 Notes and for the reduction of the debit balance of the Coupon Excess Consideration Deficiency Ledgers).

(vi) If the Class B Subordinated Loan has been repaid in full, the Class C Subordinated Loan shall be repaid in whole or in part on each Quarterly Payment Date for an amount up to the Class C Redemption Amount to the extent that on the Quarterly Calculation Date relating thereto there is sufficient Notes Interest Available Amount available for such purpose after providing for all payments to be made that rank higher in priority, subject to and in accordance with the Interest Priority of Payments set out in Condition 4.2.

Class C Redemption Amount means, in respect of any Quarterly Calculation Date, an amount equal to the positive difference between the Principal Outstanding Amount of the Class C Subordinated Loan on such date and the Reserve Account Required Amount for such date.

Following the making of a payment of a principal amount in respect of a Note, the Principal Amount Outstanding of the relevant Note shall be reduced accordingly.

(c) The Reserve Account

The Issuer will maintain with the Floating Rate GIC Provider the Reserve Account. On the Closing Date, the proceeds of the Class C Subordinated Loan will be credited to the Reserve Account.

Amounts credited to the Reserve Account will be available on any Quarterly Payment Date to meet items (i) to (vi) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (vi) (inclusive) of the Post-FORD Interest Priority of Payments, before application of any funds drawn from the Liquidity Facility Stand-by Drawing Account.

Any drawing under the Reserve Account by the Issuer shall only be made on a Quarterly Payment Date if and to the extent there is a shortfall in the Notes Interest Available Amount to meet items (i) to (vi) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (vi) (inclusive) of the Post-FORD Interest Priority of Payments in full on that Quarterly Payment Date, before drawing on the Reserve Account.

If, and to the extent that the Notes Interest Available Amount (excluding any amounts available to the Issuer from the Reserve Account and any double counting) calculated on any Quarterly Calculation Date exceeds the amount required by the Issuer to satisfy its obligations under items (i) to (vi) (inclusive) of the Pre-FORD Interest Priority of Payments or under items (i) to (vi) (inclusive) of the Post-FORD Interest Priority of Payments in full, such excess amounts will be credited, on the immediately following Quarterly Payment Date to the Reserve Account (to replenish the Reserve Account, as the case may be) until the balance standing to the credit of the Reserve Account is an amount not less than the Reserve Account Required Amount.

The **Reserve Account Required Amount** shall on any Quarterly Calculation Date be equal to (i) the amount of the proceeds of the Class C Subordinated Loan paid into the Reserve Account on the Closing Date, or (ii) zero, on the date whereon the Notes have been or are to be redeemed in full, subject to the Conditions.

To the extent that the balance standing to the credit of the Reserve Account on any Quarterly Calculation Date exceeds the Reserve Account Required Amount, such excess shall be drawn from

the Reserve Account on the immediately succeeding Quarterly Payment Date and shall form part of the Notes Interest Available Amount on that Quarterly Payment Date.

The Reserve Account will be replenished up to the Reserve Account Required Amount in accordance with the Interest Priority of Payments.

(d) Calculation of payments of principal

On each Quarterly Calculation Date, the Issuer Administrator shall determine:

(i) the amount (if any) of any principal amounts due in respect of each Note of each Class on the next Quarterly Payment Date; and

(ii) the Principal Amount Outstanding of each Note of each Class on the next Quarterly Payment Date (after taking into account of the amount in (i)); and

(iii) the fraction expressed as a decimal to the twelfth point (the **Note Factor**), of which the numerator is the Principal Amount Outstanding of a Note of each Class of Notes (as referred to in (ii) above) and the denominator is the Principal Amount Outstanding of a Note of such Class of Notes on the Closing Date).

Each determination by or on behalf of the Issuer of any payment of principal, and the Principal Amount Outstanding of each Note of each Class of Notes shall in each case (in the absence of wilful misconduct, bad faith or manifest error) be final and binding on all persons.

The Issuer Administrator on behalf of the Issuer will determine the payment of principal in respect of each Class of Notes, the Note Factor and the Principal Amount Outstanding and shall notify forthwith the Security Agent, the Issuer, the Paying Agent, the MPT Provider, the Reference Agent, and (for so long as the Notes are listed on one or more stock exchanges) the relevant stock exchanges, of each determination of the payment of principal, the Note Factor and the Principal Amounts Outstanding in respect of each Class of Notes in accordance with Condition 4.14 (*Notices*) by no later than 11:00 a.m. (CET time) on that Quarterly Calculation Date.

If the Issuer does not at any time for any reason determine (or cause the Issuer Administrator to determine) a payment of principal or the Principal Amount Outstanding in respect of any Class of Notes in accordance with the preceding provisions of this paragraph and this is not remedied within a period of ten (10) Business Days as from the date of receipt of a letter from the Security Agent, such payment of principal and Principal Amount Outstanding may be determined by the Security Agent in accordance with this paragraph and each such determination or calculation shall be deemed to have been made by the Issuer. Any such determination shall be binding on the Issuer, the MPT Provider, the Issuer Administrator, the Paying Agent and the Reference Agent.

(e) Optional Redemption Call and Clean-Up Call

Optional Redemption Call

Unless previously redeemed in full, the Issuer shall, upon giving not more than sixty (60) calendar days' notice and not less than thirty (30) calendar days' notice in accordance with Condition 4.14 (Notices) prior to the relevant Quarterly Payment Date, have the right (but not the obligation) to redeem all the Notes on the First Optional Redemption Date and on each Quarterly Payment Date thereafter, *provided that* it has sufficient funds available to redeem all the Notes in full on such date. In such circumstances, the redemption of the Notes will be for an amount equal to the Principal Amount Outstanding of such Notes plus accrued but unpaid interest (including, for the avoidance of doubt Coupon Excess Consideration) thereon, after payment of all amounts that are due and payable in priority to such Notes (the **Optional Redemption Call**)

The **First Optional Redemption Date** is the Quarterly Payment Date falling in January 2028.

An **Optional Redemption Date** means the First Optional Redemption Date or any Quarterly Payment Date thereafter.

On the earlier of (i) the Optional Redemption Date on which the Notes will be redeemed in full and (ii) the Final Maturity Date, the balances standing to the credit of the Reserve Account and the Issuer Collection Account (if any) after all amounts of interest and principal due in respect of the Notes have been paid and all items ranking higher in priority in the Interest Priority of Payments have been fulfilled, will be available for redemption of the Class C Subordinated Loan.

Clean-Up Call

Upon giving not more than sixty (60) calendar days' notice nor less than thirty (30) calendar days' notice in accordance with Condition 4.14 (*Notices*) prior to the relevant Quarterly Payment Date, the Issuer shall have the right (but not the obligation) to redeem all of the Notes at their Principal Amount Outstanding on each Quarterly Payment Date if on the Quarterly Calculation Date immediately preceding such Quarterly Payment Date the aggregate Principal Amount Outstanding of the Notes is less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes on the Closing Date, and if all amounts that are due and payable in priority to the Notes have been paid and *provided that* it has sufficient funds available to redeem all the Notes on such date.

Exercise of Optional Redemption Call or Clean-Up Call

The Optional Redemption Call or Clean-Up Call may be exercised at the option of the Issuer provided in each case that:

(a) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;

(b) prior to giving any such notice, the Issuer shall have provided to the Security Agent a certificate signed by two directors of the Issuer to the effect that it will have the funds in the Transaction Accounts, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required under the Pledge Agreement to be paid in priority to the Notes in accordance with these Conditions;

(c) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer will be able to discharge such liabilities as provided in the Conditions;

(d) the Issuer undertakes that all payments that are due and payable in priority to such Notes will be made at such date;

(e) in respect of the Class C Subordinated Loan, any amount outstanding of principal or interest, shall only be payable by the Issuer to the extent that sufficient funds are available after the liabilities referred to under (b) above have been satisfied (including all costs, fees and expenses ranking in priority to the specified Class C Subordinated Loan in accordance with the applicable Priority of Payments).

The amount of principal and accrued interest (and Coupon Excess Consideration, if any) payable by the Issuer to the Noteholders upon such redemption pursuant to an Optional Redemption Call or a Clean-Up Call will be equal to the Optional Redemption Amount.

Optional Redemption Amount shall, in all cases of early redemption in full of the Notes, be equal to the aggregate Principal Amount Outstanding of the relevant Class(es) of Notes, *plus* all accrued and unpaid interest (including, for the avoidance of doubt Coupon Excess Consideration) thereon up to,

but excluding, the date of the redemption. The amounts payable by the Issuer upon such redemption will be calculated by the Issuer Administrator. For these purposes, interest will accrue on the Notes up to, but excluding, the date of redemption.

(f) Optional Redemption for Tax Reasons

The Issuer shall have the right (but not the obligation) to redeem all of the Notes in whole, but not in part, at the Optional Redemption Amount, on any Quarterly Payment Date, on the occurrence of one or more of the following circumstances:

(a) If, on the next Quarterly Payment Date, the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person is or would become required to deduct or withhold any amounts for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division thereof or therein) or of any authority therein or thereof having power to tax from any payment of principal or interest in respect of Notes of any Class held by or on behalf of any Noteholder who would, but for any amendment to, or change in, the tax laws or regulations of the Kingdom of Belgium (or any sub-division thereof or therein) or of any authority therein or thereof having power to tax or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations after the Closing Date, have been an Eligible Investor; or

(b) if, on the next Quarterly Payment Date, the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person is or would become required to deduct or withhold any amounts for or on account of FATCA in respect of any payment of principal or interest in respect of Notes of any Class held by or on behalf of any Noteholder; or

(c) if, on the next Quarterly Payment Date, the Issuer, the Cap Provider or any other person would be required to deduct or withhold any amounts pursuant to an agreement described in Section 1471(b) of the **Code** or pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (**FATCA**) and/or of any present or future taxes, duties assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division thereof or therein) or of any authority therein or thereof having power to tax or any other sovereign authority having the power to tax, in respect of any payment under the Cap Agreement; or

(d) if, the total amount payable in respect of a Quarterly Calculation Period as interest on any of the Loans ceases to be receivable by the Issuer during such Quarterly Calculation Period due to withholding or deduction for or on account of FATCA and/or of any present or future taxes, duties, assessments or governmental charges of whatever nature in respect of such payments; or

