

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED) OR TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: You must read the following before continuing. The following applies to the Prospectus attached to this electronic transmission (the "**Prospectus**", and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF THE ISSUER IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT EXCEPT PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS). THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

THE NOTES OFFERED AND SOLD BY THE ISSUER ARE NOT DESIGNED TO INVOLVE THE RETENTION BY A SPONSOR OF AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE SECURITISED ASSETS FOR PURPOSES OF COMPLIANCE WITH THE U.S. RISK RETENTION RULES (AS DEFINED BELOW) REGARDING NON-U.S. TRANSACTIONS OTHER THAN THE EXEMPTION UNDER SECTION 20 OF THE U.S. RISK RETENTION RULES (AS DEFINED BELOW), AND NO OTHER STEPS WILL BE TAKEN BY THE ISSUER, THE ARRANGER, THE LEAD MANAGER OR ANY OF THEIR AFFILIATES OR ANY OTHER PARTY TO ACCOMPLISH SUCH COMPLIANCE.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE RETENTION HOLDER (A "**U.S. RISK RETENTION CONSENT**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), ANY 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 SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. ON THE CLOSING DATE, THE NOTES MAY ONLY BE PURCHASED BY PERSONS THAT ARE (A) NOT RISK RETENTION U.S. PERSONS OR (B) PERSONS THAT HAVE OBTAINED A U.S. RISK RETENTION WAIVER (AS DEFINED HEREIN) FROM THE RETENTION HOLDER. PURCHASERS OF THE NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN, WILL BE DEEMED AND IN CERTAIN CIRCUMSTANCES WILL BE REQUIRED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT EACH PURCHASER (1) EITHER (A) IS NOT A RISK RETENTION U.S. PERSON OR (B) HAS RECEIVED A U.S. RISK RETENTION WAIVER FROM THE RETENTION HOLDER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT, 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). CERTAIN INVESTORS MAY BE REQUIRED TO EXECUTE A WRITTEN CERTIFICATION OF REPRESENTATION LETTER BY THE RETENTION HOLDER IN RESPECT OF THEIR STATUS UNDER THE U.S. RISK RETENTION RULES. SEE "*RISK FACTORS – U.S. RISK RETENTION REQUIREMENTS*".

THE SECURITIES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTORS. 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; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC AS AMENDED OR SUPERSEDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

By accessing the Prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Prospectus by electronic transmission, (c) you are not a U.S. person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) and (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**") or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO.

This Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Arranger, the Lead Manager (each as defined herein) nor any person who controls any of them respectively (nor any director, officer, employee or agent of it or affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer, the Arranger and the Lead Manager (as defined herein).

JEPSON RESIDENTIAL 2019-1 DAC

(incorporated with limited liability in Ireland under number 642779,)

Note Class	Initial Principal Amount (EUR)	Issue Price	Interest Rate/Reference Rate	Coupon/ Step-Up Coupon	Step- Up Date	Additional Note Payment (accrues from and including the Step-Up Date)	Pre-enforcement Redemption Profile	Final Maturity Date	Ratings S&P/DBRS
Class A	€346,500,000	99.55%	1-month EURIBOR	0.85%/1.70%	24 March 2021	N/A	Pass through amortisation	November 2057	AAA/AAA
Class B	€60,500,000	99.20%	1-month EURIBOR	1.25%/2.00%	24 March 2021	N/A	Pass through amortisation	November 2057	AA/AA
Class C	€44,500,000	98.30%	1-month EURIBOR	1.50%/1.50%	24 March 2021	0.90%	Pass through amortisation	November 2057	A+/A(low)
Class D	€37,000,000	97.32%	1-month EURIBOR	1.50%/1.50%	24 March 2021	1.50%	Pass through amortisation	November 2057	BBB+/BBB(low)
Class E	€37,000,000	93.86%	1-month EURIBOR	1.50%/1.50%	24 March 2021	2.50%	Pass through amortisation	November 2057	BB/BB(low)
Class F	€16,500,000	91.54%	1-month EURIBOR	1.50%/1.50%	24 March 2021	3.50%	Pass through amortisation	November 2057	B/B(high)
Class G	€22,000,000	90.44%	1-month EURIBOR	1.50%/1.50%	24 March 2021	4.25%	Pass through amortisation	November 2057	B-/B(low)
Class RFN	€12,335,000	N/A	Fixed	5.50%/5.50%	N/A	N/A	Pass through amortisation	November 2057	Unrated
Class Z1	€34,000,000	N/A	Fixed	7.00%/7.00%	N/A	N/A	Pass through amortisation	November 2057	Unrated
Class Z2	€18,750,000	N/A	Fixed	7.00%/7.00%	N/A	N/A	Pass through amortisation	November 2057	Unrated
Class X	€100,000	N/A	N/A	N/A	N/A	N/A	Pass through amortisation	November 2057	Unrated

- * The coupon on the Class A Notes and the Class B Notes will increase to the Step-Up Coupon on and from the Step-Up Date.
 ** The coupon on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes will not change on and from the Step-Up Date.
 *** Additional Note Payments may be paid in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes on and from the Interest Payment Date immediately following the Step-Up Date.
 **** The Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio.

Payments of Additional Note Payments are subordinated to payments of interest on the Notes. Payments of Additional Note Payments are not rated and may be deferred and non-payment thereof shall not be an Event of Default in any circumstances.

Arranger and Lead Manager

Morgan Stanley

The date of this Prospectus is 21 March 2019

Closing Date:

The Issuer will issue the €346,500,000 Class A Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class A Notes**"), €60,500,000 Class B Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class B Notes**"), €44,500,000 Class C Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class C Notes**"), €37,000,000 Class D Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class D Notes**"), €37,000,000 Class E Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class E Notes**"), €16,500,000 Class F Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class F Notes**"), €22,000,000 Class G Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class G Notes**"), €12,335,000 Class RFN Residential Mortgage Backed Fixed Rate Notes due November 2057 (the "**Class RFN Notes**"), €34,000,000 Class Z1 Residential Mortgage Backed Fixed Rate Notes due November 2057 (the "**Class Z1 Notes**"), €18,750,000 Class Z2 Residential Mortgage Backed Fixed Rate Notes due November 2057 (the "**Class Z2 Notes**") and €100,000 Class X Residential Mortgage Backed Notes due November 2057 (the "**Class X Notes**"), and together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, the "**Notes**" and "**Note**" shall mean any one of them) on or about 21 March 2019 (the "**Closing Date**").

Stand-alone/programme issuance:

Stand-alone issuance.

Underlying Assets:

The Issuer will make payments on the Notes from, *inter alia*, payments of principal and revenue on a portfolio comprising mortgage loans originated by Bank of Scotland (Ireland) Limited, Start Mortgages DAC and Nua Mortgages Limited (each an "**Originator**" and together the "**Originators**") and secured over residential properties located in Ireland. The beneficial interest in the Mortgage Portfolio will be purchased by the Issuer from the Seller on the Closing Date. Please refer to the section entitled "*The Mortgage Portfolio*" for further information.

Credit Enhancement:

Subordination of junior ranking Notes and availability of Non-Liquidity Reserve Fund and Liquidity Reserve Fund. Please refer to sections entitled "*Key Structural Features*" and "*Cashflows and Cash Management*" for further information.

Liquidity Support:

Liquidity Support Features: Liquidity Reserve Fund and (in respect of the Additional Note Payments only) the Additional Note Payment Reserve Fund. Please refer to the section entitled "*Key Structural Features*" for further information.

Redemption Provisions:

Information on any optional and mandatory redemption of the Notes is summarised on page 13 (*Overview Of The Terms And Conditions Of The Notes*) and is set out in full in Condition 9 (*Final Redemption, Mandatory Redemption in part and Cancellation*).

Credit Rating Agencies:	<p>DBRS Ratings Limited ("DBRS") and S&P Global Ratings ("S&P", and together with DBRS, the "Rating Agencies"). As of the date hereof each of DBRS and S&P is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended, of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "CRA Regulation"). In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Community and registered under the CRA Regulation.</p> <p>As such, each of the Rating Agencies is included in the list of credit rating agencies published by the European Securities and Markets Authority ("ESMA") on its website in accordance with the CRA Regulations. Please refer to the section entitled "<i>Certain Regulatory Disclosures - Credit Rating Agency Regulation</i>" for further information.</p>
Credit Ratings:	<p>Ratings are expected to be assigned to the Rated Notes as set out above on or before the Closing Date. The ratings reflect the views of the Rating Agencies and are based on the Mortgage Assets, the freehold or leasehold properties which are subject to a Mortgage (the "Properties") and the structural features of the transaction.</p> <p>The ratings assigned by the Rating Agencies in respect of the Class A Notes address the likelihood of timely payment of interest and ultimate payment of principal due to Noteholders by a date that is not later than the Interest Payment Date falling in November 2057 (the "Final Maturity Date"). The ratings assigned by the Rating Agencies in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes address the likelihood of ultimate payment of interest and ultimate payment of principal due to Noteholders by a date that is not later than the Final Maturity Date (but excluding any Additional Note Payments).</p> <p>Payments of Additional Note Payments in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes are not rated and the ratings assigned by the Rating Agencies in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes do not address the likelihood of receipt of any amounts in respect of the Additional Note Payments.</p> <p>The Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will not be rated.</p> <p>The assignment of ratings to the Rated Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Rated Notes may be revised, suspended or withdrawn at any time.</p>
Listings:	<p>This document comprises a prospectus (the "Prospectus"), for the purpose of Directive 2003/71/EC as amended or superseded (the "Prospectus Directive"). This Prospectus has been approved by the Central Bank of Ireland (the "Central Bank") as competent authority under the Prospectus Directive. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU and/or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("Euronext Dublin") for the Notes to be admitted to its official list and trading on the regulated market of Euronext Dublin. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained. The regulated market of Euronext Dublin is a regulated market for the purposes of Directive 2014/65/EU (the "Markets in Financial Instruments Directive").</p>
Benchmarks:	<p>Interest payable under the Notes may be calculated by reference to EURIBOR, provided by European Money Markets Institute (the "EMMI"). At the date of this Prospectus, the EMMI appears on the register of administrators and benchmarks established and maintained by ESMA in accordance with Article 36 of the Regulation (EU) 2016/1011 (the "Benchmarks Regulation").</p> <p>As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that EMMI is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).</p>
Obligations:	<p>The Notes will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. The Notes will not be obligations of any person who is a party to a Transaction Document (a "Transaction Party", and "Transaction Parties" means some or all of them) other than the Issuer.</p>
Retention Undertaking:	<p>Jepson Limited (the "Retention Holder") will, as at the Closing Date until the Final Maturity Date or the date on which the Notes (other than the Class X Notes) are redeemed in full retain a material net economic interest of not less than 5 per cent. in the securitisation as required by Article 6 of Regulation (EU) 2017/2402 (the "Securitisation Regulation") together with any technical standards (which does not take into account any relevant national measures) (the "Retention"). As at the Closing Date, the Retention will be satisfied by the Retention Holder holding the economic interest in not less than 5 per cent. of the nominal value of each class of Notes (other than the Class X Notes) sold or transferred to investors (the "Retained Amount") in accordance with Article 6(3)(a) of the Securitisation Regulation. Any change to the manner in which such interest is held will be notified to the Noteholders and the Trustee. The Retention Holder will not sell, short, hedge, transfer or otherwise dispose of its interest in the Retained Amount, or otherwise enter into any transaction which would result in the Retained Amount being subject to any form of credit risk mitigation, except in each case, to the extent permitted by the Securitisation Regulation. In addition to the information set out herein and forming part of the Prospectus, the Retention Holder has undertaken to make available the information as set out in "<i>Certain Regulatory Disclosures - the Securitisation Regulation</i>". Please refer to the Section entitled "<i>Certain Regulatory Disclosures - the Securitisation Regulation</i>" for further information.</p>
Volcker Rule	<p>The Issuer is not, and solely after giving effect to any offering and sale of the Notes and the application of the proceeds thereof will not be, a "covered fund" for purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (commonly known as the "Volcker Rule"). In reaching this conclusion, although other statutory or regulatory exclusions and/or exemptions under the Investment Company Act of 1940, as amended (the "Investment Company Act") and under the Volcker Rule and its related regulations may be available, the Issuer has relied on the determination that the Issuer would satisfy all of the elements of the exemption from the definition of "<i>investment company</i>" under the Investment Company Act provided by Section 3(c)(5) thereunder.</p>
Language	<p>The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.</p>

A "RISK FACTORS" SECTION BEGINNING ON PAGE 48 OF THIS PROSPECTUS CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information 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 sourced from third parties contained in this Prospectus has been accurately reproduced (and is clearly sourced where it appears in this Prospectus) and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Ellington Residential Holdings Ireland DAC (the "**Seller**") accepts responsibility for the information set out in the sections headed "*The Seller*", "*The Mortgage Portfolio*" and "*Statistical Information on the Provisional Mortgage Portfolio*". To the best of the knowledge and belief of the Seller (having taken all reasonable care to ensure that such is the case), the information contained in such sections is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Seller as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above) or any other information supplied in connection with the Notes or their distribution.

Jepson Limited (the "**Retention Holder**" and the "**Servicing Advisor**") accepts responsibility for the information set out in the sections headed "*Retention Holder and Servicing Advisor*", "*The Servicing Advisory Agreement*", "*The Mortgage Portfolio*" and "*Statistical Information on the Provisional Mortgage Portfolio*". To the best of the knowledge and belief of the Retention Holder (having taken all reasonable care to ensure that such is the case), the information contained in such sections is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Retention Holder as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above) or any other information supplied in connection with the Notes or their distribution.

Start Mortgages DAC (the "**Administrator**" and the "**Legal Title Holder**") accepts responsibility for the information set out in the section headed "*The Administrator*", "*The Legal Title Holder*" and the "*Administration Agreement*". To the best of the knowledge and belief of the Administrator (having taken all reasonable care to ensure that such is the case), the information contained in such sections is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Administrator as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above) or any other information supplied in connection with the Notes or their distribution.

Hudson Advisors Ireland DAC (the "**Issuer Administration Consultant**") accepts responsibility for the information set out in the section headed "*The Issuer Administration Consultant*" and the "*Asset Management Consulting Agreement*". To the best of the knowledge and belief of the Issuer Administration Consultant (having taken all reasonable care to ensure that such is the case), the information contained in such sections is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Issuer Administration Consultant as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above) or any other information supplied in connection with the Notes or their distribution.

Elavon Financial Services DAC, U.K. Branch (the "**Account Bank**") accepts responsibility for the information set out in the section headed "*The Account Bank and the Account Bank Agreement*". To the best of the knowledge and belief of the Account Bank (having taken all reasonable care to ensure that such is the case), the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Account Bank as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes or their distribution.

BNP Paribas (the "**Interest Rate Cap Provider**") accepts responsibility for the information set out in the sections headed "*The Interest Rate Cap Provider*" and "*The Interest Rate Cap Agreement*". To the best of the knowledge and belief of Interest Rate Cap Provider (having taken all reasonable care to ensure that such is the case), the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Interest Rate Cap Provider as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes or their distribution.

The Arranger and Lead Manager does not accept any responsibility for compliance of the Issuer, the Retention Holder or the Seller with the requirements of the Securitisation Regulation.

The distribution of this Prospectus, or any part thereof, and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by any Transaction Party that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, and none of them assumes any responsibility for facilitating any such distribution or offering. In particular, save for obtaining the approval of this Prospectus as a prospectus for the purposes of the Prospectus Directive by the Central Bank, no action has been or will be taken by any Transaction Party which would permit a public offering of the Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Issuer, the Arranger and the Lead Manager to inform themselves about and to observe any such restriction. For a further description of certain restrictions on offers and sales of the Notes and distribution of this Prospectus (or any part hereof), see the section entitled "*Subscription and Sale*" below.

Neither the delivery of this Prospectus nor any sale or allotment made in connection with any offering of any of the Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the information contained in this Prospectus since the date of this Prospectus.

None of the Arranger, the Lead Manager, the Trustee, the Principal Paying Agent, the Reference Agent, the Registrar (together with the Principal Paying Agent and the Reference Agent, the "**Agents**"), the Interest Rate Cap Provider or the Account Bank makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or 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. None of the Arranger, the Lead Manager, the Trustee, the Agents, the Interest Rate Cap Provider or the Account Bank accepts any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes. Each potential purchaser of Notes should determine the relevance of the information contained in this Prospectus or part hereof and the purchase of Notes should be based upon such investigation as each purchaser deems necessary. None of the Arranger, the Lead Manager, the Trustee, the Agents, the Interest Rate Cap Provider or the Account Bank undertakes or shall undertake to review the financial condition or affairs of the Issuer or to advise any investor or potential investor in the Notes of any information coming to the attention of the Arranger or the Lead Manager.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES SECURITIES LAWS AND THEREFORE MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, SUCH REGISTRATION REQUIREMENTS. THE NOTES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER THE GLOBAL NOTES.

ON THE CLOSING DATE, THE NOTES MAY ONLY BE PURCHASED BY PERSONS THAT ARE (A) NOT RISK RETENTION U.S. PERSONS OR (B) PERSONS THAT HAVE OBTAINED A U.S. RISK RETENTION WAIVER (AS DEFINED HEREIN) FROM THE RETENTION HOLDER. PURCHASERS OF THE NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN, WILL BE

DEEMED AND IN CERTAIN CIRCUMSTANCES WILL BE REQUIRED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT EACH PURCHASER (1) EITHER (A) IS NOT A RISK RETENTION U.S. PERSON OR (B) HAS RECEIVED A U.S. RISK RETENTION WAIVER FROM THE RETENTION HOLDER, (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). CERTAIN INVESTORS MAY BE REQUIRED TO EXECUTE A WRITTEN CERTIFICATION OF REPRESENTATION LETTER BY THE RETENTION HOLDER IN RESPECT OF THEIR STATUS UNDER THE U.S. RISK RETENTION RULES. SEE "*RISK FACTORS - U.S. RISK RETENTION REQUIREMENTS*".

THE NOTES REPRESENT OBLIGATIONS OF THE ISSUER ONLY AND DO NOT REPRESENT AN INTEREST IN OR OBLIGATION OF THE ARRANGER, THE LEAD MANAGER, THE TRUSTEE, THE SELLER, THE ADMINISTRATOR, THE ISSUER ADMINISTRATION CONSULTANT, THE SERVICING ADVISOR OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (OTHER THAN, FOR THE AVOIDANCE OF DOUBT, THE ISSUER). NEITHER THE NOTES NOR THE PURCHASED RECEIVABLES WILL BE INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR BY THE ARRANGER, THE LEAD MANAGER, THE TRUSTEE, THE SELLER, THE ADMINISTRATOR OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (OTHER THAN THE ISSUER) OR BY ANY OTHER PERSON OR ENTITY EXCEPT AS DESCRIBED HEREIN.

None of the Issuer, the Arranger, the Lead Manager, the Trustee or any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

No person has been authorised to give any information or to make any representation other than as contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Trustee, the directors of the Issuer, the Arranger or the Lead Manager or any other party to the Transaction Documents.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus or any part hereof and any offering of the Notes in certain jurisdictions may be restricted by law. No action has been taken by the Issuer, the Arranger or the Lead Manager other than as set out in the paragraph headed "*Listings*" on page (ii) of this Prospectus that would permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any part hereof nor any other prospectus, form of application, advertisement or other offering material may be issued, distributed or published in any country or jurisdiction (including the United Kingdom and Ireland), except in circumstances that will result in compliance with applicable laws, orders, rules and regulations.

The Notes will be represented by Global Notes which are expected to be deposited with a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking *societe anonyme* ("**Clearstream, Luxembourg**") and registered in the name of a nominee of the Common Safekeeper on the Closing Date.

The Global Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Global Notes will be issued and held under the new safekeeping structure and are intended upon issue to be deposited with one of Clearstream, Luxembourg and Euroclear (the "**ICSDs**") as common safekeeper and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

References in this Prospectus to "euro", "€" or "EUR" are to the lawful currency of the member states of the European Union that have adopted a single currency in accordance with the Treaty establishing the European Communities, as amended by the Treaty of European Union (the "**Treaty**"). References in this Prospectus to Ireland mean Ireland (excluding Northern Ireland).

Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank. The Issuer is not regulated by the Central Bank by virtue of the issue of the Notes.

This Prospectus has been approved by the Central Bank under the Prospectus Directive. This Prospectus will be filed with the Companies Registration Office in Ireland in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

Forward-Looking Statements and Statistical Information

Certain matters contained in this Prospectus are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Mortgage Loans, and reflect significant assumptions and subjective judgments by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will", "could", "believes", "expects", "anticipates", "continues", "intends", "plans" or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the residential mortgage industry in Ireland. This Prospectus also contains certain tables and other statistical analyses (the "**Statistical Information**"). Numerous assumptions have been used in preparing the Statistical Information, which may or may not be reflected in the material. As such, no assurance can be given as to the Statistical Information's accuracy, appropriateness or completeness in any particular context, or as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice. The average life of or the potential yields on any security cannot be predicted, because the actual rate of repayment on the underlying assets, as well as a number of other relevant factors, cannot be determined. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. No assurance can be given that the assumptions on which the possible average lives of or yields on the securities are made will prove to be realistic. Neither the Arranger, the Lead Manager nor the Seller has attempted to verify any forward-looking statements or Statistical Information, nor does it make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements or Statistical Information. None of the Issuer, the Arranger, the Lead Manager or the Seller assumes any obligation to update these forward-looking statements or Statistical Information or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements or Statistical Information, as applicable.

MIFID II PRODUCT GOVERNANCE

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

PRIIPS REGULATION

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 EEA. For these purposes, a retail investor

means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

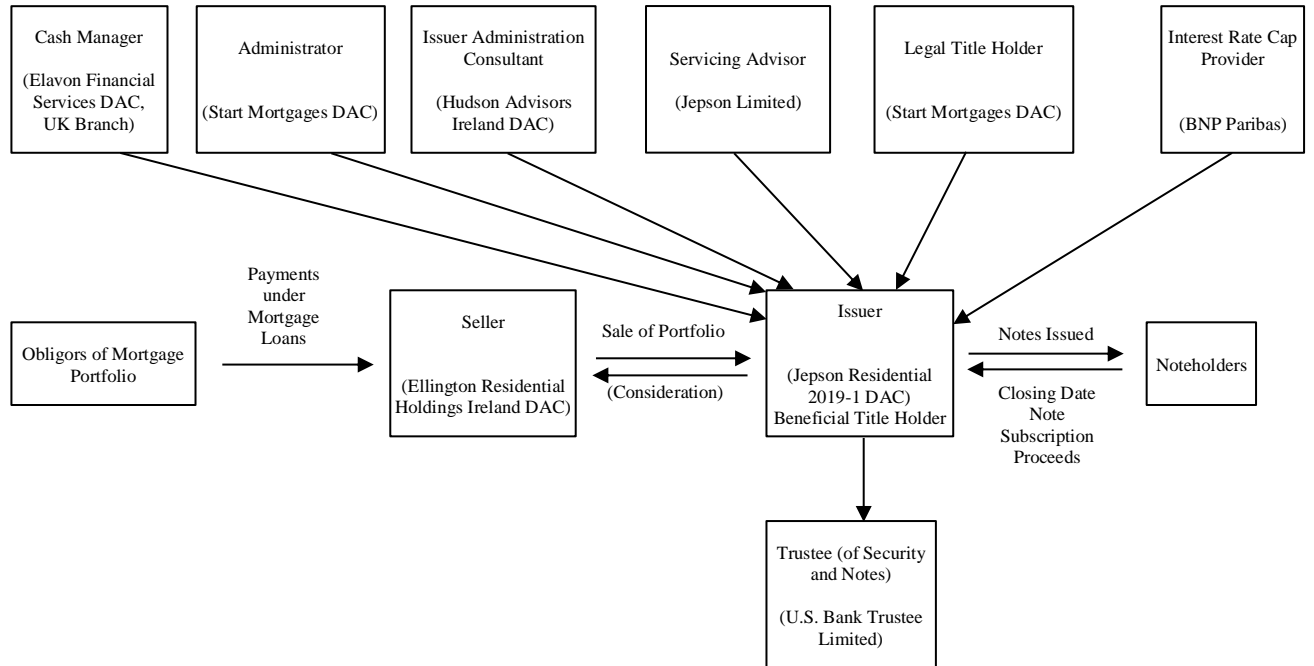
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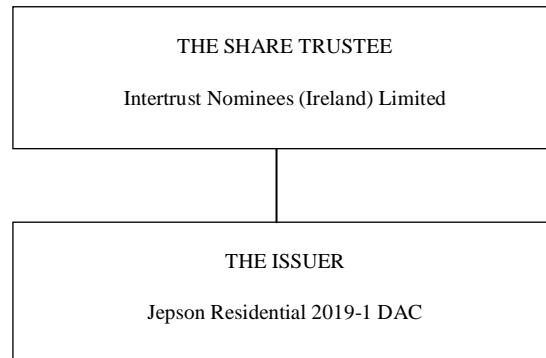
TRANSACTION OVERVIEW

The information set out below is an overview of various aspects of the transaction. This overview is not purported to be complete and should be read in conjunction with, and is qualified in its entirety by references to, the detailed information presented elsewhere in this Prospectus.

DIAGRAMMATIC OVERVIEW OF TRANSACTION

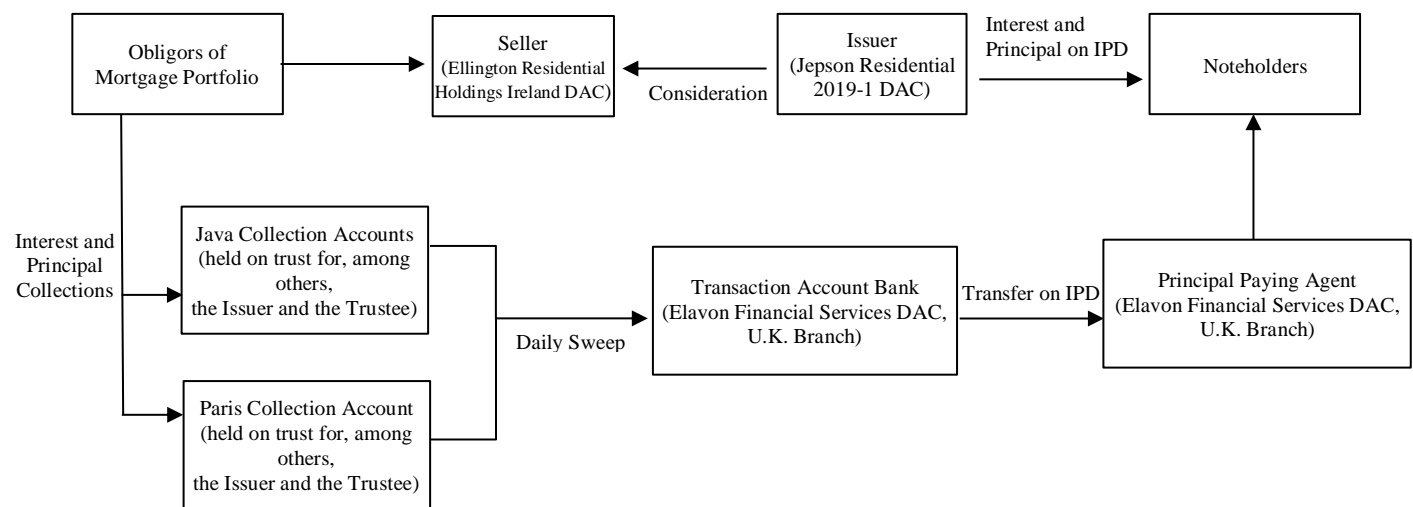


OWNERSHIP STRUCTURE DIAGRAM



The entire issued share capital of the Issuer is legally owned by Intertrust Nominees (Ireland) Limited (the "**Share Trustee**") on discretionary trust, the benefit of which is expressed to be for charitable purposes. The Issuer has no subsidiaries.