(e) if, after the Closing Date, the Belgian tax regulations introducing income tax, withholding tax and VAT concessions for Belgian companies for investment in receivables (including the Issuer) (the **IIR Tax Regulations**) are changed (or their application is changed in a materially adverse way to the Issuer or in the event that the IIR Tax Regulations would no longer be applicable to the Issuer);

after payment of all amounts that are due and payable in priority to the Notes subject to and in accordance with the Conditions and provided that it has sufficient funds available to redeem all the Notes on such date (an **Optional Redemption for Tax Reasons**), by giving not more than sixty (60) calendar days' nor less than thirty (30) calendar days' notice in accordance with Condition 4.14 (*Notices*) prior to the relevant Quarterly Payment Date, provided that:

(i) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;

(ii) prior to giving such notice, the Issuer Administrator shall have provided to the Security Agent a certificate signed by two directors of the Issuer to the effect that it will have the funds in the Transaction Accounts, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required under the Pledge Agreement to be paid in priority to the Notes in accordance with these Conditions;

(iii) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer will be able to discharge such liabilities as provided in the Conditions;

(iv) the Issuer undertakes that all payments that are due and payable in priority to such Notes will be made at such date; and

(v) no Class A2 Notes may be redeemed under such circumstances unless the Class A1 Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

The amounts payable by the Issuer upon such redemption will be calculated by the Issuer Administrator and, for these purposes interest will accrue on the Notes up to but excluding the date of redemption. The amounts payable to the Noteholders shall be equal to the Optional Redemption Amount (as defined in Condition 4.5(e)).

(g) Optional Redemption in case of Change of Law

In addition, on each Quarterly Payment Date, the Issuer may at its option (but shall not be under any obligation to do so) redeem all (but not some only) of the Notes at the Optional Redemption Amount, if there is a change in, or any amendment to the laws, regulations, decrees or guidelines of the Kingdom of Belgium or of any authority therein or thereof having legislative or regulatory powers or in the interpretation by a relevant authority or a court of, or in the administration of, such laws, regulations, decrees or guidelines after the Closing Date which would or could affect participation of the Issuer or the Seller in the Transaction in a materially adverse way (including, but without limitation, the regulatory requirements to be adhered to by the Issuer or the Seller in order to be able to lawfully perform their obligations under the Transaction and the laws and regulations (other than the regulations referred to in connection with the Regulatory Call Option) governing the validity, enforceability and effectiveness of the rights and obligations of the Issuer, Seller and Secured Parties under the Transaction Documents (a **Change of Law**). In order to exercise this option, the Issuer shall give not more than sixty (60) calendar days' notice nor less than thirty (30) calendar days' notice in accordance with Condition 4.14 (*Notices*) in which it states the reasons for the exercise of the optional redemption, before the Optional Redemption Date, prior to the relevant Quarterly Payment Date, provided that:

(a) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;

(b) prior to giving such notice, the Issuer Administrator shall have provided to the Security Agent a certificate signed by two directors of the Issuer to the effect that it will have the funds in the Transaction Accounts, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required under the Pledge Agreement to be paid in priority to or *pari passu* with the Notes in accordance with these Conditions;

(c) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer will be able to discharge such liabilities as provided in the Conditions;

(d) the Issuer undertakes that all payments that are due and payable in priority to such Notes will be made at such date; and

(e) no Class A2 Notes may be redeemed under such circumstances unless the Class A1 Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

The amounts payable by the Issuer upon such redemption will be calculated by the Issuer Administrator and, for these purposes interest will accrue on the Notes up to but excluding the date of redemption. The amounts payable to the Noteholders shall be equal to the Optional Redemption Amount (as defined in Condition 4.5(e)).

(h) Regulatory Call Option

On any Quarterly Payment Date, the Issuer shall redeem all (but not some only) of the Notes in each Class (the **Regulatory Call Option**), if the Seller exercises its option to repurchase the Loans from the Issuer upon the occurrence of a change published after the Closing Date in the Basel Capital Accords promulgated by the Basel Committee on Banking Supervision (the Basel Accords) or in the international, European or Belgian regulations, rules and instructions (which includes the solvency regulation of the NBB or the ECB as applicable) (the **Bank Regulations**) applicable to the Seller (including any change in the Bank Regulations enacted for purposes of implementing a change to the Basel Accord) or a change in the manner in which the Basel Accords 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 the NBB or any relevant international, European 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 its cost or reducing its benefit with respect to the transaction contemplated by the Notes (a **Regulatory Change**).

In order to exercise the Regulatory Call Option the Issuer shall give not more than sixty (60) calendar days' notice nor less than thirty (30) calendar days' notice in accordance with Condition 4.14. Furthermore, in order for the Seller to exercise its option to repurchase the Loans upon the occurrence of a Regulatory Change and, consequently, for the Issuer to exercise the Regulatory Call Option, the following conditions need to be satisfied:

(a) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;

(b) the Issuer will have (upon repurchase of the Mortgage Receivables by the Seller) the funds in the Transaction Accounts, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required under the Pledge Agreement to be paid in priority to the Notes in accordance with these Conditions (if this condition is satisfied, prior to giving the notice of exercise of the Regulatory Call Option, the Issuer Administrator shall have provided to the Security Agent a certificate signed by two directors of the Issuer to the effect that it will have the necessary funds in the Transaction Accounts as set out in this paragraph);

(c) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer is able to discharge such liabilities as provided in the Conditions;

(d) the Issuer undertakes that all payments that are due and payable in priority to such Notes will be made at such date; and

(e) taking into account that no Class A2 Notes may be redeemed under such circumstances unless the higher ranking Class A1 Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

The amounts payable by the Issuer upon such redemption will be calculated by the Issuer Administrator and, for these purposes interest will accrue on the Notes up to but excluding the date of

redemption. The amounts payable to the Noteholders shall be equal to the Optional Redemption Amount (as defined in Condition 4.5(e)).

(i) Notice of Redemption

Any such notice as is referred to in Conditions 4.5(e), 4.5(f), 4.5(g) and 4.5(h) above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem (as the case may be):

(i) the Notes (in case of Condition 4.5(e) (without prejudice to (ii) below) and 4.5(f))

(ii) all the Notes (in case of Conditions 4.5(g) and 4.5(h)),

in each case at their Principal Amount Outstanding together with accrued interest.

(j) Cancellation

All Notes redeemed in full pursuant to the foregoing provisions, or in part (in the event that any claim on the Notes remains unsatisfied after the enforcement of the Security and the application of the proceeds in accordance with the Post-Enforcement Priority of Payments) or otherwise surrendered, will be cancelled upon such redemption or surrender of rights or title to the Notes and may not be resold or re-issued.

4.6 Payments

(a) All payments of principal or interest (including the Coupon Excess Consideration) (if any) owing under the Notes shall be made through the Paying Agent and the Securities Settlement System in accordance with the rules of the Securities Settlement System.

(b) No commissions or expenses shall be charged by the Paying Agent to the Noteholders in respect of such payments.

(c) Payments of principal and interest in respect of the Notes are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, without prejudice to Condition 4.8 (Taxation – No Grossing-Up), and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

(d) If the due date for payment of any amount of principal or interest (including the Coupon Excess Consideration) in respect of any Note is not a Business Day in the jurisdiction where payment is to be received, no further payments of additional amounts by way of interest, principal or otherwise shall be due.

4.7 Prescription ("*verjaring/prescription*")

Claims for principal or interest under the Notes shall become time barred ten years after their relevant due date in respect of the principal and five years in respect of the interests.

4.8 Taxation – No Grossing-Up

All payments of, or in respect of, principal of and interest (including Coupon Excess Consideration) on, the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) of whatever nature imposed or levied

by or on behalf of the Kingdom of Belgium, any authority therein or thereof having power to tax (a **Tax Deduction**), unless the Tax Deduction is required by law. In that event, the Issuer, the Securities Settlement System Operator, or the Paying Agent or any other person (as the case may be) will make the required Tax Deduction for the account of the Noteholders, as the case may be, and shall not pay any additional amounts to such Noteholders in respect of any such withholding or deduction. Neither the Issuer, nor any Paying Agent nor the Securities Settlement System Operator nor any other person will be obliged to gross up the payments in respect of the Notes of any Class or to make any additional payments to any Noteholders.

The Issuer, the Securities Settlement System Operator, the Paying Agent or any other person being required to make a Tax Deduction shall not constitute an Event of Default.

4.9 Events of Default

The Security Agent:

(a) may at its discretion; and

(b) if (A) so requested in writing by the holders of not less than twenty-five (25) per cent. in aggregate Principal Amount Outstanding of the Notes then outstanding; or (B) if so directed by or pursuant to an Extraordinary Resolution of the holders of the Notes; it must, (subject, in each case, to being indemnified to its satisfaction) (but in the case of the events mentioned in Condition 4.9(c), (e) and (f) below, only if the Security Agent shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders of the Notes then outstanding),

give notice (an **Enforcement Notice**) to the Issuer declaring the Notes to be immediately due and payable at their Principal Amount Outstanding together with Accrued Interest (and Coupon Excess Consideration, if any) at any time after the occurrence of an Event of Default. A copy of such notice shall be sent to, amongst others, the Issuer Administrator, the MPT Provider and the Rating Agencies.