DIAGRAMMATIC OVERVIEW OF ON-GOING CASHFLOW AS AT THE CLOSING DATE



TRANSACTION PARTIES ON THE CLOSING DATE

Party	Name	Address	Document under which appointed/Further Information
Issuer	Jepson Residential 2019-1 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4	See section entitled " <i>The Issuer</i> " for further information.
Seller	Ellington Residential Holdings Ireland DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4	See section entitled " <i>The Seller</i> " for further information. The Seller is a wholly owned subsidiary of Jepson Limited.
Retention Holder and Servicing Advisor	Jepson Limited	Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008	See section entitled " <i>The Retention Holder and Servicing Advisor</i> " for further information.
Legal Title Holder	Start Mortgages DAC	Trimleston House Beech Hill Office Campus Clonskeagh, Dublin 4 D04CK80 Ireland	See section entitled " <i>The Legal Title Holder</i> " for further information.
Administrator	Start Mortgages DAC	Trimleston House Beech Hill Office Campus Clonskeagh, Dublin 4 D04CK80 Ireland	Administration Agreement See sections entitled " <i>The Administrator</i> " and " <i>The Administration Agreement</i> " for further information.
Issuer Administration Consultant	Hudson Advisors Ireland DAC	6 th Floor, Fitzwilliam Court, Leeson Close, Dublin 2, Ireland	Asset Management Consulting Agreement See sections entitled " <i>The Issuer Administration Consultant</i> " and the " <i>Asset Management Consulting Agreement</i> " for further information.
Cash Manager	Elavon Financial Services DAC, U.K. Branch	125 Old Broad Street, London EC2N 1AR	Cash Management Agreement See section entitled " <i>Cashflows and Cash Management</i> " for further information.
Trustee	U.S. Bank Trustees Limited	125 Old Broad Street, London EC2N 1AR	Trust Deed, Irish Deed of Charge and English Deed of Charge See section entitled " <i>Terms and Conditions of the</i> "

Party	Name	Address	Document under which appointed/Further Information
			<i>Notes</i> for further information.
Principal Paying Agent	Elavon Financial Services DAC, U.K. Branch	125 Old Broad Street London EC2N 1AR	Agency Agreement See section entitled " <i>Terms and Conditions of the Notes</i> " for further information.
Reference Agent	Elavon Financial Services DAC, U.K. Branch	125 Old Broad Street, London EC2N 1AR	See section entitled " <i>Terms and Conditions of the Notes</i> " for further information.
Registrar	Elavon Financial Services DAC, U.K. Branch	125 Old Broad Street, London EC2N 1AR	Agency Agreement See section entitled " <i>Terms and Conditions of the Notes</i> " for further information.
Account Bank	Elavon Financial Services DAC, U.K. Branch	125 Old Broad Street, London EC2N 1AR	Account Bank Agreement See section entitled " <i>Cashflows and Cash Management</i> " for further information.
Collection Account Bank	Allied Irish Bank plc	40-41 Westmoreland Street, Dublin 2, Ireland	Amended and Restated Java Declaration of Trust Amended and Restated Paris Declaration of Trust See sections entitled " <i>The Administrator</i> " and " <i>The Administration Agreement</i> " for further information.
Corporate Services Provider	Intertrust Management Ireland Limited	2 nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland	Corporate Services Agreement See section entitled " <i>The Issuer</i> " for further information.
Share Trustee	Intertrust Nominees (Ireland) Limited	2 nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland	Corporate Services Agreement See section entitled " <i>The Issuer</i> " for further information.
Arranger	Morgan Stanley & Co. International plc	25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom	Subscription Agreement

Party	Name	Address	Document under which appointed/Further Information
Lead Manager	Morgan Stanley & Co. International plc	25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom	Subscription Agreement
Interest Rate Cap Provider	BNP Paribas	16 boulevard des Italiens, 75009 Paris, France	Interest Rate Cap Agreement See sections entitled " <i>The Interest Rate Cap Provider</i> " and " <i>The Interest Rate Cap Agreement</i> " for further information.
Listing Authority and Stock Exchange	Euronext Dublin	28 Anglesea Street, Dublin, Ireland	N/A

OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES

Please refer to section entitled "*Terms and Conditions of the Notes*" for further detail in respect of the terms of the Notes.

FULL CAPITAL STRUCTURE OF THE NOTES

	<u>Class A Notes</u>	<u>Class B Notes</u>	<u>Class C Notes</u>	<u>Class D Notes</u>	<u>Class E Notes</u>	<u>Class F Notes</u>	<u>Class G Notes</u>	<u>Class RFN Notes</u>	<u>Class Z1 Notes</u>	<u>Class Z2 Notes</u>	<u>Class X Notes</u>
<i>Currency</i>	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<i>Initial Principal Amount</i>	€346,500,000	€60,500,000	€44,500,000	€37,000,000	€37,000,000	€16,500,000	€22,000,000	€12,335,000	€34,000,000	€18,750,000	€100,000
<i>Note Credit Enhancement</i>	Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class Z1 Notes, the Class Z2 Notes and availability of the Non-Liquidity Reserve Fund	Subordination of the Class Z2 Notes	N/A	N/A

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class G Notes	Class RFN Notes	Class Z1 Notes	Class Z2 Notes	Class X Notes
<i>Liquidity Support</i>	Principal Receipts and Liquidity Reserve Fund applied to make up Revenue Shortfall	Principal Receipts applied to make up Revenue Shortfall (so long as Class B Notes are the Most Senior Class)	Principal Receipts applied to make up Revenue Shortfall (so long as Class C Notes are the Most Senior Class) and Additional Note Payment Reserve Fund applied to make up any Revenue Shortfall and Additional Note Payment Shortfall	Principal Receipts applied to make up Revenue Shortfall (so long as Class D Notes are the Most Senior Class) and Additional Note Payment Reserve Fund applied to make up any Revenue Shortfall and Additional Note Payment Shortfall	Principal Receipts applied to make up Revenue Shortfall (so long as Class E Notes are the Most Senior Class) and Additional Note Payment Reserve Fund applied to make up any Revenue Shortfall and Additional Note Payment Shortfall	Principal Receipts applied to make up Revenue Shortfall (so long as Class F Notes are the Most Senior Class) and Additional Note Payment Reserve Fund applied to make up any Revenue Shortfall and Additional Note Payment Shortfall	Principal Receipts applied to make up Revenue Shortfall (so long as Class G Notes are the Most Senior Class) and Additional Note Payment Reserve Fund applied to make up any Revenue Shortfall and Additional Note Payment Shortfall	N/A	N/A	N/A	N/A
	(subject to conditions as set out in "Key Structural Features - Credit Enhancement and Liquidity Support")	(subject to conditions as set out in "Key Structural Features - Credit Enhancement and Liquidity Support")	(subject to conditions as set out in "Key Structural Features - Credit Enhancement and Liquidity Support")	(subject to conditions as set out in "Key Structural Features - Credit Enhancement and Liquidity Support")	(subject to conditions as set out in "Key Structural Features - Credit Enhancement and Liquidity Support")	(subject to conditions as set out in "Key Structural Features - Credit Enhancement and Liquidity Support")	(subject to conditions as set out in "Key Structural Features - Credit Enhancement and Liquidity Support")				

	<u>Class A Notes</u>	<u>Class B Notes</u>	<u>Class C Notes</u>	<u>Class D Notes</u>	<u>Class E Notes</u>	<u>Class F Notes</u>	<u>Class G Notes</u>	<u>Class RFN Notes</u>	<u>Class Z1 Notes</u>	<u>Class Z2 Notes</u>	<u>Class X Notes</u>
<i>Issue Price</i>	99.55%	99.20%	98.30%	97.32%	93.86%	91.54%	90.44%	N/A ¹	N/A ²	N/A ³	N/A ⁴
<i>Interest Rate</i>	1-month EURIBOR	1-month EURIBOR	1-month EURIBOR	1-month EURIBOR	1-month EURIBOR	1-month EURIBOR	1-month EURIBOR	Fixed	Fixed	Fixed	N/A ⁵
<i>Coupon prior to Step-Up Date</i>	0.85%	1.25%	1.50%	1.50%	1.50%	1.50%	1.50%	5.50%	7.00%	7.00%	N/A
<i>Coupon On and After Step-Up Date</i>	1.70%	2.00%	1.50%	1.50%	1.50%	1.50%	1.50%	5.50%	7.00%	7.00%	N/A
<i>Additional Note Payment (accrues from and including the Step-Up Date)</i>	N/A	N/A	0.90%	1.50%	2.50%	3.50%	4.25%	N/A	N/A	N/A	N/A
			The Interest Payment Date falling in March 2021	The Interest Payment Date falling in March 2021	The Interest Payment Date falling in March 2021	The Interest Payment Date falling in March 2021	The Interest Payment Date falling in March 2021				
<i>Interest Accrual Method</i>	The actual number of days in a period divided by 360										N/A
<i>Monthly Calculation Date</i>	The last day in the calendar month immediately preceding an Interest Payment Date										

¹ The Class RFN Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio.

² The Class Z1 Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio.

³ The Class Z2 Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio.

⁴ The Class X Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio.

⁵ Any interest due and payable on the Class X Notes will be paid under item (hh) of the Pre-Enforcement Revenue Priority of Payments or item (ff) of the Post-Enforcement Priority of Payments (as applicable).

	<u>Class A Notes</u>	<u>Class B Notes</u>	<u>Class C Notes</u>	<u>Class D Notes</u>	<u>Class E Notes</u>	<u>Class F Notes</u>	<u>Class G Notes</u>	<u>Class RFN Notes</u>	<u>Class Z1 Notes</u>	<u>Class Z2 Notes</u>	<u>Class X Notes</u>
<i>Interest Payment Dates</i>	Interest and principal will be payable monthly in arrear on the Interest Payment Dates falling on the 24 th day of each calendar month										
<i>Business Day Convention</i>	Modified Following										
<i>First Interest Payment Date</i>	The Interest Payment Date falling in April 2019										
<i>First Interest Period</i>	The period from the Closing Date to the First Interest Payment Date										
<i>Option Redemption Date</i>	The Interest Payment Date falling in March 2021										
<i>Option Redemption Date Redemption Profile</i>	Pass through redemption on each Interest Payment Date. Please refer to Condition 9 (<i>Final Redemption, Mandatory Redemption in part and Cancellation</i>).										
<i>Post-Option Redemption Date Redemption Profile</i>	Pass through redemption on each Interest Payment Date. Please refer to Condition 9 (<i>Final Redemption, Mandatory Redemption in part and Cancellation</i>).										
<i>Other Early Redemption in Full Events</i>	Tax/illegality/clean-up/risk retention regulatory change call. Please refer to Condition 9 (<i>Final Redemption, Mandatory Redemption in part and Cancellation</i>).										
<i>Final Maturity Date</i>	Interest Payment Date falling in November 2057										
<i>Form of the Notes</i>	Registered										

	<u>Class A Notes</u>	<u>Class B Notes</u>	<u>Class C Notes</u>	<u>Class D Notes</u>	<u>Class E Notes</u>	<u>Class F Notes</u>	<u>Class G Notes</u>	<u>Class RFN Notes</u>	<u>Class Z1 Notes</u>	<u>Class Z2 Notes</u>	<u>Class X Notes</u>
<i>Application for Listing</i>						Euronext Dublin					
<i>ISIN</i>	XS1960569710	XS1960574124	XS1960569801	XS1960570213	XS1960570486	XS1960570726	XS1960570999	XS1960571021	XS1960571294	XS1960571377	XS1960571450
<i>Common Code</i>	196056971	196057412	196056980	196057021	196057048	196057072	196057099	196057102	196057129	196057137	196057145
<i>Minimum Denomination</i>				€100,000 and integral multiples of €1,000 in excess thereof							€100,000
<i>Expected</i>	AAA/AAA	AA/AA	A+/A(low)	BBB+/BBB(low)	BB/BB(low)	B/B(high)	B-/B(low)	Not Rated	Not Rated	Not Rated	Not Rated
<i>(Rating Agency)</i>	S&P/DBRS	S&P/DBRS	S&P/DBRS	S&P/DBRS	S&P/DBRS	S&P/DBRS	S&P/DBRS	N/A	N/A	N/A	N/A

Additional Note Payments can be paid in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, and the Class G Notes on and from the Interest Payment Date immediately following the Interest Payment Date falling in March 2021 (the "**Step-Up Date**").

Payments of Additional Note Payments are subordinated to payments of interest on the Notes, Payments of Additional Note Payments are not rated and may be deferred and non-payment thereof shall not be an Event of Default in any circumstances

OVERVIEW OF TERMS AND CONDITIONS OF THE NOTES

Please refer to section entitled "Terms and Conditions of the Notes" for further detail in respect of the terms of the Notes.

Issuance of Notes:

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes (together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, the "**Rated Notes**"), the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will be offered pursuant to Regulation S and the Global Notes will be cleared through Euroclear and/or Clearstream, Luxembourg as set out in "Description of the Notes in Global Form" below.

Distributions on the Notes

On the Closing Date, the Notes may only be purchased by persons that (a) are not Risk Retention U.S. Persons or (b) that have obtained a U.S. Risk Retention Waiver from the Retention Holder. See "*Risk Factors -U.S. Risk Retention Requirements*".

Ranking of Payments of interest:

Payments of interest on the Notes will be paid in sequential order in accordance with the relevant Priority of Payments. For a more detailed summary, please refer to the Priority of Payments in the section entitled "*Cashflows and Cash Management*".

The Notes within each individual Class of Notes will rank *pro rata* and *pari passu* and rateably among themselves at all times in respect of payments of interest to be made to such individual Class as the case may be, or to the respective holders thereof, as provided in the terms and conditions of the Notes (the "**Conditions**").

"**Interest Payment Date**" means the 24th day of each calendar month in each year commencing on the First Interest Payment Date, **provided that** if any such day is not a Business Day, the Interest Payment Date shall be the immediately succeeding Business Day unless it would as a result fall into the next calendar month, in which case it will be brought forward to the immediately preceding Business Day.

"**Interest Period**" means the period from (and including) an Interest Payment Date (except in the case of the first Interest Period, where it shall be the period from (and including) the Closing Date) to (but excluding) the next succeeding (or first) Interest Payment Date and, in relation to an Interest Determination Date, the "**related Interest Period**" means the Interest Period in which such Interest Determination Date falls.

"**Interest Determination Date**" means the date falling two Business Days before each Interest Payment Date or, in the case of the first Interest Period, the Closing Date.

Any reference to a "Class" of Noteholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes, as the case may be, or to the respective holders thereof (the "**Class A Noteholders**", the "**Class B Noteholders**", the "**Class C Noteholders**", the "**Class D Noteholders**", the "**Class E Noteholders**", the "**Class F Noteholders**", the "**Class G Noteholders**", the "**Class RFN Noteholders**", the "**Class Z1**

Noteholders", the **"Class Z2 Noteholders"** and the **"Class X Noteholders"** and together the **"Noteholders"**).

**Ranking of Payments of
Additional Note Payments:**

On and from the Interest Payment Date immediately following the Step-Up Date, the holders of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes will be entitled to receive Additional Note Payments in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes respectively.

Payment of Additional Note Payments on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes will be paid in sequential order in accordance with the relevant Priority of Payments. The Additional Note Payment Reserve Fund will, to the extent Available Revenue Receipts are insufficient, be available on each Interest Payment Date following the Step-Up Date to make payments of Additional Note Payments until the amount standing to the credit of the Additional Note Payment Reserve Fund has been reduced to zero.

Any Additional Note Payments not paid on an Interest Payment Date will be deferred until the immediately following Interest Payment Date and will accrue additional interest (which is also non-rated and part of the Additional Note Payments) at the relevant margin of such relevant Note plus the Relevant Additional Note Payment Margin. Any failure by the Issuer to pay any Additional Note Payment on an Interest Payment Date will not constitute an Event of Default.

The Notes within each individual Class of the Class C Notes, Class D Notes, Class E Notes, Class F Notes and the Class G Notes will rank *pro rata* and *pari passu* and rateably among themselves at all times in respect of payments of Additional Note Payments to be made to such individual Class as the case may be, or to the respective holders thereof, as provided in the Conditions.

The Ratings on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes do not address the likelihood of receipt of any Additional Note Payments.

For a more detailed summary of the Priority of Payments, please refer to the section entitled "*Cashflows and Cash Management*".

**Ranking of Payments of
Principal:**

Prior to the delivery of a notice by the Trustee to the Issuer which declares the Notes to be immediately due and payable (an **"Enforcement Notice"**), Available Principal Receipts will be applied in accordance with the Pre-Enforcement Principal Priority of Payments and after having applied amounts to replenish the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount, first, to redeem the Class A Notes, second, to redeem the Class B Notes, third, to redeem the Class C Notes, fourth, to redeem the Class D Notes, fifth, to redeem the Class E Notes, sixth, to redeem the Class F Notes, seventh, to redeem the Class G Notes, eighth, to redeem the Class RFN Notes, ninth, to redeem the Class Z1 Notes, tenth, to redeem the Class Z2 Notes, and any remainder will be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments. The Class X Notes will not be

repaid from Available Principal Receipts applied in accordance with the Pre-Enforcement Principal Priority of Payments.

Following the delivery of an Enforcement Notice, Available Revenue Receipts and Available Principal Receipts will be applied in accordance with the Post-Enforcement Priority of Payments and after having applied amounts to pay higher ranking expenses and other amounts due to prior ranking Secured Creditors, first, to redeem the Class A Notes, second, to redeem the Class B Notes, third, to redeem the Class C Notes, fourth, to redeem the Class D Notes, fifth, to redeem the Class E Notes, sixth, to redeem the Class F Notes, seventh, to redeem the Class G Notes, eighth, to redeem the Class RFN Notes, ninth, to redeem the Class Z1 Notes, tenth, to redeem the Class Z2 Notes and thereafter to redeem the Class X Notes.

Prior to the delivery of an Enforcement Notice by the Trustee to the Issuer, payments of principal on the Class X Notes will be made in accordance with the Pre-Enforcement Revenue Priority of Payments: (i) while any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes or the Class Z2 Notes are outstanding, until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000; and (ii) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes until the Class X Notes are redeemed to €1. Following the delivery of an Enforcement Notice by the Trustee to the Issuer, the Class X Notes will be redeemed in accordance with the Post-Enforcement Priority of Payments after the redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes.

For a more detailed summary of the Priority of Payments, please refer to the section entitled "*Cashflows and Cash Management*".

Most Senior Class:

The Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes or, if there are no Class B Notes then outstanding, the Class C Notes or, if there are no Class C Notes then outstanding, the Class D Notes or, if there are no Class D Notes then outstanding, the Class E Notes or, if there are no Class E Notes then outstanding, the Class F Notes or, if there are no Class F Notes then outstanding, the Class G Notes or, if there are no Class G Notes then outstanding the Class RFN Notes or, if there are no Class RFN notes then outstanding the Class Z1 Notes or, if there are no Class Z1 Notes then outstanding, the Class Z2 Notes or, if there are no Class Z2 Notes then outstanding, the Class X Notes.

Security:

The Issuer's obligations in respect of the Notes are secured in favour of the Trustee for itself and the other Secured Creditors and will share the same Security together with the other secured obligations of the Issuer in accordance with the "**Irish Deed of Charge**" and the "**English Deed of Charge**". The security granted by the Issuer to the Trustee under and pursuant to the Irish Deed of Charge in favour of the Secured Creditors (the "**Irish Security**") and the security granted by the Issuer to the Trustee under and pursuant to the English Deed of Charge in

favour of the Secured Creditors (the "**English Security**") (together, the "**Security**") granted by the Issuer includes:

- (a) a first fixed charge over the benefit of the Issuer's interest in the Mortgage Loans and the Related Security (which, until notice is served on the Borrowers and, in respect of mortgages of property comprising of registered land, until registration is effected, will take effect as an assignment of beneficial ownership);

"Mortgage Loans" means loans made to Borrowers secured over residential properties located in Ireland.

"Related Security" means, in respect of an underlying Mortgage Loan, the security for the repayment of that Mortgage Loan including the relevant Mortgage and all other matters applicable thereto acquired as part of the Mortgage Portfolio sold to the Issuer pursuant to the relevant Mortgage Sale Agreement including (without limitation):

- (i) the benefit of all affidavits, declarations, consents, renunciations, guarantees, indemnities, waivers and postponements (including, without limitation, deeds of consent relating to the relevant Property) from occupiers and other persons having an interest in or rights in connection with the relevant Property;
- (ii) all estate and interest in the Property secured by such Mortgage Loans vested in the Seller (subject to the Borrower's right of redemption or cesser) (including all proceeds from any sale or utilisation of the Property) and all estate and interest in the Property secured by such Mortgage Loans which is held by, or for the benefit of, any Receiver appointed in respect the relevant Property;
- (iii) each right of action of the Seller against any person (including, without limitation, any solicitor, licensed conveyancer, qualified conveyancer, valuer, registrar or registry or other person) in connection with any report, valuation, opinion, certificate or other statement of fact or opinion (including, without limitation, each Certificate of Title and Valuation Report) given or received in connection with all or part of any Mortgage Loan and its Related Security or affecting the decision of the Seller to make or offer to make all or part of the Mortgage Loan;
- (iv) the benefit of (including, without limitation, the rights as the insured person under and as notations of interest on, and returns of premium and proceeds of claims under) insurance and assurance policies, including the lender interest only policies, contingency policies and the lender in possession policy (the "**Insurance Policies**") deposited, charged, obtained, or held in connection with the Mortgage Loan,

Mortgage and/or Property and relevant Mortgage Loan files; and

- (v) any other document in existence from time to time which secures or is intended to secure the repayment of such Mortgage Loan (including the benefit of any contract relating to such Mortgage Loan, the terms of which set out the method by which such Mortgage Loan is to be repaid),

together with all right, title, benefit and interest ancillary or supplemental to, and all powers and remedies for enforcing the above;

- (b) a first fixed charge over the benefit of each Authorised Investment;
- (c) first fixed charges over the benefit of each Issuer Account and any bank or other accounts in which the Issuer may at any time have or acquire any benefit (other than the Issuer Profit Account) in accordance with the Account Bank Agreement, the English Deed of Charge or the other Transaction Documents;
- (d) an assignment by way of security of the Issuer's interests in the Insurance Policies;
- (e) an assignment by way of security of the benefit under each relevant Transaction Document (other than the Corporate Services Agreement, the English Deed of Charge, the Irish Deed of Charge, the Trust Deed); and
- (f) a first floating charge over the whole of its undertaking and all its property, assets and rights (other than the Excluded Assets (as defined below)) whatsoever and wheresoever present and future including its uncalled capital (including assets expected to be subject to a fixed charge or assignment by way of security or absolute assignment as described above) and extending over all of its property, assets, rights or revenues as are situated in Ireland or governed by Irish law (whether or not the subject of the fixed charges or assignments described above).

The Issuer Profit Account and the Issuer's interest in the Corporate Services Agreement (the "**Excluded Assets**") will not form part of the Security.

"**Certificate of Title**" means a solicitor's or licensed conveyancer's report or certificate of title obtained by or on behalf of the relevant Originator in respect of each Property substantially in the form of the pro-forma set out in the Standard Documentation.

"**Issuer Profit Account**" means the bank account in the name of the Issuer held with Elavon Financial Services DAC, U.K. Branch (or such other bank as the Issuer may determine) which holds the Issuer Profit Amount.

"Mortgage Asset" means the Related Security (together with the benefit of the underlying Mortgage Loan).

"Property" means a freehold or leasehold property which is subject to a Mortgage Loan.

"Valuation Report" means the valuation report or reports for mortgage purposes, obtained by the Originator from a valuer in respect of each Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a Prudent Mortgage Lender.

Certain other secured amounts owing to Secured Creditors rank senior to the Issuer's obligations under the Notes in respect of the allocation of proceeds as set out in the Pre-Enforcement Revenue Priority of Payments and the Post-Enforcement Priority of Payments.

Interest payable on the Notes: The interest rates applicable to each Class of Notes are described in the sections "*Full Capital Structure of the Notes*" and "*Terms and Conditions of the Notes*".

Interest Deferral: Interest due and payable on the Notes (other than the Class A Notes) may be deferred in accordance with Condition 8.12 (*Deferral of Interest and Additional Note Payments*).

Additional Note Payments payable on the Notes: The rates of Additional Note Payments applicable to the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes are described in the sections "*Full Capital Structure of the Notes*" and "*Terms and Conditions of the Notes*".

Deferral of Additional Note Payments Additional Note Payments due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes may be deferred in accordance with Condition 8.12 (*Deferral of Interest and Additional Note Payments*).

Gross-up: None of the Issuer, the Trustee or any other person will be obliged to pay any additional amounts to the Noteholders if there is any withholding or deduction for or on account of taxes from a payment made under the Notes.

Redemption: The Notes are subject to the following mandatory redemption events:

- (a) mandatory redemption in whole on the Final Maturity Date, as fully set out in Condition 9.1 (*Final Redemption*);
- (b) mandatory redemption in part on any Interest Payment Date prior to the delivery of an Enforcement Notice subject to availability of (other than in respect of the Class X Notes) Available Principal Receipts or, in respect of the Class X Notes only, Available Revenue Receipts, as fully set out in Condition 9.2 (*Mandatory Redemption in part prior to the service of an Enforcement Notice*);
- (c) mandatory redemption in full following the exercise by the Issuer of its early redemption options, as fully set out in Condition 9.3 (*Mandatory Redemption in full*) and

Condition 9.5 (*Mandatory Redemption for Taxation or Other Reasons*); and

- (d) mandatory redemption in full pursuant to a Risk Retention Regulatory Change Option, as fully set out in Condition 9.4 (*Mandatory Redemption in full pursuant to a Risk Retention Regulatory Change Option*).

Subject to the Issuer having sufficient funds available for this purpose, each Note redeemed will be redeemed in an amount equal to the Principal Amount Outstanding of the relevant Note together with any accrued (and unpaid) interest and any Deferred Interest on the Principal Amount Outstanding of the relevant Note and any Additional Note Payments accrued (and unpaid) up to (but excluding) the date of redemption.

Events of Default:

As fully set out in Condition 13 (*Events of Default*), which broadly includes:

- (a) subject to Condition 8.12 (*Deferral of Interest and Additional Note Payments*) non-payment by the Issuer of principal in respect of the Notes within 7 days following the due date or non-payment by the Issuer of interest on the Notes within 14 days following the due date;
- (b) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes, the covenants of the Issuer set out in schedule 6 (*Issuer Covenants*) of the Incorporated Terms Memorandum (the "**Issuer Covenants**"), the Trust Deed, the Irish Deed of Charge, the English Deed of Charge or any of the other Transaction Documents and such default (a) is, in the opinion of the Trustee, incapable of remedy or (b) is, in the opinion of the Trustee, capable of remedy, but remains unremedied for 30 days after the Trustee has given written notice of such default to the Issuer;
- (c) Insolvency Event in respect of the Issuer; or
- (d) it is illegal for the Issuer to perform or comply with its obligations under the Notes, the Trust Documents or the other Transaction Documents.

Hedging

Hedging arrangements are described in the section "*The Interest Rate Cap Provider*" and "*The Interest Rate Cap Agreement*". On or before the Closing Date, the Issuer will enter into an Interest Rate Cap Agreement with the Interest Rate Cap Provider. The Interest Rate Cap Agreement is effective from and including the Closing Date up to and including 24 March 2026 (or, if earlier, the Final Rated Note Redemption Date). Pursuant to the Interest Rate Cap Agreement, the Interest Rate Cap Provider, against payment of the Interest Rate Cap Fees by the Issuer on the Closing Date, shall make payments to the Issuer on each Interest Payment Date if and to the extent the one month Euro Interbank Offered Rate ("**EURIBOR**") for the relevant Interest Period exceeds the Cap Strike Rate.

Limited Recourse:

The Notes are limited recourse obligations of the Issuer and, if the Issuer has insufficient funds to pay amounts due in respect of the Notes in full, following the distribution of all available funds,

any amounts outstanding under the Notes will cease to be due and payable as described in more detail in Condition 10 (*Limited Recourse*).