Each of the following events is an **Event of Default**:

(a) default is made (i) for a period of ten (10) Business Days or more in any payment of principal in respect of the Notes when due to be paid in accordance with the Conditions or default is made (ii) for a period of ten (10) Business Days or more in any payment of Accrued Interest in respect of the Notes when due to be paid in accordance with the Conditions (for the avoidance of doubt: (x) to the extent that there is any Class A Principal Deficiency, Class B Interest Deficiency, any Class B Principal Deficiency, any Class C Interest Deficiency or any Coupon Excess Consideration Deficiency, such deficiencies shall not be construed to be an Event of Default; and (y) any suspension of payment of interest in accordance with Condition 3 shall not be construed as an Event of Default); or

(b) an order being made or an effective resolution being passed for the winding up (*ontbinding/dissolution*) of the Issuing Company or Compartment No. 5 except a winding up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Security Agent in writing or by an Extraordinary Resolution of the Noteholders; or

(c) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in sub-paragraph (b) above, ceasing or, through an official action of the board of directors of the Issuer, threatening to cease to carry on business or the Issuer being unable to pay its debts allocated to Compartment No. 5 as and when they fall due or the value of its assets allocated to Compartment No. 5 falling to less than the amount of its liabilities or otherwise becomes insolvent; or

(d) proceedings shall be initiated against or by the Issuing Company or Compartment No. 5 under any applicable liquidation, composition, insolvency or other similar law including the procedures provided for in Book XX of the Belgian Code of Economic Law or an administrative receiver or other receiver, administrator or other similar official (including a *voorlopig bewindvoerder/administrateur provisoire* (ad hoc administrator)) has been appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer or a *bevel tot betalen / commandement* (notice of demand) is notified to the Issuer under Articles 1499 or 1564 of the *Gerechtelijk Wetboek/Code Judiciaire* (Judicial Code), or *uitvoerend beslag/saisie exécutoire* (distraint) is carried out in respect of the whole or any substantial part of the undertaking or assets allocated to Compartment No. 5 and in any of the foregoing cases it can not be discharged within thirty (30) Business Days; or

(e) the Issuer fails to perform or observe any of its other obligations or is in breach under any of the representations and warranties under or in respect of the Notes or the other Transaction Documents and, except where such failure or breach, in the reasonable opinion of the Security Agent, is incapable of remedy, such default or breach continues for a period of one thirty (30) Business Days (or such longer period as the Security Agent may agree) after written notice by the Security Agent to the Issuer requiring the same to be remedied (save that if the Issuer fails to comply with the order of the Priority of Payments prior to the service of an Enforcement Notice), such period being reduced to fifteen calendar days to rectify any technical errors); or

(f) any action is taken by any authority, court or tribunal, which has resulted in the loss of the Issuer of its status as an "institutional VBS" or which in the reasonable opinion of the Security Agent, after consultation with the Issuer and the Issuer Administrator, is very likely to result in the loss of such status and would adversely affect the Transaction.

Upon any declaration being made by the Security Agent in accordance with Condition 4.9 above that the Notes are due and repayable, the Notes shall, subject to Condition 4.10 (*Subordination*), immediately become due and repayable at their Principal Amount Outstanding together with Accrued Interest (and Coupon Excess Consideration, if any) as provided in these Conditions and the Agency Agreement.

If an Event of Default has occurred, and unless the Security Agent shall be bound to give an Enforcement Notice in accordance with Condition 4.9 above, the Security Agent may call a meeting of Noteholders and propose to the Noteholders (a) not to give an Enforcement Notice, (b) to proceed with an amicable sale of the Portfolio of Loans (part of the Security), and where practical other Collateral, pursuant to a limited private auction procedure on terms set out in the Pledge Agreement (the private auction sale), and (c) to redeem in full all, but not some only, of the Notes of all Classes, after completion of the sale of the Portfolio, in accordance with the priority of payments (**Enforcement**) set out in Condition 4.2 (*Status, Security and Priority*). Such proposal shall be deemed approved if the holders of the Notes shall have approved the proposal in accordance with the provisions (including the required majority and quorum) for a Basic Term Modification Notwithstanding any other provision in these Conditions, such decision shall be binding on all other Secured Parties.

4.10 Subordination

(a) The Notes

The Notes will be senior to each of the Class B Subordinated Loan and the Class C Subordinated Loan.

Within the Notes, any Notes Redemption Available Amount remaining after item (a) of the Principal Priority of Payments will be used (i) first to redeem the Class A1 Notes, until fully redeemed; and (ii) second to redeem the Class A2 Notes, until fully redeemed.

In respect of:

(a) payment of interest prior to enforcement on the Notes;

(b) payment of Coupon Excess Consideration; and

(c) payment of any amount due in respect of the Notes in case of enforcement,

the Class A1 Notes and the Class A2 Notes shall rank *pari passu* and be paid *pro rata*.

(b) Class B Subordinated Loan

The Class B Subordinated Loan will be subordinated to the Notes (including, as from the First Optional Redemption Date, if applicable, to the Coupon Excess Consideration payable in respect to the Notes) as follows:

(a) no payment of principal by the Issuer on the Class B Subordinated Loan will be made whilst any Note remains outstanding or, after the First Optional Redemption Date, any shortfall on the Coupon Excess Consideration Deficiency Ledgers remains outstanding;

(b) interest on the Class B Subordinated Loan will only be paid in accordance with the Interest Priority of Payments; and

(c) in case of the service of an Enforcement Notice by the Security Agent of any amount due in respect of the Class B Subordinated Loan, any amounts due in respect of the Notes and, after the First Optional Redemption Date, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers will rank in priority to any amounts due in respect of the Class B Subordinated Loan, in accordance with the Post-enforcement Priority of Payments.

(c) Class C Subordinated Loan

The Class C Subordinated Loan will be subordinated to (i) the Notes (including, as from the First Optional Redemption Date, if applicable, to the Coupon Excess Consideration payable in respect to the Class of Notes); and (ii) the Class B Subordinated Loan as follows:

(a) principal and interest on the Class C Subordinated Loan will only be paid by the Issuer in accordance with the Interest Priority of Payments; and

(b) in case of the service of an Enforcement Notice by the Security Agent, any amount due in respect of the Class C Subordinated Loan will rank after any amounts due in respect of the Notes, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers and the Class B Subordinated Loan in accordance with the Post-enforcement Priority of Payments.

(d) General Subordination following enforcement

Following an Enforcement Notice being served:

(a) any amount due or overdue in respect of the Class B Subordinated Loan will:

(i) in terms of payment and security, rank lower in priority than any amount due or overdue in respect of the Notes and any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers; and

(ii) only become payable after any amounts due in respect of any Notes and any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers, have been paid in full;

(b) any amount due or overdue in respect of the Class C Subordinated Loan will:

(i) in terms of payment and security, rank lower in priority than any amount due or overdue in respect of the Class of Notes, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers and the Class B Subordinated Loan; and

(ii) only become payable after any amounts due in respect of any Note, any amount remaining outstanding in respect of the Coupon Excess Consideration Deficiency Ledgers and any Class B Subordinated Loan, sequentially have been paid in full;

(e) Waiver in case of lack of funds on the Final Maturity Date

Subject to Condition 4.11(b), to the extent that available funds are insufficient to repay any principal and Accrued Interest (and Coupon Excess Consideration, if any) outstanding on any Class of Notes on its Final Maturity Date or following enforcement of the Security and payment of all claims ranking in priority to the Notes, any amount of the Principal Amount Outstanding of, and Accrued Interest on (and any Coupon Excess Consideration), such Notes in excess of the amount available for redemption or payment at such time, will cease to be payable by the Issuer and the Issuer shall be under no obligation to pay any interest or damages or other form of compensation to Noteholders in respect of any amounts of interest that remain unpaid as a result.

(f) Principal Deficiencies and Allocation

Principal Deficiency Ledgers

A principal deficiency ledger comprising two sub-ledgers will be established on behalf of the Issuer by the Issuer Administrator in respect of the Notes (**Class A Principal Deficiency Ledger**) and the Class B Subordinated Loan (**Class B Principal Deficiency Ledger**) (the **Principal Deficiency Ledger**), in order to record (i) a Class A Interest Shortfall; (ii) a Principal Deficiency; and (iii) any Notes Redemption Available Amount which in accordance with the Principal Priority of Payments is used to cover any Coupon Excess Consideration Deficiency.

Allocation

On each Quarterly Calculation Date, first, the Class A Interest Shortfall and thereafter, the Quarterly Principal Deficiency and thereafter any Notes Redemption Available Amount which in accordance with the Principal Priority of Payments is used to cover any Coupon Excess Consideration Deficiency will be debited to the Class B Principal Deficiency Ledger (such debit items, together with the debit balance, if any, on the Class B Principal Deficiency Ledger on the immediately preceding Quarterly Payment Date being credited at item (vii) of the pre-FORD Interest Priority of Payments or at item (ix) of the Post-FORD Interest Priority of Payments, to the extent any part of the Notes Interest Available Amount is available for such purpose) so long as the debit balance on such ledger is less than outstanding principal balance of the Class B Subordinated Loan (the **Class B Principal Deficiency Limit**) and thereafter first, the Class A Interest Shortfall and thereafter, the Quarterly Principal Deficiency and thereafter any Notes Redemption Available Amount which in accordance with the Principal Priority of Payments is used to cover any Coupon Excess Consideration Deficiency will be debited to the Class A Principal Deficiency Ledger (such debit items, together with the debit balance, if any, on the Class A Principal Deficiency Ledger on the immediately preceding Quarterly Payment Date being credited at item (iv) of the Pre-FORD Interest Priority of Payments or at item (iv)

of the Post-FORD Interest Priority of Payments, to the extent that any part of the Notes Interest Available Amount is available for such purpose) (the **Class A Principal Deficiency Limit**).

Principal Deficiency means, on any Quarterly Calculation Date, the sum of:

(i) the Quarterly Principal Deficiency calculated on such Quarterly Calculation Date; and

(ii) the debit balance, if any, on the Principal Deficiency Ledger on the immediately preceding Quarterly Payment Date (after application of the Notes Interest Available Amount in accordance with the Interest Priority of Payments on that Quarterly Payment Date).

Quarterly Principal Deficiency means, on any Quarterly Calculation Date, the aggregate Realised Losses.

Class A Interest Shortfall means, in relation to any Quarterly Payment Date, any shortfall of the aggregate amount under items (i) to (x) (inclusive) of Notes Interest Available Amount to pay Accrued Interest on the Notes on the relevant Quarterly Payment Date and any other amount as referred to in items (i) to (iii) (inclusive) of the Pre-FORD Interest Priority of Payments or items (i) to (iii) (inclusive) of the Post-FORD Interest Priority of Payments.

Realised Losses means, on any Quarterly Calculation Date, the sum of:

(i) the amount corresponding to the difference between (i) the aggregate Outstanding Principal Amount of Mortgage Receivables in respect of which the foreclosure procedure or amicable sale procedure on the relevant Mortgage Assets has been completed or insurance policy collections have been received during the immediately preceding Quarterly Calculation Period and (ii) the sum of the Net Proceeds on such Mortgage Receivables; and

(ii) with respect to Mortgage Receivables sold by the Issuer during the immediately preceding Quarterly Calculation Period, the amount of the difference, if any, between (x) the aggregate Outstanding Principal Amount of such Mortgage Receivables at the sale date and (y) the purchase price received in respect of such Mortgage Receivables to the extent relating to the principal amount of such Mortgage Receivables.