Transaction Documents

"Transaction Documents" means the Account Bank Agreement, the Administration Agreement, the Agency Agreement, the Asset Management Consulting Agreement, the Servicing Advisory Agreement, the Cash Management Agreement, the Amended and Restated Paris Declaration of Trust, the Amended and Restated Java Declaration of Trust, the Accession to the Amended and Restated Paris Declaration of Trust, the Accession to the Amended and Restated Java Declaration of Trust, the Corporate Services Agreement, the Deed Poll, the English Deed of Charge, the Incorporated Terms Memorandum, the Interest Rate Cap Agreement, the Irish Deed of Charge, the Mortgage Sale Agreement, the Risk Retention Letter, the Seller Security Power of Attorney, the Legal Title Holder Power of Attorney, the Administrator Power of Attorney, the Trust Deed and such other related documents which are referred to in the terms of the above documents or which relate to the issue of the Notes and any other document designated as such.

"Administrator Power of Attorney" means the power of attorney granted by each of the Issuer and the Legal Title Holder in favour of the Administrator on the Closing Date substantially in the form set out in the Administration Agreement.

Governing Law:

The Account Bank Agreement, the Agency Agreement, the Cash Management Agreement, the Deed Poll, the English Deed of Charge, the Incorporated Terms Memorandum, the Interest Rate Cap Agreement, the Notes, the Risk Retention Letter, the Subscription Agreement and the Trust Deed will be governed by English law.

The Administration Agreement, the Asset Management Consulting Agreement, the Servicing Advisory Agreement, the Amended and Restated Paris Declaration of Trust, the Amended and Restated Java Declaration of Trust, the Accession to the Amended and Restated Paris Declaration of Trust, the Accession to the Amended and Restated Java Declaration of Trust, the Corporate Services Agreement, the Irish Deed of Charge, the Mortgage Sale Agreement, the Seller Security Power of Attorney, the Administrator Power of Attorney and the Legal Title Holder Power of Attorney will be governed by Irish law.

OVERVIEW OF RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS

Please refer to the section entitled "Terms and Conditions of the Notes" for further details in respect of the rights of Noteholders, conditions for exercising such rights and relationship with other Secured Creditors.

Prior to an Event of Default:

Noteholders holding not less than 10 per cent. of the Principal Amount Outstanding of the Notes then outstanding of the relevant Class are entitled to request in writing that the Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) convenes a meeting of Noteholders of any Class or Classes (a "**Meeting**"), and all Noteholders of each Class are entitled to participate in a Noteholders' meeting convened by the Issuer or the Trustee to consider any matter affecting their interests.

However, so long as no Event of Default has occurred and is continuing the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Trustee, without the consent of the Issuer and, if applicable, certain other Transaction Parties, unless the Issuer has an obligation to take such actions under the relevant Transaction Documents.

Following an Event of Default:

Following the occurrence of an Event of Default, the holders of the Most Senior Class of Notes may, (i) if they hold in aggregate not less than 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or (ii) if they pass a resolution at a Meeting duly convened and held in accordance with the Provisions for Meetings of Noteholders by a majority of not less than three quarters of the votes cast (an "**Extraordinary Resolution**"), direct the Trustee in writing to give an Enforcement Notice to the Issuer that all Classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding together with any accrued interest and any Deferred Interest and subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction.

Noteholders Meeting provisions:

Notice period:	21 clear days for an initial meeting	14 clear days for an adjourned meeting
Quorum:	One or more persons holding or representing in aggregate a majority of the Principal Amount Outstanding of the relevant Class or Classes of Notes outstanding for the initial meeting (other than in respect of a Reserved Matter (which must be proposed separately to each Class of Noteholders at separate meetings), which requires one or more persons holding or representing in the aggregate not less than 75 per cent. of the Principal Amount	At an adjourned meeting one or more persons being or representing Noteholders of that Class or those Classes, whatever the Principal Amount Outstanding of the Notes then outstanding held or represented by them (other than in respect of a Reserved Matter (which must be proposed separately to each Class of Noteholders at separate meetings), which requires one or more persons holding or representing not less than in aggregate

Outstanding of the relevant Class or Classes of Notes then outstanding).	25 per cent. of the Principal Amount Outstanding of the relevant Class or Classes of Notes then outstanding).
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Required majority for Extraordinary Resolution:	Not less than 75 per cent. of votes cast	Not less than 75 per cent. of votes cast
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Written Resolution: 100 per cent. of the Principal Amount Outstanding of the relevant Class of Notes then outstanding. A resolution in writing signed by or on behalf of all holders of Notes of the relevant class for the time being outstanding, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes (a "**Written Resolution**") has the same effect as an Extraordinary Resolution.

Reserved Matters:

A Reserved Matter (a "**Reserved Matter**") means any proposal:

- (a) except in accordance with Condition 18 (*Modification and Waiver in relation to the Screen Rate*) and Clause 12.8 (*Modification and Waiver in relation to the Screen Rate*) of the Trust Deed to change any date fixed for payment of principal or interest in respect of the Notes of any Class (including the Final Maturity Date), to modify the amount of principal or interest due on any date in respect of the Notes of any Class or to alter the method of calculating the amount of, or date fixed for, any payment in respect of the Notes of any Class;
- (b) the modification or addition of any other amount payable ranking ahead of or *pari passu* with the Notes of any Class, including any fees payable by the Issuer to any third party (save as permitted or contemplated under the terms of the Transaction Documents);
- (c) except in accordance with Condition 22 (*Substitution of Issuer*) and Clause 13 (*Substitution*) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (d) to change the currency in which amounts due in respect of the Notes are payable;
- (e) to alter the priority of payment of interest or principal in respect of the Notes;
- (f) to change the quorum required at any Meeting or the majority required to pass (i) an Extraordinary Resolution of holders of the Most Senior Class then outstanding or (ii) an Extraordinary Resolution in relation to a Reserved Matter;
- (g) to amend this definition;
- (h) to amend the definition of Event of Default;

- (i) any changes to the terms of the Deed Poll or any provisions concerning the exercise of the optional call thereunder;
- (j) any changes to the provisions concerning limited recourse and non-petition in relation to the Issuer including Condition 10 (*Limited Resource*);
- (k) any changes to the Condition 7 (*Issuer Covenants*); or
- (l) any waiver of any proposal or actual breach of any of the covenants (including any Event of Default or Potential Event of Default) or provisions contained in or arising pursuant to the Conditions or any Transaction Documents by any party thereto, which would have the effect of any of the foregoing.

**Relationship between
Classes of Noteholders**

In the event of a conflict of interests of holders of different Classes of Notes the Trustee shall have regard only to the interests of the holders of the Most Senior Class and will not have regard to any lower ranking Class of Notes. Subject to the provision in respect of a Reserved Matter, an Extraordinary Resolution of holders of the Most Senior Class shall be binding on all other Classes of Notes and would override any resolutions to the contrary of the Classes ranking behind such Class of Notes. A Reserved Matter requires an Extraordinary Resolution of each Class of Notes then outstanding.

Seller as Noteholder

The Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio. The Seller will be permitted on and following the Closing Date to dispose of its interest in the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes provided that (i) with respect to the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, such disposal would not cause the Retention Holder to be in breach of its obligations to hold the Minimum Required Interest and (ii) with respect to the Class X Notes, such disposal will only be made to an entity incorporated in Ireland and that is resident in Ireland for tax purposes (an "**eligible purchaser**") with any such eligible purchaser of the Class X Notes at the time of the acquisition covenanting that it will only on-sell the Class X Notes to an entity which is itself an eligible purchaser.

**Relationship between
Noteholders and other
Secured Creditors**

The trust deed entered into on or about the Closing Date between the Issuer and the Trustee (the "**Trust Deed**"), provides that the Trustee shall, except where expressly provided otherwise and prior to the redemption in full of the Notes, have regard solely to the interests of the Noteholders and shall have regard to the interests of the other Secured Creditors only to ensure the application of the Issuer's funds after the delivery of an Enforcement Notice is in accordance with the Post-Enforcement Priority of Payments.

**Provision of Information
to the Noteholders**

The Issuer is the designated entity for the purposes of Article 7 of the Securitisation Regulation. As further described in the Cash Management Agreement, the Issuer will procure that the Cash Manager will from the date of this Prospectus publish:

- (a) a monthly investor report on each Monthly Reporting Date in relation to each Monthly Calculation Period containing information in relation to the Notes including, but not limited to, ratings of the Notes, amounts paid to the Issuer pursuant to the relevant Priority of Payments in respect of the relevant Monthly Calculation Period, required counterparty

information, the Retention Holders' holding of the Notes (as confirmed to the Cash Manager) to be provided in respect of the Mortgage Portfolio and the Notes (together, the "**Monthly Investor Reports**");

- (b) a quarterly investor report on each Quarterly Reporting Date in respect of each Quarterly Calculation Period containing information in relation to the Notes including, but not limited to, ratings of the Notes, amounts paid by the Issuer pursuant to the relevant Priority of Payments in respect of the relevant Quarterly Calculation Period, required counterparty information, the Retention Holders' holding of the Notes (as confirmed to the Cash Manager) to be provided in relation to the Mortgage Portfolio and the Notes (together, the "**Quarterly Investor Reports**"); and
- (c) a quarterly report on each Quarterly Reporting Date, containing certain loan-by-loan information in relation to the Mortgage Portfolio in respect of the relevant Quarterly Calculation Period, as provided by the Administrator to the Cash Manager (together, the "**Quarterly Investor Data Tape**" and together with the Monthly Investor Reports, the Quarterly Investor Reports, the "**Investor Reports**"),

on the website of pivot.usbank.com (or any alternative website) (the "**Reporting Website**").

The Cash Manager will provide access to the Reporting Website to the Noteholders, the Central Bank, and, upon request, to potential investors in the Notes. In determining whether a person is a Noteholder or potential investor in the Notes, the Cash Manager is entitled to rely, without liability, on the certification by such person that they are a Noteholder or a potential investor in the Notes.

outstanding

means, in relation to the Notes, all the Notes other than:

- (a) those which have been redeemed in full and cancelled in accordance with the Conditions;
- (b) those in respect of which the date for redemption, in accordance with the provisions of the Conditions, has occurred and for which the redemption monies (including all interest accrued thereon to such date for redemption) have been duly paid to, or to the order of, the Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 23 (*Notices*)) and remain available for payment in accordance with the Conditions;
- (c) those which have been redeemed or surrendered for cancellation as provided in Condition 9 (*Final Redemption, Mandatory Redemption in part and Cancellation*) and notice of the cancellation of which has been given to the Trustee;
- (d) those which have become void under the Conditions;
- (e) those mutilated or defaced Notes which have been surrendered or cancelled and those Notes which are alleged to have been lost, stolen or destroyed and in all cases in respect of which

replacement Notes have been issued pursuant to the Conditions;
and

- (f) any Global Note, to the extent that it shall have been exchanged for the related Definitive Notes pursuant to the provisions contained therein and the Conditions;

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of Noteholders;
- (ii) the removal or replacement of the Trustee;
- (iii) the determination of how many and which Notes are for the time being outstanding for the purposes of Clause 11 (*Waiver*), Clause 12 (*Modifications*), Clause 15 (*Proceedings and Actions by the Trustee*), Clause 22 (*Appointment of Trustees*) and Clause 23 (*Notice of New Trustee*) of the Trust Deed and Condition 13 (*Events of Default*), Condition 14 (*Enforcement*), Condition 16 (*Meetings of Noteholders*) and Condition 17 (*Modification and Waiver*) and the Provisions for Meetings of Noteholders;
- (iv) any discretion, power or authority, whether contained in the Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Noteholders or any Class or Classes thereof; and
- (v) any determination by the Trustee as to whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Noteholders or any Class or Classes thereof,

those Notes (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer, any holding company of the Issuer or any other subsidiary of either such holding company, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

**Principal Amount
Outstanding**

means, on any day:

- (a) in relation to a Note, the Principal Amount Outstanding of that Note as at the Closing Date, less the aggregate amount of any principal payments in respect of that Note which have become due and payable (and been paid) on or prior to that day;
- (b) in relation to a Class of Notes, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding in such Class; and
- (c) in relation to the Notes outstanding at any time, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding, regardless of Class.

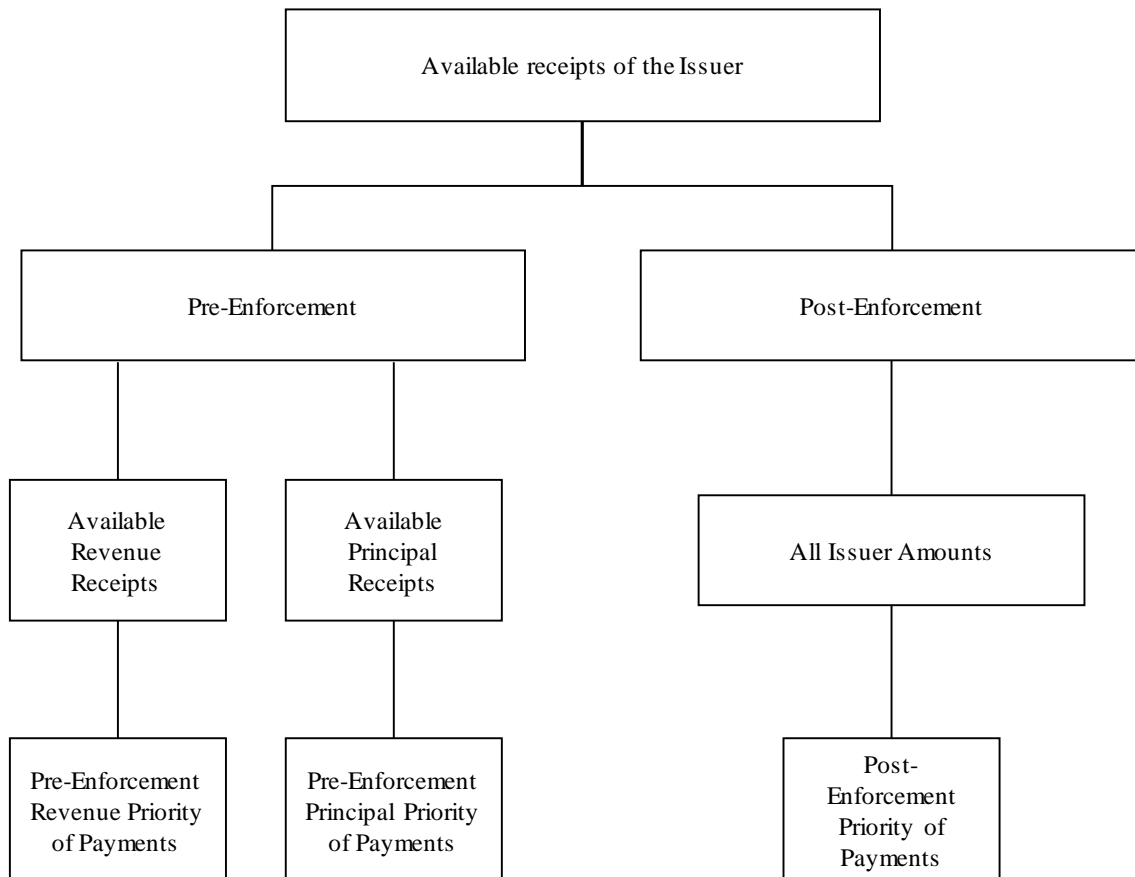
Secured Creditors

means the Trustee in its own capacity, any Receiver or any Appointee appointed by the Trustee, each in its own capacity, the Reference Agent, the Registrar, the Paying Agents, the Corporate Services Provider, the Administrator (and any replacement of the Administrator), the Issuer Administration Consultant, the Servicing Advisor, the Cash Manager,

the Account Bank, the Interest Rate Cap Provider, the Legal Title Holder, the Noteholders and any party named as a Secured Creditor in a Transaction Document.