Mortgaged Asset means the Real Estate over which a Mortgage and/or a Mortgage Mandate is granted.

4.11 Enforcement of Security and/or Notes – Limited Recourse, Waiver and Non-Petition

(a) Enforcement of the Security Interests

At any time after the Notes have become due and repayable the Security Agent may, at its discretion and without further notice, take such steps and proceedings against the Issuer as it may think fit to enforce the Security and to enforce repayment of the Notes together with payment of Accrued Interest (and Coupon Excess Consideration, if any), but it shall not be bound to take any such proceedings unless:

(a) it shall have been so directed by an Extraordinary Resolution of the Notes then outstanding or so requested in writing by the holders of at least twenty-five (25) per cent. in aggregate Principal Amount Outstanding of the Notes at such date; and

(b) it shall have been indemnified to its satisfaction.

Only the Security Agent may enforce the security interests created by or pursuant to the Pledge Agreement and no other Secured Party or Noteholder shall be entitled to enforce such security or

proceed against the Issuer to enforce the performance of any of the provisions of the Pledge Agreement, unless the Security Agent, having become bound to take such steps as provided in the Pledge Agreement, fails to do so within a reasonable period (thirty (30) Business Days being deemed for this purpose to be a reasonable period) and such failure shall be continuing.

The Security Agent cannot, while any of the Notes are outstanding, be required to enforce the Security at the request of any Secured Party under the Pledge Agreement other than the Noteholders.

(b) Limited Recourse

If, on the earlier of (a) the Final Maturity Date; (b) or the date on which a Class of Notes is redeemed in full in accordance with Condition 4.5(b)(i), 4.5(b)(ii), or 4.5(b)(iv); or (c) the date following the enforcement of the Security and after payment of all other claims ranking in priority to the Notes under the Pledge Agreement in accordance with the Post-Enforcement Priority of Payments, to the extent that Notes Redemption Available Amount and Notes Interest Available Amount are insufficient to repay any principal and Accrued Interest (and accrued Coupon Excess Consideration) outstanding on any Class of Notes, any amount of the Principal Amount Outstanding of, and Accrued Interest (and accrued Coupon Excess Consideration) on, such Notes in excess of the amount available for redemption or payment at such time, will cease to be payable by the Issuer. Each of the Noteholders of the Notes agrees with the Issuer and Security Agent that all obligations of the Issuer to the Noteholders and all other Secured Parties are limited in recourse such that only the assets of the Issuer allocated to Compartment No. 5 subject to the relevant Security will be available to meet the claims of the Noteholders and the other Secured Parties.

Any claim remaining unsatisfied after the enforcement and realisation of the Security and the application of the proceeds thereof in accordance with the Post-enforcement Priority of Payments shall be extinguished and all unpaid liabilities and obligations of the Issuer will cease to be payable by the Issuer. Except as otherwise provided by Condition 4.11 (*Enforcement of Security and/or Notes – Limited Recourse, Waiver and Non-Petition*) or in Condition 4.12 (*The Security Agent*), none of the Noteholders or any other Secured Party shall be entitled to initiate proceedings or take any other steps to enforce any relevant Security.

(c) Waiver

The Noteholders waive, to the fullest extent permitted by law (i) all their rights whatsoever pursuant to Articles 5.90 to 5.93 (inclusive) of the Belgian Civil Code to rescind (*ontbinden/dissoudre*), or demand in legal proceedings the rescission (*ontbinding/dissolution*) of, the Notes, and (ii) all rights whatsoever in respect of the Notes pursuant to Article 7:64 of the Belgian Code of Companies and Associations (right to rescind (*ontbinden/dissoudre*)).

For the avoidance of doubt, the Issuer hereby acknowledges that Article 5.74 of the Belgian Civil Code shall not apply to its obligations under these Conditions and agrees that it shall not be entitled to make any claim under Article 5.74 of the Belgian Civil Code.

(d) Non-Petition

Except as otherwise provided in this Condition 4.11 (*Enforcement of Security and/or Notes – Limited Recourse, Waiver and Non-Petition*) or in Condition 4.12 (*The Security Agent*), no Noteholder or any of the other Secured Parties, shall be entitled to take any steps:

(a) to direct the Security Agent to enforce the relevant Pledged Assets;

(b) to take or join any person in taking steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;

(c) to initiate or join any person in initiating against the Issuer any bankruptcy, winding up, reorganisation, arrangement, insolvency or liquidation proceeding under any applicable law until the expiry of a period of 1 (one) year after the last maturing Note is paid in full;

(d) to take any steps or proceedings that would result in any applicable Priority of Payments not being observed; or

(e) take any action or exercise any rights directly against the Issuer or in connection with the Security.

4.12 The Security Agent

(a) Appointment

The Security Agent has been appointed by the Issuer as representative of the Noteholders in accordance with Article 271/12, §1, first to seventh indent of the UCITS Act and as irrevocable agent and attorney (*mandataire/mandataris*) of the other Secured Parties upon the terms and conditions set out in the Common Representative Appointment Agreement and herein.

(b) Powers, authorities and duties

The Security Agent, acting in its own name and on behalf of the Noteholders and the other Secured Parties, shall have the power:

(a) to accept the Security (on behalf of the Noteholders and the other Secured Parties);

(b) upon service of an Enforcement Notice, to proceed against the Issuer to enforce the performance of the Transaction Documents (including the Notes) and to enforce the Security;

(c) to collect all proceeds in the course of enforcing the Security;

(d) to apply or to direct the application of the proceeds of enforcement in accordance with the Conditions and the provisions of the Common Representative Appointment Agreement and the Pledge Agreement;

(e) to open an account in the name of the Secured Parties or in the name of the Paying Agent (or any substitute paying agent appointed in accordance with the provisions of the Agency Agreement) with a credit institution with a rating by the Rating Agencies equal or equivalent to the minimum rating imposed on the Floating Rate GIC Provider from time to time pursuant to the Transaction Documents (an **Eligible Institution**) for the purposes of depositing the proceeds of enforcement of the Security and to give all directions to the Eligible Institution and/or the Paying Agent (or its substitute) to administer such account;

(f) to exercise all other powers and rights and perform all duties given to the Security Agent under the Transaction Documents; and

(g) generally, to do all things necessary in connection with the performance of such powers and duties.

The Security Agent may delegate the performance of any of the foregoing powers to any persons (including any legal entity) whom it may designate. Notwithstanding any sub-contracting or delegation of the performance of its obligations under the Common Representative Appointment Agreement, the Security Agent shall not thereby be released or discharged from any liability hereunder and shall remain responsible for the performance of the obligations of the Security Agent under the Common

Representative Appointment Agreement and shall be jointly and severally liable for the performance or non-performance or the manner of performance of any sub-contractor, agent or delegate.

The Security Agent shall not be bound to take any action under its powers or duties other than those referred to in clauses (a), (c) and (e) above unless:

(a) it shall have been directed to do so by (i) an Extraordinary Resolution of the Noteholders then outstanding; or (ii) a request in writing of the holders of not less than twenty-five (25) per cent. in aggregate Principal Amount Outstanding of the Notes; and

(b) it shall in all cases have been indemnified to its satisfaction against all liability, proceedings, claims and demands to which it may be or become liable, save where these are due to its own Gross Negligence, wilful misconduct or fraud and all costs, charges and expenses which may be incurred by it in connection therewith.

Whenever the interests of the Noteholders are or can be involved in the opinion of the Security Agent, the Security Agent may, if indemnified to its satisfaction, take legal action on behalf of the Noteholders and represent the Noteholders in any bankruptcy (*faillissement/faillite*), liquidation (*vereffening/liquidation*), judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*) and any other legal proceedings initiated against the Issuer or any other party to a Transaction Document.

(c) Amendments to the Transaction Documents

The Security Agent may on behalf of the Noteholders without the consent of the Noteholders and (subject to Condition 4.12(g)) the other Secured Parties, at any time and from time to time, concur with the Issuer and the other parties thereto in making:

(a) any modification to the Transaction Documents which in the opinion of the Security Agent may be proper provided that the Security Agent is of the opinion that such modification is not materially prejudicial to the interests of the Noteholders;

(b) any modification to the Transaction Documents which in the opinion of the Security Agent is required to enable the Issuer to comply with its obligations under EMIR; or

(c) any modification to the Transaction Documents which in the opinion of the Security Agent is of a formal, minor, or technical nature or is to correct a manifest error or to comply with the (mandatory) provisions of Belgian law.

Any such modification shall be binding on the Noteholders. In no event may such modification be a Basic Term Modification (as defined in Condition 4.13(k)). The Issuer shall cause notice of any such modification to be given to the Rating Agencies and, if the Security Agent so requires or if required under applicable law, to the Noteholders.

In determining whether or not any proposed change, event or action will be materially prejudicial to the interests of Noteholders, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than the Rating Agencies whether obtained by itself, any of the Transaction Parties, or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its Gross Negligence, wilful misconduct or fraud.

If, in the Security Agent's opinion it is not sufficiently established that the proposed amendment or variation can be approved by it in accordance with this paragraph, it will determine in its full discretion whether to submit the proposal to a duly convened meeting of Noteholders (in accordance with Schedule 2 to the Common Representative Appointment Agreement) or to refuse the proposed

amendment or variation or other proposal, or, in case of a Basic Term Modification, to ask for an approval of such Basic Term Modification by an Extraordinary Resolution by the relevant Class of Notes.

(d) Waivers

The Security Agent may, without the consent of the Secured Parties or the Issuer, without prejudice to its right in respect of any breach, condition, event or act from time to time and at any time, but only if and in so far as in its opinion the interests of Noteholders will not be materially prejudiced thereby, (i) authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any proposed or actual breach of any of the covenants or provisions or any action to take pursuant to the covenants or provisions (and agree to extend any contractually agreed cure period) contained in or arising pursuant to the Common Representative Appointment Agreement, these Conditions or any of the other Transaction Documents or (ii) determine that any breach, condition, event or act which constitutes (and/or which, with the giving of notice or the lapse of time and/or the Security Agent making any relevant determination and/or issuing any relevant certificate would constitute), but for such determination, an Event of Default shall not, or shall not subject to specified conditions, be treated as such for the purposes of the Common Representative Appointment Agreement.

Any such authorisation, waiver or determination pursuant to this clause shall be binding on the Noteholders and if, but only if, the Security Agent shall so require, notice thereof shall be given to the Noteholders and the Rating Agencies. In determining whether or not the interests of the Noteholders will be materially prejudiced, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than the Rating Agencies whether obtained by itself, any of the Transaction Parties or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its Gross Negligence, wilful misconduct or fraud.

If in the Security Agent's opinion any proposed variation or amendment of, or addition to, any of the Transaction Documents could lead to a material negative change in the position of the Cap Provider under the Cap Agreement, the Security Agent will submit the proposal to the prior approval of the Cap Provider.

The Security Agent shall not exercise such any powers to waive, authorise or determine, and no resolution will be binding, without the prior written consent of the Cap Provider, as applicable, if the change proposed (by a party other than the Noteholders) to be made qualifies as one of the Basic Term Modifications listed under Condition 4.13(k), (i) to (iv) (inclusive). The Cap Provider may not unreasonably withhold such consent.

(e) Conflicts of interest

The Security Agent shall take account of the interests of the Secured Parties to the extent that there is no conflict amongst them. If:

(a) an actual conflict exists or is likely to exist between the interests of Secured Parties in relation to any material action, decision or duty of the Security Agent under or in relation to the Common Representative Appointment Agreement and the Conditions; and

(b) any of the Transaction Documents and the Conditions give the Security Agent a material discretion in relation to such action, decision or duty;

the Security Agent shall always have regard to the interests of the Noteholders in priority to the interests of the other Secured Parties. In connection with the exercise of its powers, authorities and discretions, the Security Agent shall have regard to the interests of the Noteholders as a Class and shall not have regard to the consequence of such exercise for individual Noteholders.

Other Secured Parties

If, in the Security Agent's opinion, there is a conflict of interest in respect of the Secured Parties other than the Noteholders, the applicable Priority of Payments shall determine which interests shall prevail.

Issuer and Secured Parties

Further, to the extent that:

(a) an actual conflict exists or is likely to exist between the interests of the Issuer and the Secured Parties, and the interests of the Seller in relation to any material action, decision or duty of the Security Agent under or in relation to the Common Representative Appointment Agreement and any other Transaction Document; and

(b) the Common Representative Appointment Agreement and any other Transaction Document gives the Security Agent a material discretion in relation to such action, decision or duty,

then the Security Agent shall have regard to the interests of the Issuer and the other Secured Parties (other than the Seller) in priority to the interests of the Seller.

In relation to any duties, obligations and responsibilities of the Security Agent to the other Secured Parties in its capacity as agent of the Secured Parties in relation to the Pledged Assets and under or in connection with the Common Representative Appointment Agreement and any other Transaction Document, the Security Agent shall discharge these by performing and observing its duties, obligations and responsibilities as representative of the Noteholders in accordance with the provisions of the Common Representative Appointment Agreement, the other Transaction Documents and the Conditions.

(f) Replacement of the Security Agent

The Noteholders shall be entitled to terminate the appointment of the Security Agent by an Extraordinary Resolution notified to the Issuer and the Security Agent, provided:

(a) in the same resolution a substitute security agent is appointed; and

(b) such substitute security agent meets all legal requirements, if any, to act as security agent in respect of an Institutional VBS and accepts to be bound by the terms of the Common Representative Appointment Agreement and all other Transaction Documents in the same way as its predecessor.

If any of the following events (each a **Common Representative Termination Event**) shall occur, namely:

(i) an order is made or an effective resolution is passed for the dissolution (*ontbinding/dissolution*) of the Security Agent except a dissolution (*ontbinding/dissolution*) for the purpose of a merger where the Security Agent remains solvent; or

(ii) the Security Agent ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account for both these purposes its contingent and prospective liabilities) or otherwise becomes insolvent; or

(iii) the Security Agent defaults in the performance or observance of any of its material covenants and obligations under this Agreement or any other Transaction Document and (except where

such default is incapable of remedy, when no such continuation and/or notice shall be required) such default continues unremedied for a period of thirty (30) Business Days after the earlier of the Security Agent becoming aware of such default and receipt by the Security Agent of written notice from the Issuer requiring the same to be remedied; or

(iv) the Security Agent becomes subject to any bankruptcy (*faillissement/faillite*), judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*) or other insolvency proceeding under applicable laws;

(v) the Security Agent is rendered unable to perform its material obligations under the Common Representative Appointment Agreement for a period of twenty (20) Business Days by circumstances beyond its reasonable control or *force majeure*, or

(vi) the management (*bestuur*) of the Security Agent is in one of the circumstances as set out under (ii) or (iv) above;

then the Issuer may by notice in writing terminate the powers delegated to the Security Agent under the Common Representative Appointment Agreement and the Transaction Documents with effect from a date (not earlier than the date of the notice) specified in the notice and appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders which shall promptly be convened by the Issuer. Upon such selection being made and notified by the Issuer to the Secured Parties in a way deemed appropriate by the Issuer, all rights and powers granted to the company then acting as Security Agent shall terminate and shall automatically be vested in the substitute security agent so selected. All references to the Security Agent in the Transaction Documents shall where and when appropriate be read as references to the substitute security agent as selected and upon vesting of rights and powers pursuant this Condition.

Such termination shall also terminate the appointment and power of attorney by the other Secured Parties. The other Secured Parties hereby irrevocably agree that the substitute security agent shall from the date of its appointment act as attorney (*mandataris*/*mandataire*) of the other Secured Parties on the terms and conditions set out in these Conditions and the Transaction Documents.

(g) Accountability, Indemnification and Exoneration of the Security Agent

With respect to the exercise of its powers, authorities and discretions the Security Agent shall have regard to the interests of the Noteholders of a particular Class as a Class and shall not have regard to the consequences of such exercise for individual Noteholders.

If so requested in advance by the board of directors or the Noteholders, the Security Agent shall report to the general meeting of Noteholders on the performance of its duties under the Common Representative Appointment Agreement provided such request is notified by registered mail no later than ten (10) Business Days prior to the relevant general meeting of Noteholders. The board of directors shall require such report if so requested by those Noteholders who have requested that such general meeting be convened.

In determining whether or not the exercise of any power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents will be materially prejudicial to the interests of Noteholders, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than the Rating Agencies whether obtained by itself or the Issuer or any other Transaction Party and it shall not be liable for any loss occasioned by such action, save where such loss is due to its Gross Negligence, wilful misconduct or fraud.

The Transaction Documents contain provisions governing the responsibility (and relief from responsibility) of the Security Agent and providing for its indemnification in certain circumstances, including provisions relieving the Security Agent from taking enforcement proceedings or enforcing the Security unless indemnified to its satisfaction.

The Security Agent shall not be liable to the Issuer, the Noteholders or any of the other Secured Parties in respect of any loss or damage which arises out of the exercise, or the attempted exercise of, or the failure to exercise any of its powers or any loss resulting there from, except that the Security Agent shall be liable for such loss or damage that is caused by its Gross Negligence, wilful misconduct or fraud.

The Security Agent shall not be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Pledged Assets, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of the MPT Provider or any agent or related company of the MPT Provider or by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Security Agent.

The Security Agent shall have no liability for any breach of or default under its obligations under the Common Representative Appointment Agreement and under any other Transaction Document if and to the extent that such breach is caused by any failure on the part of the Issuer to perform any of its material obligations under the Common Representative Appointment Agreement or by any failure on the part of the Issuer or any of the Secured Parties to duly perform any of its material obligations under any of the other Transaction Documents. In the event that the Security Agent is rendered unable to duly perform its obligations under any of the Transaction Documents by any circumstances beyond its control, the Security Agent shall not be liable for any failure to carry out the obligations under the Transaction Documents which are thus affected by the event in question and, for so long as such circumstances continue, its obligations under the Common Representative Appointment Agreement and under any other Transaction Documents which are thus affected will be suspended without liability for the Security Agent.

The Security Agent shall not be responsible for ensuring that any Security is created by, or continues to be managed by, the Issuer, the Security Agent, or any other person in such a manner as to create or maintain sufficient control to obtain the type of Security described in the Pledge Agreement in relation to the assets of the Issuer which are purported to be secured thereby.

The Security Agent may, until it has actual knowledge or express notice to the contrary, assume the Issuer is observing and performing all its obligations under the Common Representative Appointment Agreement or any other Transaction Documents and in any notices or acknowledgements delivered in connection with any such documents.

If in the Security Agent's opinion any proposed variation or amendment of, or addition to, any of the Transaction Documents can lead to a material negative change in cash flows under the Cap Agreement, it will determine in its full discretion whether to submit the proposal to the prior approval of the Cap Provider.

4.13 Meetings of Noteholders, Modifications and Waivers

(a) General

The Articles 7:162 to 7:165 of the Belgian Code of Companies and Associations shall not apply as the Conditions, the by-laws of the Issuer or the Transaction Documents contain provisions which differ from the provisions contained in such articles. The Transaction Documents contain in particular, but

without limitation, the following provisions which differ from the provisions of the Belgian Code of Companies and Associations:

(a) the board of directors or the Auditor may at all times convene a meeting of Noteholders and will be required to convene a meeting of the Noteholders at the request of the Security Agent or of Noteholders representing not less than one-tenth of the aggregate Principal Amount Outstanding of the Class of Notes;

(b) the provisions of Article 7:165 of the Belgian Code of Companies and Associations will not apply and the notices in relation to meetings of the Noteholders will be published as set out in Condition 4.14 (*Notices*);

(c) in addition to the provisions of Article 7:162 of the Belgian Code of Companies and Associations, the meeting of Noteholders and the Security Agent shall have all the powers given to them in the Transaction Documents, including, but not limited to, those given to them in the Conditions; and

(d) the reasons for convening a meeting of Noteholders is not limited to the reasons set out in the Belgian Code of Companies and Associations.