OVERVIEW OF CREDIT STRUCTURE AND CASHFLOW

Please refer to the sections entitled "Key Structural Features" and "Cashflows and Cash Management" for further detail in respect of the credit structure and cash flow of the transaction.



OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS

Please refer to the sections entitled "Key Structural Features - Credit Enhancement and Liquidity Support" and "Cashflows and Cash Management" for further detail in respect of the credit structure and cash flow of the transaction.

Available Revenue Receipts and Available Principal Receipts of the Issuer:

The Cash Manager will apply Available Revenue Receipts on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments, as set out below.

"**Available Revenue Receipts**" will, for each Interest Payment Date (without double counting), broadly, include the following:

- (a) the Revenue Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Monthly Calculation Period;
- (b) interest payable to the Issuer on the Transaction Account and income from any Authorised Investments in each case received during the immediately preceding Monthly Calculation Period;
- (c) the proceeds of any Authorised Investments received during the immediately preceding Monthly Calculation Period;
- (d) any Principal Receipts applied as Principal Deficiency Excess Revenue Amounts;
- (e) any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger;
- (f) other than on or following a Liquidity Excess Principal Release Date, any amounts standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Fund Required Amount following the application of any Liquidity Reserve Release Amount from the Liquidity Reserve Fund Ledger;
- (g) any amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger in the event of either a Revenue Shortfall or an Additional Note Payment Shortfall following the application of any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger;
- (h) the then Liquidity Reserve Release Amount standing to the credit of the Liquidity Reserve Fund Ledger in the event of a Revenue Shortfall in respect of the Class A Notes or any shortfall of senior expenses due and payable (and after following the application of any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger);
- (i) in the event of a Revenue Shortfall in relation to the Most Senior Class of Notes, following the application of any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger, an amount of Available Principal Receipts (which is only available to pay any shortfall of interest due and payable on items (a) to (d) of the Pre-Enforcement Revenue Priority of Payments and the

Most Senior Class in accordance with Pre-Enforcement Revenue Priority of Payments);

- (j) amounts received or to be received by the Issuer under or in connection with the Interest Rate Cap Agreement (other than (i) any early termination amount received by the Issuer under the Interest Rate Cap Agreement, (ii) IRC Collateral, (iii) any Replacement IRC Amount paid to the Issuer, and (iv) amounts in respect of IRC Tax Credits on such Interest Payment Date other than, in each case, any IRC Collateral Account Surplus which is to be applied as Available Revenue Receipts in accordance with the IRC Collateral Account Priority of Payments);
- (k) other amounts received by the Issuer during the immediately preceding Monthly Calculation Period in accordance with the terms of the Transaction Documents (other than as classified as Principal Receipts) (including with respect to any sale of Mortgage Loans and/or any indemnity payment made to the Issuer pursuant to the Mortgage Sale Agreement); and
- (l) Available Principal Receipts applied as Available Revenue Receipts in accordance with item (v) of the Pre-Enforcement Principal Priority of Payments.

"**Available Principal Receipts**" will, for each Interest Payment Date (without double counting), broadly, include the following:

- (a) all Principal Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Monthly Calculation Period;
- (b) on the earlier of (i) the date the Class A Notes are redeemed in full and (ii) the Current Balance of the Mortgage Loans being less than 1 per cent. of the Current Balance of the Mortgage Loans on the Closing Date (each a "**Liquidity Excess Principal Release Date**"), any amounts standing to the credit of the Liquidity Reserve Fund Ledger having first applied any such amount to repay the Class A Notes in full;
- (c) the amounts (if any) to be credited to the Principal Deficiency Ledger pursuant to items (f), (i), (k), (m) (o), (q), (s), (u) and/or (ee) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date;
- (c) on the Final Rated Note Redemption Date, the Non-Liquidity Reserve Fund Ledger Residual Amount, the Liquidity Reserve Fund Ledger Residual Amount and the Additional Note Payment Reserve Fund Ledger Residual Amount; and
- (d) other amounts received by the Issuer during the immediately preceding Monthly Calculation Period in accordance with the terms of the Transaction Documents and which is of a principal nature,

less:

- (i) the amount of Principal Receipts received by the Issuer during the immediately preceding Monthly Calculation Period which are to be applied to cure any Revenue Shortfall in relation to the Most Senior Class of Notes on such Interest Payment Date; and

- (ii) the amount of Principal Receipts applied as Principal Deficiency Excess Revenue Amounts pursuant to item (d) of the definition of Available Revenue Receipts.

Overview of Priorities of Payments:

Below is a summary of the Priorities of Payments. Please refer to the section entitled "*Cashflows and Cash Management*" for further information. In addition, please refer to "*Limited recourse*" in the section entitled "*Overview Of The Terms And Conditions Of The Notes*".

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
(a) Fees, costs and expenses of the Trustee and any Appointee;	(a) (Other than on the Final Rated Note Redemption Date and any Interest Payment Date thereafter and following any amount credited pursuant to item (g) of the Pre-Enforcement Revenue Priority of Payments) an amount to be credited to the Liquidity Reserve Fund such that the Liquidity Reserve Fund is equal to the Liquidity Reserve Fund Required Amount;	(a) Fees, costs and expenses of the Trustee, any Appointee and any Receiver appointed by the Trustee;
(b) Any costs and fees of the Agents, Account Bank, Corporate Services Provider, Administrator, Cash Manager, Legal Title Holder, custodian or any replacement or additional account bank, the Issuer Administration Consultant (in relation to its fees, up to the Senior Consulting Fee Amount and on any Interest Payment Date that the relevant Notes are redeemed pursuant to the Call Option or the Risk Retention Regulatory Change Option in full only, including up to the Junior Consulting Fee Amount), the Servicing Advisor and any Insurance Policy premium payments (or to reimburse the Issuer Administration Consultant to the extent it has made such payments on behalf of the Issuer);	(b) To redeem the Class A Notes until the Class A Notes are redeemed to €1;	(b) Any costs and fees of the Agents, Account Bank, Corporate Services Provider, Administrator, Cash Manager, Legal Title Holder, custodian or any replacement or additional account bank, the Issuer Administration Consultant (in relation to its fees, up to the Senior Consulting Fee Amount), the Servicing Advisor and any Insurance Policy premium payments (or to reimburse the Issuer Administration Consultant to the extent it has made such payments on behalf of the Issuer);
(c) (i) Any amounts payable by the Issuer to third parties and any corporation tax payable by the Issuer; and (ii) any Replacement IRC Amount payable to a replacement interest rate cap provider to the extent that the available amounts standing to the credit of the IRC Collateral Account are insufficient to	(c) Any Deferred Interest due and payable on the Class B Notes;	(c) Interest due and payable on the Class A Notes;
	(d) To redeem the Class A Notes in full;	(d) To redeem the Class A Notes in full;
	(e) Interest due and payable on the Class B Notes;	(e) Interest due and payable on the Class B Notes;
	(f) To redeem the Class B Notes in full;	(f) To redeem the Class B Notes in full;

Pre-Enforcement Revenue Priority of Payments		Pre-Enforcement Principal Priority of Payments		Post-Enforcement Priority of Payments	
	cover such Replacement IRC Amount in accordance with the IRC Collateral Account Priority of Payments;	(e)	To redeem the Class B Notes in full;	(g)	Interest due and payable on the Class C Notes;
		(f)	To redeem the Class C Notes in full;	(h)	To redeem the Class C Notes in full;
(d)	On each Interest Payment Date falling in March, June, September and December of each year, the Issuer Profit Amount;	(g)	To redeem the Class D Notes in full;	(i)	Interest due and payable on the Class D Notes;
		(h)	To redeem the Class E Notes in full;	(j)	To redeem the Class D Notes in full;
(e)	Interest due and payable on the Class A Notes;	(i)	To redeem the Class F Notes in full;	(k)	Interest due and payable on the Class E Notes;
(f)	An amount sufficient to eliminate any debit on the Class A Principal Deficiency Sub-Ledger;	(j)	To redeem the Class G Notes in full;	(l)	To redeem the Class E Notes in full;
		(k)	Any deferred Additional Note Payment on the Class C Notes;	(m)	Interest due and payable on the Class F Notes;
(g)	So long as the Class A Notes remain outstanding following such Interest Payment Date an amount to be credited to the Liquidity Reserve Fund Ledger up to the Liquidity Reserve Fund Required Amount;	(l)	Any deferred Additional Note Payment on the Class D Notes;	(n)	To redeem the Class F notes in full;
		(m)	Any deferred Additional Note Payment on the Class E Notes;	(o)	Interest due and payable on the Class G Notes;
(h)	Interest due and payable on the Class B Notes;			(p)	To redeem the Class G Notes in full;
(i)	An amount sufficient to eliminate any debit on the Class B Principal Deficiency Sub-Ledger;	(n)	Any deferred Additional Note Payment on the Class F Notes;	(q)	Any fees of the Issuer Administration Consultant up to the Junior Consulting Fee Amount;
				(r)	On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class C Additional Note Payment;
(j)	Interest due and payable on the Class C Notes;	(o)	Any deferred Additional Note Payment on the Class G Notes;		
(k)	An amount sufficient to eliminate any debit on the Class C Principal Deficiency Sub-Ledger;	(p)	Interest due and payable on the Class RFN Notes;	(s)	On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class D Additional Note Payment;
(l)	Interest due and payable on the Class D Notes;	(q)	To redeem the Class RFN Notes in full;		
(m)	An amount sufficient to eliminate any debit on the Class D Principal Deficiency Sub-Ledger;	(r)	Interest due and payable on the Class Z1 Notes;	(t)	On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class E
(n)	Interest due and payable on the Class E Notes;	(s)	To redeem the Class Z1 Notes in full;		

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
	(t) Interest due and payable on the Class Z2 Notes;	Additional Note Payment;
	(u) To redeem the Class Z2 Notes in full; and	
	(v) Any remaining amounts to constitute Available Revenue Receipts and to be applied in accordance with the Pre-Enforcement Revenue Priority of Payments.	
(o) An amount sufficient to eliminate any debit on the Class E Principal Deficiency Sub-Ledger;		(u) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class F Additional Note Payment;
(p) Interest due and payable on the Class F Notes;		
(q) An amount sufficient to eliminate any debit on the Class F Principal Deficiency Sub-Ledger;		(v) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class G Additional Note Payment;
(r) Interest due and payable on the Class G Notes;		
(s) An amount sufficient to eliminate any debit on the Class G Principal Deficiency Sub-Ledger;		(w) Interest due and payable on the Class RFN Notes;
(t) An amount to be credited to the Non-Liquidity Reserve Fund Ledger up to the Non-Liquidity Reserve Fund Required Amount;		(x) To redeem the Class RFN Notes in full;
		(y) Interest due and payable on the Class Z1 Notes;
(u) An amount sufficient to eliminate any debit on the Class Z1 Principal Deficiency Sub-Ledger;		(z) To redeem the Class Z1 Notes in full;
		(aa) Interest due and payable on the Class Z2 Notes;
(v) Provided that such amount has not already been paid under item (b), any fees of the Issuer Administration Consultant up to the Junior Consulting Fee Amount;		(bb) To redeem the Class Z2 Notes in full;
		(cc) While any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
(w) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class C Additional Note Payment;		Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes or the Class Z2 Notes are outstanding, to pay principal amounts due on the Class X Notes until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000, and following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes to redeem the Class X Notes to €1;
(x) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class D Additional Note Payment;		
(y) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class E Additional Note Payment;		
(z) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class F Additional Note Payment;		
(aa) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class G Additional Note Payment;		(dd) any third parties and any corporation tax payable by the Issuer;
(bb) to credit the Additional Note Payment Reserve Fund with the Additional Note Payment Reserve Fund Payment Amount;		(ee) any amounts payable by the Issuer to third parties; and
(cc) Interest due and payable on the Class RFN Notes;		(ff) Interest due and payable on the Class X Notes.
(dd) Interest due and payable on the Class Z1 Notes;		
(ee) An amount sufficient to eliminate any debit on the Class Z2 Principal Deficiency Sub-Ledger;		
(ff) Interest due and payable on the Class Z2 Notes;		
(gg) While any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E		

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes or the Class Z2 Notes are outstanding, to pay principal amounts due on the Class X Notes until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000, and following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes until the Class X Notes are redeemed to €1; and		
(hh) Interest on the Class X Notes.		

Key Structural Features

The general credit and liquidity structure of the transaction includes, broadly, the following elements:

- availability of the Non-Liquidity Reserve Fund;
- availability of the Liquidity Reserve Fund (together with the Non-Liquidity Reserve Fund, the "**Reserve Fund**");
- availability of the Additional Note Payment Reserve Fund;
- the Reserve Fund is funded by way of the proceeds of the issuance of the Class RFN Notes on the Closing Date in an amount equal to 2.0 per cent. of the aggregate Principal Amount Outstanding of the Notes (other than the Class RFN Notes and the Class X Notes) on the Closing Date. The Reserve Fund Required Amount will be split between the Non-Liquidity Reserve Fund Required Amount and the Liquidity Reserve Fund Required Amount.
- on each Interest Payment Date, the Reserve Fund will be replenished up to an amount equal to 2.0 per cent. of the aggregate Principal Amount Outstanding of the Notes (other than the Class RFN Notes and the Class X Notes) on the Closing Date, less the amounts applied as Available Principal Receipts from the Liquidity Reserve Fund on the Liquidity Excess Principal Release Date (the "**Reserve Fund Required Amount**").