Notwithstanding the provisions of Article 7:162 of the Belgian Code of Companies and Associations, the meeting of Noteholders and the Security Agent shall have all the powers given to them in the Transaction Documents, including, but not limited to, those given to them in these Conditions.

(b) Time and place

Every meeting shall be held at a time and place approved by the Security Agent.

(c) Notice and management

At least 15 calendar days' notice (exclusive of the day on which the notice is given and of the day on which the relevant meeting is to be held) specifying the date, time and place of the meeting shall be given to the Noteholders in accordance with Condition 4.14 (*Notices*) with a copy to the Issuer or the Security Agent, as the case may be. The notice shall set out the full text of any resolutions to be proposed. In addition, the notice shall explain how Noteholders may obtain Voting Certificates and use a Block Voting Certificate and the details of the time limits applicable.

The chairman may with the consent of (and shall if directed by) any general meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned general meeting except business which could have been transacted at the general meeting from which the adjournment took place.

If the general meeting has been reconvened through want of quorum, at least ten (10) calendar days' notice of such new meeting shall be given in the same manner as for an original general meeting, and such notice shall state the quorum required at the adjourned general meeting. Except in case of a meeting to consider an Extraordinary Resolution it shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason than by want of quorum. An **Extraordinary Resolution** means a decision approved or to be approved by a resolution with a majority consisting of not less than 75 per cent. of the votes cast of the Notes thereat, whether by show of hand or a poll.

(d) Chairman

The chairman of a meeting shall be such person (who may, but need not be, a Noteholder) as the Issuer or the Security Agent (as applicable) may nominate in writing, but if no such nomination is made or

if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders, the meeting shall be chaired by the person elected by the majority of the voters present, failing which, the Noteholders' Representative shall appoint a chairman. The chairman of an adjourned meeting need not be the same person as was chairman at the original meeting.

(e) Access to meetings of Noteholders

Save as expressly provided otherwise herein, no person shall be entitled to attend or vote at any general meeting of the Noteholders unless, he produces an appropriate voting certificate or block voting certificate which has been issued by the Recognised Accountholder or Securities Settlement System (or any Alternative Securities Settlement System).

A **Recognised Accountholder** means, in relation to one or more Notes, the recognised accountholder (*erkende rekeninghouder/teneur de compte agréé*) within the meaning of Article 7:35 of the Belgian Code of Companies and Associations with which a Noteholder holds such Note on a securities account.

(f) Voting Certificates

A Voting Certificate shall:

(a) be issued by a Recognised Accountholder or the Securities Settlement System;

(b) state that on the date thereof (i) Notes (not being Notes in respect of which a Block Voting Certificate has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding (to the satisfaction of the Recognised Accountholder or Securities Settlement System) were held to its order or under its control and blocked by it and (ii) that no such Notes will cease to be so held and blocked until the first to occur of:

(i) the conclusion of the meeting specified in such Voting Certificate or, if applicable, any such adjourned meeting; and

(ii) the surrender of the Voting Certificate to the Recognised Accountholder or Securities Settlement System who issued the same; and

(c) further state that until the release of the Note represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Notes represented by such certificate.

(g) Block Voting Certificates

A Block Voting Certificate shall:

(a) be issued by a Recognised Accountholder or Securities Settlement System;

(b) certify that (i) Notes (not being Notes in respect of which a Voting Certificate has been issued which is outstanding in respect of the meeting specified in such Block Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding (to the satisfaction of the Recognised Accountholder or Securities Settlement System) were held to its order or under its control and blocked by it and (ii) that no such Notes will cease to be so held and blocked until the first to occur of:

(i) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and

(ii) the giving of notice by the Recognised Accountholder or Securities Settlement System to the Issuer, stating that certain of such Notes cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Certificate;

(c) certify that each holder of such Notes has instructed such Recognised Accountholder or Securities Settlement System that the vote(s) attributable to the Notes so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing 3 Business Days prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;

(d) state the principal amount outstanding of the Notes so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and

(e) naming one or more persons (each hereinafter called a "proxy") as being authorised and instructed to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in (d) above as set out in such document.

The Security Agent and the Issuer (through their respective officers, employees, advisers, agents or other representatives) and their respective financial and legal advisers shall be entitled to attend and speak at any meeting of the Noteholders. Proxyholders need not be Noteholders.

Formalities and procedures in respect of the Registered Notes will be such as described in the relevant notice to the relevant Noteholders.

Schedule 2 of the Common Representative Appointment Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting the interests of Noteholders, including proposals by Extraordinary Resolution to modify, or to sanction the modification of the Notes (including these Conditions) or the provisions of any of the Transaction Documents or to consider matters affecting the Transaction otherwise.

(h) Binding Resolutions

Any resolution passed at a meeting of the Noteholders duly convened and held in accordance with the Conditions shall be binding upon all the Noteholders whether present or not present at such meeting and whether or not voting, provided that no Basic Term Modification (as defined below) shall be effective unless the modification is approved by a resolution with a majority consisting of not less than 75 per cent. of the votes cast on that resolution, whether by show of hand or a poll (an ***Extraordinary Resolution***) passed at a general meeting of the Noteholders duly convened and held in accordance with the rules set out in Schedule 2 of the Common Representative Appointment Agreement for approving a Basic Term Modification.

(i) Written Resolutions

A resolution in writing signed by or on behalf of Noteholders, representing at least seventy-five (75) per cent. of the aggregate Principal Amount Outstanding of the Notes in case of a Basic Term Modification, who for the time being are entitled to receive notice of a general meeting in accordance with the provisions contained in the Conditions shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of the Noteholders duly convened and held in

accordance with the provisions contained in the Conditions. A resolution in writing signed by or on behalf of at least fifty (50) per cent. of the aggregate Principal Amount Outstanding of the Notes shall take effect as if it were any resolution other than Extraordinary Resolution, in case it does not relate to a Basic Term Modification.

(j) Requisitions

The board of directors or the Auditor for the time being of the Issuer may at any time and must upon a request in writing of (a) Noteholders holding not less than one-tenth of the aggregate Principal Amount Outstanding of the Class of Notes or (b) the Security Agent (subject to its being indemnified to its satisfaction against all costs and expenses thereby occasioned), convene a general meeting of the Noteholders.

(k) Basic Term Modification

(i) Any modification of the date or priority of redemption of any of the Notes, (ii) any modification which would have the effect of postponing any day for payment of interest on the Notes, (iii) any modification which would have the effect of reducing or cancelling the amount of principal payable in respect of the Notes or the rate of interest applicable thereto, (iv) any modification which would have the effect of altering the currency of payment thereof, (v) any modification which would have the effect of altering the majority required to pass an Extraordinary Resolution, (vi) any modification which would have the effect of altering the definition of an Event of Default, or (vii) any modification which would have the effect of altering the Security Agent's duties in respect of the Security, is referred to herein as a **Basic Term Modification**.

(l) Quorum

The quorum at any general meeting of Noteholders (other than where the business of such meeting includes the proposal of a Basic Term Modification (as defined above)) will be one or more persons present in person holding voting certificates and/or being proxies and being or representing in the aggregate (the Noteholders of) fifty (50) per cent. or more of the aggregate Principal Amount Outstanding of the Notes of the relevant Class of Notes at the time of the meeting and no business (other than the choosing of a chairman) shall be transacted at any such meeting unless the requisite quorum be present at the commencement of business.

The quorum at any general meeting of Noteholders for passing an Extraordinary Resolution in respect of a Basic Term Modification shall be one or more persons present in person holding voting certificates and/or being proxies and being or representing in the aggregate (the Noteholders of) seventy-five (75) per cent. or more of the aggregate Principal Amount Outstanding of the Notes at the time of the meeting and no business (other than the choosing a chairman) shall be transacted at any such general meeting unless the requisite quorum be present at the commencement of business.

If within half an hour from the time appointed for any such general meeting of Noteholders a quorum is not present, the general meeting of Noteholders shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned for such period being not less than fourteen (14) days nor more than forty-two (42) days, and at such place as may be appointed by the chairman and approved by the Security Agent.

At any adjourned meeting (other than a meeting convened at the request of the Noteholders) the quorum for:

(a) approving a Basic Term Modification at the general meeting shall be more persons present in person holding voting certificates and/or being proxies and being or representing in the aggregate (the Noteholders of) twenty-five (25) per cent. or more of the aggregate Principal Amount Outstanding of the Notes at the time of the meeting; and

(b) approving any other resolution shall be one or more persons present in person holding Notes and/or voting certificates and/or being proxies whatever the Principal Amount Outstanding of the Notes is held or represented.

(m) Voting

At any meeting (a) on a show of hands every Noteholder (being an individual) who is present in person and produces a declaration of a Securities Settlement or Recognised Account Holder of its Notes being blocked until that date of the meeting (voting certificate or block voting certificate) or, with regard to the Registered Notes, is identified as a Noteholder in the notes register held with the Issuer, its registrar or is a proxy, shall have one vote in respect of each Note and (b) on a poll every person who is so present shall have one vote in respect of each EUR 10,000 of Principal Amount Outstanding of Notes referred to on the blocking certificate or registered as Noteholder in the notes register or in respect of which that person is a proxy.

(n) Majorities

The majority required for an Extraordinary Resolution shall be seventy-five (75) per cent. of the votes cast on that resolution, whether on a show of hands or a poll.

The majority for every resolution other than an Extraordinary Resolution shall be a simple majority.