- on each Interest Payment Date, the Non-Liquidity Reserve Fund will be replenished up to an amount equal to the Reserve Fund Required Amount less the Liquidity Reserve Fund Required Amount (as defined below) (the "**Non-Liquidity Reserve Fund Required Amount**") from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments. Such amount shall be credited to the Non-Liquidity Reserve Fund Ledger of the Transaction Account (the "**Non-Liquidity Reserve Fund**"). On each Interest Payment Date, amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger will be applied as Available Revenue Receipts in accordance with the relevant Priority of Payments.
- on each Interest Payment Date, the Liquidity Reserve Fund will be replenished up to an amount equal to:
 - (a) on any Interest Payment Date up to (but excluding) the date that the Class A Notes are redeemed in full, an amount equal to the greater of:
 - i. the product of (A) 2.00%; and (B) Principal Amount Outstanding on the Class A Notes on the relevant Interest Payment Date; and
 - ii. the product of (A) 1.00%; and (B) the aggregate Principal Amount Outstanding of the Class A Notes on the Closing Date; and
 - (b) thereafter, zero

(the "**Liquidity Reserve Fund Required Amount**")

from (i) Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments and (ii) if Available Revenue Receipts are insufficient, from Available Principal Receipts in accordance with the Pre-Enforcement Principal Priority of Payments. Such amounts shall be credited to the Liquidity Reserve Fund Ledger of the Transaction Account (the "**Liquidity Reserve Fund**");
- any Revenue Shortfall will be cured by applying, *first*, any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger; *second*, any amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger, *third*, with respect to a Revenue Shortfall in respect of items (a) to (e) only of the Pre-Enforcement Revenue Priority of Payments, any amounts standing to the credit of the Liquidity Reserve Fund Ledger and *fourth*, with respect to a Revenue Shortfall in respect of items (a) to (d) only of the Pre-Enforcement Revenue Priority of Payments and to pay any outstanding interest amounts on the then Most Senior Class of Notes, Principal Receipts in accordance with the Pre-Enforcement Principal Priority of Payments;
- On or following the Liquidity Excess Principal Release Date, any amounts standing to the credit of the Liquidity

Reserve Fund Ledger to be applied as Available Principal Receipts to redeem the Notes on such Interest Payment Date;

- on the Final Rated Note Redemption Date, availability of the Non-Liquidity Reserve Fund Ledger Residual Amount, the Liquidity Reserve Fund Ledger Residual Amount and the Additional Note Payment Reserve Fund Ledger Residual Amount to be applied as Available Principal Receipts to redeem the Notes on such Interest Payment Date;
- on each Interest Payment Date, the Additional Note Payment Reserve Fund will be credited by an amount up to the Additional Note Payment Reserve Fund Payment Amount in accordance with the Pre-Enforcement Revenue Priority of Payments; and
- amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger will be used (after curing any Revenue Shortfall) to cure any Additional Note Payment Shortfall.

See the section entitled "*Key Structural Features*" and "*Cashflows and Cash Management*" for further information on this.

Revenue Shortfall

On each Determination Date, the Cash Manager shall determine the amount of Revenue Shortfall, if any. To the extent that there is a Revenue Shortfall, the Cash Manager on behalf of the Issuer shall, on the relevant Interest Payment Date, pay or provide for such Revenue Shortfall in relation to the Rated Notes by applying: *first*, any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger; *second*, any amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger, *third*, with respect to a Revenue Shortfall in respect of items (a) to (e) only of the Pre-Enforcement Revenue Priority of Payments, any amounts standing to the credit of the Liquidity Reserve Fund Ledger and *fourth*, with respect to a Revenue Shortfall in respect of items (a) to (d) only of the Pre-Enforcement Revenue Priority of Payments and to pay any outstanding interest amounts on the then Most Senior Class of Notes, Principal Receipts in accordance with the Pre-Enforcement Principal Priority of Payments.

"**Revenue Shortfall**" means the amount calculated by the Cash Manager on each Determination Date being the amount by which Available Revenue Receipts (excluding limb (f) of the definition of Available Revenue Receipts) are insufficient to pay or provide for payment of items (a) to (e), (h), (j), (l), (n), (p) and (r) of the Pre-Enforcement Revenue Priority of Payments.

Additional Note Payment Shortfall

On each Determination Date, the Cash Manager shall determine the amount of Additional Note Payment Shortfall, if any. To the extent that there is an Additional Note Payment Shortfall, the Cash Manager on behalf of the Issuer shall, on the relevant Interest Payment Date, pay or provide for such Additional Note Payment Shortfall by applying amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger (after its

application to meet any Revenue Shortfall) in the order in which they appear in the Pre-Enforcement Revenue Priority of Payments.

"Additional Note Payment Shortfall" means the amount calculated by the Cash Manager on each Determination Date being the amount by which Available Revenue Receipts are insufficient to pay or provide for payment of items (w) to (aa) (inclusive) of the Pre-Enforcement Revenue Priority of Payments.

Principal Deficiency Ledger

The Principal Deficiency Ledger of the Issuer will record as a debit to the ledger the following items:

- (i) any Losses on the Mortgage Loans in the Mortgage Portfolio;
- (ii) in the case of any Split Mortgage Loans, an amount equal to the then current principal balance of the related Warehoused Mortgage Account **provided that** if an amount is moved from the Warehoused Mortgage Account to the Main Mortgage Account, the Principal Deficiency Ledger shall be credited by such amount;
- (iii) in the case of any Mortgage Loans in arrears by 180 days or more and in respect of which amounts have not been recorded in (i) or (ii) above, an amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage **provided that**, for the avoidance of doubt, if: (a) the number of days by which such Mortgage Loan is in arrears increases such that the corresponding Arrears Percentage increases, the debit entry on the Principal Deficiency Ledger shall be increased to an amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage; (b) the number of days by which such Mortgage Loan is in arrears decreases such that the corresponding Arrears Percentage decreases, the difference between the previous debit entry on the Principal Deficiency Ledger and the amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage shall be credited to the Principal Deficiency Ledger; and (c) if such Mortgage Loan no longer falls under items (a), (b) or (c) of the definition of Arrears Percentage, the amount previously debited to the Principal Deficiency Ledger is instead credited to the Principal Deficiency Ledger;
- (iv) the application of any Principal Receipts to meet any Revenue Shortfall;
- (v) the application of Principal Receipts to replenish the Liquidity Reserve Fund pursuant to item (a) of the Pre-Enforcement Principal Priority of Payments; and
- (vi) the application of any Principal Deficiency Excess Revenue Amount.

On each Determination Date, the Cash Manager will calculate the then current balance of the Principal Deficiency Ledger and will, on the subsequent Interest Payment Date, apply Available Revenue Receipts to cure any debit entries in the order set out in the Pre-Enforcement Revenue Priority of Payments. In the event that it is

subsequently determined that the debit balance of the Principal Deficiency Ledger was erroneously calculated as being higher than was subsequently found to be the case (as a result of Mortgage Loans in arrears being subsequently found to have been fully or partially cured), it may be the case that, on any Interest Payment Date, the Available Revenue Receipts that were applied to cure a debit entry on the Principal Deficiency Ledger were excessive for such purpose. In such circumstances, following the application of Available Revenue Receipts the Principal Deficiency Ledger will have a negative debit balance (any such amount, the "**Principal Deficiency Excess**"). Any amounts equal to the balance of such Principal Deficiency Excess shall form part of the Available Revenue Receipts on the next following Interest Payment Date, such amounts being "**Principal Deficiency Excess Revenue Amounts**".

"**Arrears Percentage**" means:

- (a) for Mortgage Loans between 180 days and 269 days in arrears, 20 per cent.;
- (b) for Mortgage Loans between 270 days and 359 days in arrears, 35 per cent.; and
- (c) for Mortgage Loans more than 359 days in arrears, 50 per cent.

The Principal Deficiency Ledger will be divided into nine sub-ledgers which will correspond to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class Z1 Notes and the Class Z2 Notes. The sub-ledger for each class of Notes will show separate entries for each class of Notes.

Any amounts recorded as debit entries to the Principal Deficiency Ledger shall be debited in the following order:

- (i) *first*, to the Class Z2 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z2 Notes;
- (ii) *second*, to the Class Z1 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z1 Notes;
- (iii) *third*, to the Class G Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class G Notes;
- (iv) *fourth*, to the Class F Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class F Notes;
- (v) *fifth*, to the Class E Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class E Notes;
- (vi) *sixth*, to the Class D Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class D Notes;

- (vii) *seventh*, to the Class C Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class C Notes;
- (viii) *eighth*, to the Class B Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class B Notes; and
- (ix) *ninth*, to the Class A Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class A Notes.

On each Interest Payment Date, the Issuer shall apply any Available Revenue Receipts available for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments to extinguish or reduce any debit balance on the Principal Deficiency Ledger. Such Available Revenue Receipts will be applied on an Interest Payment Date as follows:

- (i) *first*, to the Class A Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (ii) *second*, to the Class B Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (iii) *third*, to the Class C Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (iv) *fourth*, to the Class D Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (v) *fifth*, to the Class E Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (vi) *sixth*, to the Class F Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (vii) *seventh*, to the Class G Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (viii) *eighth*, to the Class Z1 Principal Deficiency Sub-Ledger to reduce the debit balance to zero; and
- (ix) *ninth*, to the Class Z2 Principal Deficiency Sub-Ledger to reduce the debit balance to zero.

Please refer to the section entitled "*Key Structural Features*" for further information.

Collection Account

On 30 March 2017, the Legal Title Holder declared a declaration of trust over the Paris Collection Account (the "**Amended and Restated Paris Declaration of Trust**") in favour of the Issuer and other beneficiaries supplemental to the declaration of trust dated 19 February 2015 previously entered into in connection with the original acquisition from Bank of Scotland (Ireland) Limited. The Issuer will accede to the Amended and Restated Paris Declaration of Trust by way of an accession memorandum (the "**Accession to the Amended and Restated Paris Declaration of Trust**"). The Issuer's share of the trust will be an amount equal to the collections received in the Paris Collection Account in respect of the Mortgage Loans beneficially owned by it.

On 30 March 2017, the Legal Title Holder declared a declaration of trust over the Java Collection Accounts (the "**Amended and Restated Java Declaration of Trust**") in favour of the Issuer and other beneficiaries supplemental to the declaration of trust dated 4 December 2014 previously entered into in connection with the original acquisition from Start Mortgages DAC and Nua Mortgages Limited. The Issuer will accede to the Amended and Restated Java Declaration of Trust by way of an accession memorandum (the "**Accession to the Amended and Restated Java Declaration of Trust**"). The Issuer's share of the trust will be an amount equal to the collections received in the Java Collection Accounts in respect of the Mortgage Loans beneficially owned by it.

On the Closing Date, the Legal Title Holder declared a declaration of trust over the Java Master Collection Account (the "**Java Master Collection Account Declaration of Trust**") in favour of the Issuer.

Amounts credited to the Paris Collection Account and the Java Collection Accounts from (and including) the Closing Date that relate to the Issuer's Collection Portion will be identified on a daily basis (each such aggregate daily amount, a "**Daily Euro Mortgage Loan Amount**") and the Issuer Administration Consultant shall transfer or procure to be transferred an amount equal to the Daily Euro Mortgage Loan Amount from (i) the Java Collection Accounts into the Java Master Collection Account on the next Business Day after that Daily Euro Mortgage Loan Amount is identified as received in the Java Collection Accounts, subject to the retention of the Minimum Retained Balance and all amounts standing to the credit of the Java Master Collection Account is transferred on each Business Day to the Transaction Account and (ii) the Paris Collection Account into the Transaction Account on the next Business Day after that Daily Euro Mortgage Amount is identified as received in the Paris Collection Account, subject to the retention of Minimum Retained Balance.

On each Interest Payment Date amounts standing to the credit of the Transaction Account will be applied by the Cash Manager on behalf of the Issuer in accordance with the relevant Priority of Payments.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in London, Dublin and Luxembourg and which is a TARGET2 Settlement Day.

"**Collection Account**" means any or all of the Paris Collection Account, the Java Master Collection Account and the Java Collection Accounts, as the context requires.

"**Collection Account Bank**" means Allied Irish Bank, p.l.c. or its successor acting in its capacity as the bank at which the Collection Accounts are maintained.

"**Issuer's Collection Portion**" means at any time an amount equal to the aggregate of the Issuer's share of the collections credited to the Paris Collection Account and the Java Collection Accounts in relation to the Mortgage Loans in the Mortgage Portfolio since the Closing Date, minus the aggregate amount transferred from the

Paris Collection Account and the Java Collection Accounts to the Transaction Account since the Closing Date.

"Java Collection Accounts" means accounts in the name of the Legal Title Holder or its affiliates held with the Collection Account Bank into which all payments due by Borrowers under the Mortgage Loans originated by Start Mortgages DAC or Nua Mortgages Limited and beneficially owned by the Issuer are made.

"Java Master Collection Account" means the account in the name of the Legal Title Holder or its affiliates held with the Collection Account Bank into which all amounts standing to the credit of the Java Collections Accounts that are beneficially owned by the Issuer are paid.

"Minimum Retained Balance" means €20,000 for each of the Paris Collection Account and the Java Collection Accounts.

"Paris Collection Account" means account in the name of the Legal Title Holder or its affiliates held with the Collection Account Bank into which all payments due by Borrowers under the Mortgage Loans originated by Bank of Scotland (Ireland) Limited and beneficially owned by the Issuer are made.

OVERVIEW OF THE MORTGAGE PORTFOLIO AND ADMINISTRATION

Please refer to the section entitled *"The Mortgage Portfolio - Statistical Information on the Provisional Mortgage Portfolio"* and *"The Administrator and the Administration Agreement"* for further detail in respect of the characteristics of the Mortgage Portfolio and the sale and the servicing arrangements in respect of the Mortgage Portfolio.