(o) Powers

The meeting shall have all the powers expressly given to it in the Conditions, the by-laws of the Issuer, the Common Representative Appointment Agreement or any other Transaction Document. The following powers may only be exercised by way of an Extraordinary Resolution, and with the consent of the Issuer, except for (e), (f), (g), (h) and (j):

(a) power to sanction any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement or waiver in respect of, the rights of the Noteholders against the Issuer, whether such rights shall arise under the Conditions, the Notes or otherwise;

(b) power to sanction any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement or waiver in respect of any of its material obligations under the Transaction Documents or Notes;

(c) power to sanction the exchange or substitution of the Notes or the conversion of the Notes into shares, stock, convertible notes, or other obligations or securities of the Issuer or any other body corporate formed or to be formed;

(d) power to assent to any alteration of the provisions contained in these Conditions, the Notes, the Common Representative Appointment Agreement (including Schedule 2 thereto) or any of the Transaction Documents or which shall be proposed by the Issuer and/or the Security Agent;

(e) power to authorise the Security Agent to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;

(f) power to discharge or exonerate the Security Agent from any liability in respect of any act or omission for which the Security Agent may have become responsible under or in relation to these Conditions, the Notes, the Common Representative Appointment Agreement or any of the Transaction Documents;

(g) power to give any authority, direction or sanction, which under the provisions of the Conditions or the Notes is required to be given by Extraordinary Resolution;

(h) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;

(i) power to sanction the release of the Issuer or of the whole or any part of the Pledged Assets from all or any part of the principal moneys and interest owing in respect of the Notes;

(j) power to authorise the Security Agent or any receiver appointed by it where it or he shall have entered into possession of the Pledged Assets or otherwise enforced the Security in relation thereto, to discontinue enforcement of any security constituted by the Pledge Agreement either unconditionally or upon any Conditions; and

(k) power to change a date fixed for payment of principal or interest or to cancel an amount, or the method for calculation on the date of payment.

(p) Compliance

The Issuer may with the consent of the Security Agent and without the consent of the Noteholders prescribe such other or further regulations regarding the holding of meetings of Noteholders and attendance and voting thereat as are necessary to comply with Belgian law.

(q) Conflicts of Interest

In order to avoid any potential conflict of interest, if and as long as any Notes are held by the Seller, all quorums and voting majorities set out above required to pass a Noteholders' resolution, will have to be met in respect of the group consisting of the Seller on the one hand and the group of all other Noteholders (excluding the Seller).

(r) Noteholders resolution

All decisions adopted by the Meeting of Noteholders shall be published on the website of the Issuer and notified to the Cap Provider (as soon as reasonably practicable) and, to the extent such decisions constitute regulated information as described in the royal decree of 14 November 2007 on the obligations of issuers of financial instruments which are admitted to trading on a Belgian regulated market (as amended, and/or replaced from time to time, the **November 2007 RD**), through such other channels as required to be in compliance with the November RD.

(s) Minutes

Minutes of all resolutions and proceedings at every such general meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer (failing which by the Security Agent), and any such minutes as aforesaid, if purporting to be signed by the chairman of the general meeting at which such resolutions were passed or proceedings transacted or by the chairman of the next succeeding general meeting of the Noteholders, shall be conclusive evidence of the matters therein contained, and until the contrary is proved every such general meeting in respect of the proceedings of which minutes have been made and signed as aforesaid shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted thereat to have been duly passed or transacted.

4.14 Notices

(a) All notices to Noteholders of any Class shall be deemed to have been duly given if:

(i) in case of notices for convening meetings of Noteholders:

(A) all Noteholders receive an individualized invitation by registered letter or, subject to the explicit written approval of the individual Noteholder, by fax or e-mail; or

(B) a communication has been sent through the Securities Settlement System;

(ii) in case such notice (other than a notice under (A)) does constitute regulated information as described in the November 2007 RD, a notice in English and Dutch is published:

(A) through such communication channels (which may include leading newspapers with general circulation in Belgium, communications sent through the Securities Settlement System, publication on Bloomberg,…) as would be in compliance of the November 2007 RD and appropriate in view of the type of regulated information; and

(B) on the website of the Issuer.

(iii) in case such notice does not constitute regulated information as described in the November 2007 RD, a notice in English and Dutch:

(A) is published on the website of the Issuer; or

(B) is published through Bloomberg; or

(C) is distributed by the Issuer (or the Issuer Administrator on its behalf), the Manager or the Security Agent to each individual Noteholder by fax, e-mail or registered letter.

(b) Notices specifying a Quarterly Payment Date, an Interest Rate, an Coupon Amount, a payment of principal (or absence thereof), a Principal Amount Outstanding or a Note Factor or relating generally to payment dates, payments of interest, repayments of principal and other relevant information with respect to the Notes shall be deemed to have been duly given (provided they do not constitute regulated information under the Royal Decree of 14 November 2007) if the information contained in such notice appears in an Investor Report, on the website of the Issuer, on the relevant page of Bloomberg, or on such other medium for the electronic display of data as may be approved by the Security Agent and notified to the Noteholders (the **Relevant Screen**) or is distributed to the individual Noteholders as set out under paragraph (C) above at least two Business Days before a Quarterly Payment Date. Any such notice shall be deemed to have been given on the first date on which such information appeared on the Relevant Screen or if it is impossible or impracticable to give notice in accordance with this paragraph then notice of the matters referred to in this Condition shall be given in accordance with the preceding paragraph.

(c) Any notice (other than a notice referred to under Condition 4.14(b)) shall be deemed to have been given on:

(i) on the date of receipt of such notice (in the case of a notice to an individual Noteholder) whereby (x) notice by fax or e-mail will be deemed to have been received on the date of sending, if such date is a Business Day and the e-mail or fax has been sent before 17.00h Brussels time and no notice of non-delivery has been received and (ii) notice by registered letter will be deemed to have been received on the second Business Day after the day of sending;

(ii) in case of a publication on a website, through Bloomberg or in a newspaper: on the date of such publication or, if published more than once or on different dates in a newspaper, on the first date on which publication is made in the manner required in one of the newspapers referred to above;

(iii) in case of notice being sent through the Securities Settlement System, on the date of sending such notice; and

(iv) in case of notice being sent through another channel as mentioned under Condition 4.14(a)(ii), on the date which according to generally accepted market practice is the date of receipt of such notice or on such date which in the opinion of the Security Agent is to be considered the date of receipt of such notice.

4.15 Governing Law

These Conditions are governed by and shall be construed in accordance with, Belgian law.

The Dutch speaking (*nederlandstalige/néerlandophone*) courts of Brussels, Belgium have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Notes.

ANNEX 2 - QUALIFYING INVESTORS UNDER THE UCITS ACT

Pursuant to Article 5, §3 and §3/1 of the UCITS Act, Qualifying Investors are the "professional investors" (the **Professional Investors**). A royal decree may restrict or extend this definition. The professional investors are the professional clients listed under the Annex to the royal decree of 19 December 2017 concerning further rules for implementation of the directive on markets in financial instruments (the **Royal Decree of 19 December 2017**) and the eligible counterparties in the meaning of Article 3, §1 of the Royal Decree of 19 December 2017, namely:

(a) the Belgian and foreign legal entities that have a license or are regulated in order to be active on the financial markets including:

  (i) the credit institutions;

  (ii) the investment firms;

  (iii) the other financial institutions that have a license or are regulated;

  (iv) the insurance companies;

  (v) the collective investment undertakings and their management companies;

  (vi) the pension funds and their management companies;

  (vii) the traders in commodities futures and derivated instruments (*grondstoffen termijnhandelaren/intermédiaries en matières premières et instruments dérivés sur celles-ci*);

  (viii) the local companies;

  (ix) the other institutional investors;

(b) the other companies than those contemplated in item (a) above, that satisfy at least two of the following three criteria, on individual basis:

  (i) total balance sheet of EUR 20 million;

  (ii) net annual turnover of more than EUR 40 million; and

  (iii) equity of more than EUR 2 million.

(c) national governments, Belgian state, Communities and Regions, national, regional and foreign authorities; public undertakings in charge of the public debt, central banks, international and supranational institutions as the World Bank, the IMF, the European Central Bank, the European Investment Bank, and other similar international institutions.

(d) other institutional investors whom the main activity is the investment in financial instruments, in particular entities in relation to assets securitisation and other financing operations.

The Royal Decree of 26 September 2006 (as amended from time to time and fo rht elast time on 25 February 2017) has further modified the definition of "professional investors" for the purposes of Article 5, §3/1 of the UCITS Act as follows:

(a) private individuals are not considered as professional investors;

(b) professional investors that have elected to be treated as non-professional investors, as for the purposes of Article 5, §3/1 of the UCITS Act are considered as professional investors.

ANNEX 3 – DEFINED TERMS

PART 1 – DEFINED TERMS

In addition to the terms defined in this Prospectus, the following terms have the following meaning:

Additional Security means with regard to any Mortgage Loan, all claims, whether contractual or in tort, against any insurance company, notary public, Mortgage Registrar, public administration, property expert, broker or any other person in connection with such Mortgage Loans or the related Mortgaged Assets or Loan Security or in connection with the Seller's decision to grant such Mortgage Loans and in general any other security or guarantee other than the Loan Security created or existing in favour or the Seller as security for a Mortgage Loan;

Agreed Form means, in relation to any document, the form of the document which has been agreed between the parties thereto;

All Sums Mortgage means a Mortgage which is used to secure all other amounts which the Borrower owes or in the future may owe to the Seller (alle sommen hypotheek/hypothèque pour toute somme) in addition to amounts which the Borrower owes under the Mortgage Loans;

CLTCV means the ratio between (i) the sum of (x) the aggregate outstanding amount of all Existing Loans secured by the same Mortgage as a Mortgage Receivable and (y) the Outstanding Principal Amount of such Mortgage Receivable, and (ii) the indexed value of the Mortgaged Assets;

Code of Economic Law means the Belgian code of economic law (*Wetboek Economisch Recht/Code de Droit Economique*) dated 28 February 2013, as amended from time to time;

Collateral Law means the Law of 15 December 2004 on financial collateral (*Wet van 15 december 2004 betreffende financiële zekerheden en houdende diverse fiscale bepalingen inzake zakelijke-zekerheidsovereenkomsten en leningen met betrekking tot financiële instrumenten/Loi du 15 décembre 2004 relative aux sûretés financières et portant des dispositions fiscales diverses en matière de conventions constitutives de sûreté réelle et de prêts portant sur des instruments financiers*), as amended from time to time;

Compartment means a compartment within the meaning of article 271/11 of the UCITS Act;

Compartment No. 5 means the Compartment of the Issuer to which the assets and liabilities relating to the Mortgage Receivables and the Notes are allocated;

Contract Records means the file or files, books, magnetic tapes, disks, cassettes or such other method of recording or storing information from time to time relating to each Mortgage Loan and Related Security, containing, *inter alia*, (i) the Mortgage Deeds and all material records and correspondence relating to the Mortgage Loans, the Loan Security and Additional Security and/or the Borrower, (ii) the completed Standard Loan Documentation applicable to the Mortgage Loan and (iii) any payment, arrears and status reports maintained by the MPT Provider;

Credit Policies means the procedures, policies and practices applied by the Seller with regard to the origination, credit collection and administration and underwriting criteria of its Mortgage Loans attached as Schedule 10 to the Mortgage Receivables Purchase Agreement, certified by the Seller to be a true, accurate and up-to-date reflection of its current credit policies, provided that if the Seller no longer acts as MPT Provider, any collection and administration procedures and policies to be agreed between the Issuer and the substitute MPT Provider ;

Cut-Off Date means 31 October 2022;

Disputed Mortgage Receivable means any Mortgage Receivable in respect of which payment is disputed (in whole or in part, with or without justification) by the Borrower of such Mortgage Loan, or in respect of which a set-off or counterclaim is being claimed by such Borrower; for the avoidance of doubt, a Mortgage Receivable shall not be a Disputed Mortgage Receivable by reason merely of the fact that any payment thereunder is not made, that the Borrower is in default, insolvent or subject to a *collectieve schuldenregeling/règlement collectif de dettes*, that the Borrower is seeking from the courts the benefit of a grace period, or that there is a conciliation procedure (whether successful or not) in respect of this Mortgage Loan under article 59 of the Mortgage Credit Act;

EURIBOR means means, in respect of any specified period, the interest rate benchmark known as the Eurozone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Banking Federation based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor);

Eurozone means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

Hazard Insurance Policy means an insurance covering fire and/or kindred perils in respect of any Mortgaged Assets;

Insurance Company means any insurance company granting a Hazard Insurance (in respect of the Mortgaged Assets) or a Life Insurance (in respect of a Mortgage Loan);

Insurance Policy means any and all Hazard Insurance Policy or Life Insurance Policy;

Life Insurance Policy means any insurance policy covering the risk of death of any Borrower of a Mortgage Loan;

Loan Security means in respect of a Mortgage Loan, any Mortgage and/or Mortgage Mandate and all rights, title, interest and benefit relating to any Insurance Policies, any guarantee provided for such Mortgage Loan, any Mortgage Promise provided in relation to a Mortgage Loan, any assignment of salaries (*loonsoverdracht/cession de salaire*) that the Borrower may earn and any other mortgage (*hypotheek/hypothèque*), privilege (*voorrecht/privilège*), pledge, encumbrance, assignment, right of retention, subordination, right of set-off or any security interest whatsoever, however so created or arising whether relating to existing or future assets, each (i) to the extent expressly referred to in the Contract Records governing the Mortgage Loan or (ii) with respect to a Mortgage and/or Mortgage Mandate, except with respect to a Mortgage created in favour of the Issuer pursuant to an exercise of a Mortgage Mandate or a Mortgage Promise or as a result of an exchange of Mortgage (*pandwissel/échange d'hypothèque*), to the extent listed in Schedule 4 of the Mortgage Receivables Purchase Agreement, as well as any amendments or substitutions to the security listed in Schedule 4 of the Mortgage Receivables Purchase Agreement after the Closing Date, whether or not these amendments or substitutions are reflected in Schedule 4;

MAS Law means the law of 11 July 2013 amending the Belgian Civil Code in respect of security on movable assets and abolishing various relevant provisions (*Wet van 11 juli 2013 tot wijziging van het Burgerlijk Wetboek wat de zakelijke zekerheden op roerende goederen betreft en tot opheffingvan diverse bepalingen ter zake/Loi du 11 juillet 2013 modifiant le Code civil en ce qui concerne les sûretés réelles mobilières et abrogeant diverses dispositions en cette matière*).

Member State means a member state of the European Union;

Monthly Calculation Date means the tenth day, or if such day is not a Business Day, the next succeeding Business Day of each month;

Monthly Calculation Period means a period starting on the first day of each month and ending on the last day of such month;

Mortgage means, in relation to each Mortgage Loan and to the extent part of the Loan Security, a mortgage (*hypotheek*/*hypothèque*) as such term is construed under Belgian law securing the Mortgage Loan, together with the benefit of all rights relating thereto, including, for the avoidance of doubt, a mortgage created for the benefit of the Issuer pursuant to the exercise of a Mortgage Mandate or as a result of an exchange of Mortgage (*pandwissel/échange d'hypothèque*);

Mortgage Conditions means, in relation to a Mortgage Loan, the terms and conditions applicable to the Mortgage Loan, as set forth in the relevant Contract Records and/or in any applicable general terms and conditions of the Seller, as the case may be;

Mortgage Deed means notarially certified copies of the notarial deeds constituting the mortgage loans;

Mortgage Loans means the loans secured by (i) a first-ranking mortgage and/or (ii) a lower ranking Mortgage, provided that the benefit of all higher ranking Mortgage on the same Real Estate has been transferred to the Issuer pursuant to the Mortgage Receivables Purchase Agreement, and/or as the case may be, (iii) a mandate to create Mortgages over the Mortgaged Assets and entered into by the Seller or its legal predecessors and the relevant Borrowers which meet the criteria set forth in the Mortgage Receivables Purchase Agreement and which will be selected prior to or on the Closing Date;

Mortgage Mandate means, in relation to each Mortgage Loan and to the extent part of the Loan Security, an irrevocable power of attorney granted by a Borrower or a third party collateral provider to certain attorneys to create a mortgage as security for the Mortgage Loan and all other amounts which the Borrower owes or in the future may owe to the Seller;

Mortgage Promise means, in relation to each Mortgage Loan and to the extent part of the Loan Security, an irrevocable undertaking by a Borrower to create, at the Seller's first request, a mortgage as security for the Mortgage Loan and all other amounts which the Borrower owes or in the future may owe to the Seller;

Mortgage Registrar means the person (*hypotheekbewaarder/conservateur des hypothèques*) who registers mortgages in the Mortgage Register in accordance with the Mortgage Law;

Mortgaged Assets means the Real Estate over which a Mortgage and/or a Mortgage Mandate is granted;

Optional Repurchase Price means a price equal to the then Outstanding Principal Amount, together with accrued interest due but unpaid, if any, up to the relevant date of repurchase or reassignment and reasonable costs relating thereto (including any costs incurred by the Issuer in effecting and completing such repurchase and reassignment), except that with respect to Mortgage Receivables which are in arrears for a period exceeding 90 calendar days or in respect of which a foreclosure proceeding has been started, the purchase price shall be the lesser of (a) the sum of the Outstanding Principal Amount, together with accrued interest due but unpaid, if any, and any other amount due under the Mortgage Receivables up to the relevant date of such repurchase or reassignment and (b) the BGAAP value of the Mortgage Receivable, together with accrued interest due but unpaid;

Other Security means in respect of a Mortgage Loan, any Loan Security other than any Mortgage, Mortgage Mandate, any Insurance Policies and any assignment of salaries (*loonsoverdracht/cession de salaire*) created or existing in favour of the Seller, as security for a Mortgage Loan;

Prospectus Regulation means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market;

Real Estate means a real property or soil destined for real property construction located in Belgium;

Related Security means the Loan Security, the Additional Security and the Other Security;

Repurchase Price is the price to be paid for a repurchase of a Mortgage Receivable pursuant to Clause 10.3 of the MRPA and is equal to the then Outstanding Principal Amount of the Mortgage Receivable plus accrued interest thereon and costs (including any costs incurred by the Issuer for effecting and completing such repurchase and reassignment) up to (but excluding) the date of completion of the repurchase;

Standard Loan Documentation means (i) the standard documents and forms used for originating Mortgage Loans through the network and according to the procedures of the Seller and (ii) the general banking conditions applicable to such Mortgage Loans, delivered by the Seller to the Issuer pursuant to Clause 6.2 of the Mortgage Receivables Purchase Agreement;

Tax Deduction means any deduction or withholding on account of any Tax, duties, assessment or charges of whatever nature imposed or levied by or on behalf of the Kingdom of Belgium or any political subdivision or authority thereof or therein

UCITS Act means the Act of 3 August 2012 on institutions for collective investment that satisfy the criteria of directive 2009/65/EC and on institutions for investment in receivables (*Wet betreffende de instellingen voor collectieve belegging die voldoen aan de criteria van Richtlijn 2009/65/EC en de instellingen voor belegging in schuldboderingen/ Loi relative aux organismes de placement collectif qui répondent aux conditions de la Directive 2009/65/EC et aux organismes de placement en créances*) as amended from time to time.

PART 2
INDEX OF DEFINED TERMS

REGISTERED OFFICES

ISSUER
B-Arena NV/SA
institutionele VBS naar Belgisch recht/SIC institutionelle de droit belge
acting through its Compartment No. 5
Marnixlaan 23, 5de verdieping
1000 Brussels

SELLER/MPT PROVIDER
Bank Nagelmackers NV/SA
Montoyerstraat 141000 Brussels

SECURITY AGENT
Stichting Security Agent B-Arena
Basisweg 10
1043 AP Amsterdam

CAP PROVIDER
Belfius Bank SA/NV
Place Charles Rogier 11
1210 Brussels

FLOATING RATE GIC PROVIDER
Belfius Bank SA/NV
Place Charles Rogier 11
1210 Brussels

ISSUER ADMINISTRATOR
Intertrust Administrative Services B.V.
Basisweg 10
1043 AP Amsterdam
the Netherlands

PAYING AGENT AND REFERENCE AGENT AND LISTING AGENT
Belfius Bank SA/NV
Place Charles Rogier 11
1210 Brussels

LIQUIDITY FACILITY PROVIDER
Belfius Bank SA/NV
Place Charles Rogier 11
1210 Brussels

LEGAL ADVISER TO THE SELLER AND THE MANAGER
as to Belgian law
Allen & Overy (Belgium) LLP
Avenue de Tervueren 268 A
1150 Brussels

as to English law
Allen & Overy LLP
One Bishops Square,
E1 6AD London

AUDITORS
PwC Bedrijfsrevisoren
Culliganlaan 5, 1831 Machelen

ARRANGER
Belfius Bank NV/SA
Place Charles Rogier 11
1210 Brussels

MANAGER
Bank Nagelmackers NV/SA
Montoyerstraat 14
1000 Brussels