Sale of Mortgage Portfolio

The **"Mortgage Portfolio"** will consist of the Completion Mortgage Pool (which will be sold by the Seller to the Issuer on the Closing Date).

The Mortgage Portfolio consists of mortgage loans which are secured over residential properties located in Ireland (the **"Mortgage Loans"**) and which prior to the Seller's acquisition of the Mortgage Loans were owned beneficially by European Residential Loan Securitisation 2017 PL1 DAC.

The Mortgage Assets are governed by the laws of Ireland.

Please refer to the section entitled *"Sale of the Mortgage Portfolio under the Mortgage Sale Agreement"* for further information.

Features of Mortgage Loans

Certain features of the Mortgage Loans comprising the Provisional Mortgage Portfolio as at 31 December 2018 (the **"Provisional Cut Off Date"**) are set out in the table below and investors should refer to, and carefully consider, further details in respect of the Mortgage Loans set out in *"The Mortgage Portfolio - Statistical Information on the Provisional Mortgage Portfolio"*. The composition of the Mortgage Portfolio may change from that of the Provisional Mortgage Portfolio on account of the exclusion of any Mortgage Loans which have been redeemed in full in the period between the Provisional Cut-off Date and the Cut-Off Date. The Mortgage Loans described below are secured by first priority charges over freehold and leasehold properties in Ireland.

Type of mortgage	Repayment and interest only		
Number of Mortgage Loans	2,682		
	Weighted Average/ Average	Minimum	Maximum
Current Balance	€231,144	€4	€2,563,972
Seasoning (years)	12.26	7.75	19.08

Consideration

The consideration from the Issuer to the Seller in respect of the sale of the Mortgage Portfolio shall be the proceeds of the Notes. In addition, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio.

The **"Completion Mortgage Pool"** means the portfolio of Mortgage Assets as at 28 February 2019 (the **"Cut-off Date"**) which form the mortgage portfolio that is sold by the Seller to the Issuer on the Closing Date. The composition of the Completion Mortgage Pool may change from that of the Provisional Mortgage Portfolio due to the exclusion

of any Mortgage Loans which have been redeemed in full in the period between the Provisional Cut-off Date and the Cut-Off Date.

The proceeds of any Mortgage Loans which have been redeemed on or after the Cut-off Date will be applied as Available Principal Receipts and Available Revenue Receipts (as applicable).

Any reference to the "**Current Balance**" of any Mortgage Loan means, on any date, the aggregate balance of the amounts charged to the Borrower's account in respect of a Mortgage Loan at such date (but avoiding double counting) including:

- (a) the original principal amount advanced to the Borrower (including any fees and expenses added to such principal amount); plus
- (b) any advance of further moneys to the Borrower thereof prior to the Closing Date on the security of or securable on the relevant Mortgage Loan and any amount added to the principal balance of the relevant Mortgage Loan prior to the Closing Date on the terms of the relevant mortgage deed after the date of completion of such Mortgage Loan which remains outstanding as at such date (including fees and expenses, Accrued Interest, any Arrears of Interest and any unpaid expenses, including, without limitation, insurance premiums); plus
- (c) all Accrued Interest not yet due and Arrears of Interest which in each case has not been added to the principal amount,

as at the end of the Business Day immediately preceding that given date, minus any repayment or payment (including, if permitted, by way of set-off, withholding or counterclaim) of any of the foregoing made on or before the end of the Business Day immediately preceding that given date.

See the section entitled "*The Mortgage Portfolio*" for further information.

Representations and Warranties

The Seller and the Retention Holder will make certain representations and warranties to the Issuer and the Trustee in relation to the Mortgage Assets comprised in the Mortgage Portfolio on the Closing Date.

In addition to warranties in respect of the legal status of the Mortgage Assets, there are also warranties in relation to the assets which include (but are not limited to) the following:

- so far as the Seller and Retention Holder are aware, each Mortgage Loan is secured by a first ranking mortgage;
- neither the Seller or the Retention Holder have received any notice or claim in writing by any Borrower of any threat to take steps to assert any right of set-off;
- so far as the Seller and Retention Holder are aware, in relation to each Mortgage Asset the Property is registerable and it has been registered;
- each Mortgage Loan is made on the terms, or on substantially similar terms, of the Standard Documentation;

- each Mortgage Loans is denominated in euro; and
- so far as the Seller and the Retention Holder are aware, the Mortgage Loans were originated in accordance with all applicable laws at the time of origination.

The Issuer and the Trustee will have the benefit of all or certain of the loan warranties contained in the Mortgage Sale Agreement and given by the Seller and the Retention Holder as at the Closing Date (the "**Mortgage Loan Warranties**") in relation to the Mortgage Assets contained in the Mortgage Portfolio.

See the section entitled "*The Mortgage Portfolio - Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" and risk factor "*Knowledge of matters with respect to the Mortgage Loans represented in the Mortgage Loan Warranties*" for further information.

Breach of Warranty

In the case of a material breach of any of the representations or warranties given by the Seller and the Retention Holder on the Closing Date which is not capable of remedy or is not remedied within 30 Business Days of being notified by the Issuer, the Issuer's only remedy in respect of a breach of any Mortgage Loan Warranty will be to claim damages for breach of that Mortgage Loan Warranty.

If the Issuer wishes to make a claim in respect of that breach of any Mortgage Loan Warranty, the Issuer must at any time on or before the date falling two years after the Closing Date give notice of such breach to the Seller and the Retention Holder. The Issuer shall first claim damages for breach of any Mortgage Loan Warranty from the Seller, and if the Seller either (i) fails to pay such damages within 25 Business Days of being notified of such breach (the "**Claim Payment Date**") or (ii) pays such damages in part only, the Issuer shall claim such damages in whole or in part (as applicable) from the Retention Holder which shall pay such claim within 5 Business Days of the Claim Payment Date.

The liability of the Seller and the Retention Holder in respect of any breach of any Mortgage Loan Warranty (a "**Warranty Claim**") shall be limited to not greater than ten per cent of the Current Balance of the relevant Mortgage Loan. Notwithstanding such limit, the Seller will have no liability to the Issuer unless the amount of damages to which the Issuer would be entitled but for such limit as a result of that Warranty Claim is greater than €5,000 per Mortgage Loan that is the subject of that Warranty Claim (unless there are Warranty Claims relating to breaches of the same Mortgage Loan Warranty arising from similar facts where the amount of such claim to which the Issuer would but for such limit be entitled as a result of those Warranty Claims exceeds €20,000 in aggregate).

See the section entitled "*The Mortgage Portfolio - Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" for further information.

Perfection Trigger Events

See "*Perfection Trigger Events*" in the section entitled "*Transaction Overview - Triggers Tables - Non-Ratings Triggers Table*".

Prior to the completion of the transfer of legal title of the Mortgage Loans, the Issuer will hold only an equitable and/or beneficial interest in those Mortgage Loans and will, therefore, be subject to certain risks

as set out in the risk factor entitled "*Title of the Issuer*" in the section entitled "*Risk Factors*".

Administration of the Mortgage Portfolio

In accordance with the terms of the Administration Agreement, the Administrator agrees to service on behalf of the Issuer the Mortgage Assets.

The Administrator shall, apart from in the case of certain specified circumstances as set out in the Administration Agreement, liaise with the Issuer Administration Consultant when providing the services to the Issuer. The appointment of the Administrator may be terminated by the Issuer and/or the Trustee (subject to the terms of the Administration Agreement) upon the occurrence of an Administrator Termination Event (see "*Administrator Termination Events*" in the "*Non-Ratings Triggers Table*") and the section of this Prospectus headed "*The Administrator*" and the "*Administration Agreement*".

For details as to how the appointment of the Administrator may be terminated by either the Issuer or the Administrator, please see the section headed "*The Administrator*" and the "*Administration Agreement*".

Issuer Administration Consultant

The Issuer Administration Consultant will be appointed on the Closing Date pursuant to the Asset Management Consulting Agreement to provide certain asset management consulting services to the Issuer in relation to the Mortgage Portfolio.

The Issuer Administration Consultant has authority in accordance with the provisions of the Asset Management Consulting Agreement to provide the Consulting Services. The Issuer Administration Consultant will provide the Consulting Services on the terms, and subject to the conditions, of the Asset Management Consulting Agreement and in accordance with the Consulting Standard.

The Issuer Administration Consultant shall consult with the Administrator and the Servicing Advisor generally in relation to the services provided by the Administrator and in relation to the specific matters set out in the Administration Agreement in relation to which the Administrator is required to consult with the Issuer Administration Consultant.

For details as to how the appointment of the Issuer Administration Consultant may be terminated by either the Issuer or the Issuer Administration Consultant, please see the section headed "*The Issuer Administration Consultant and the Asset Management Consulting Agreement*".

Servicing Advisor

The Servicing Advisor will be appointed on the Closing Date pursuant to the Servicing Advisory Agreement to provide certain asset and cash management monitoring services to the Issuer in relation to the Mortgage Portfolio.

The Servicing Advisor has authority in accordance with the provisions of the Servicing Advisory Agreement to provide the Servicing Advisory Services. The Servicing Advisor will provide the Servicing Advisory Services on the terms, and subject to the conditions, of the Servicing Advisory Agreement and in accordance with the Consulting Standard.

The Servicing Advisor shall consult with the Issuer Administration Consultant generally in relation to the services provided by the Administrator.

For details as to how the appointment of the Servicing Advisor may be terminated by either the Issuer or the Servicing Advisor, please see the section headed the "*Retention Holder and Servicing Advisor*" and the "*Servicing Advisory Agreement*".

Purchase of the Mortgage Portfolio pursuant to the Call Option:

Pursuant to the Call Option, the Option Holder may, pursuant to and subject to the terms of the Deed Poll, require the Issuer to:

- (a) sell and transfer to a Beneficial Title Transferee the beneficial title to all (but not some) of the Mortgage Assets comprising the Mortgage Portfolio in consideration for the payment of the relevant Call Option Purchase Price; and
- (b) procure that the Legal Title Holder transfers the legal title to all (but not some) of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio, to a Legal Title Transferee,

on any Business Day falling on or after (i) the Monthly Calculation Date immediately preceding the Option Redemption Date, (ii) any day on which the aggregate Current Balance of the Mortgage Loans was equal to or less than 10 per cent. of the aggregate Current Balance of the Mortgage Loans on the Closing Date or (iii) following a Redemption Event.

"Option Redemption Date" means the Interest Payment Date falling in March 2021.

See the section entitled "*Early Redemption of the Notes*" below.

Purchase of Mortgage Portfolio pursuant to Risk Retention Regulatory Change Option

Pursuant to the agreement dated on or about the Closing Date between the Issuer, the Retention Holder, the Legal Title Holder, the Arranger, the Lead Manager and the Trustee (the "**Risk Retention Letter**"), on any Business Day following the occurrence of a Risk Retention Regulatory Change Event (and subject to two directors of the Retention Holder certifying in writing to the Trustee that a Risk Retention Regulatory Change Event has occurred, upon which certificate the Trustee shall be entitled to rely absolutely without liability and without further enquiry to any person for so doing), the Retention Holder has the benefit of the Risk Retention Regulatory Change Option to require the Issuer to:

- (a) sell and transfer to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) the beneficial title to the Mortgage Assets comprising the Mortgage Portfolio;
- (b) transfer to the Retention Holder or its nominee the right to have legal title to the Mortgage Assets comprising the Mortgage Portfolio and their Related Security; and
- (c) direct that the Legal Title Holder transfer legal title to the Mortgage Assets comprising the Mortgage Portfolio to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) in accordance with and subject to the terms of the

Administration Agreement on the Risk Retention Regulatory
Change Completion Date,

in each case subject to the terms of the Risk Retention Letter.

See the section entitled "*Early Redemption of the Notes - Risk
Retention Regulatory Change Option*" for further details.

RISK FACTORS

The following is a description of the principal risks associated with an investment in the Notes. These risk factors are material to an investment in the Notes and in the Issuer. Prospective Noteholders 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.

An investment in the Notes is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom.

The Issuer believes that the risks described below are the material risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks relating to the Notes are exhaustive. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of the Notes. Prospective Noteholders should read the detailed information set out in this Prospectus and reach their own views, together with their own professional advisers, prior to making any investment decision. Prospective Noteholders should read the sections of this Prospectus entitled "Transaction Overview" to "Triggers Tables" (inclusive) before reading and considering the risks described below.

Credit Structure

Notes obligations of Issuer only

The Notes will be obligations solely of the Issuer and will not be the responsibility of, or guaranteed by, any of the Transaction Parties (other than the Issuer). In particular, the Notes will not be obligations of, and will not be guaranteed by, the Arranger, the Lead Manager or the Trustee. No person other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes.

Limited source of funds

The ability of the Issuer to meet its obligations to pay principal and interest and Additional Note Payments on the Notes and its operating and administrative expenses will be dependent solely on Revenue Receipts and Principal Receipts in respect of the Mortgage Loans in the Mortgage Portfolio and from any enforcement of Mortgage Loans or any sale of Mortgage Loans, interest earned on the Issuer Accounts, income from any Authorised Investments and amounts standing to the credit of the Non-Liquidity Reserve Fund, the Liquidity Reserve Fund and the Additional Note Payment Reserve Fund. Other than the foregoing, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes and/or any other payment obligation ranking in priority to, or *pari passu* with, the Notes under the applicable Priority of Payments. If such funds are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Creditors, subject to the applicable Priority of Payments. The Issuer will have no recourse to the Seller or the Retention Holder, save as provided in the Mortgage Sale Agreement (see further the section entitled "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*").

Limited recourse

The Notes will be limited recourse obligations of the Issuer. Other than the receipts from the Mortgage Loans in the Mortgage Portfolio, interest earned on the Transaction Account and amounts standing to the credit of the Non-Liquidity Reserve Fund, the Liquidity Reserve Fund and the Additional Note Payment Reserve Fund, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes. If at any time following:

(a)

- (i) the Final Maturity Date or any earlier date upon which all of the Notes of each Class become due and payable; or
- (ii) the service of an Enforcement Notice; and

- (b) realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any Class of Notes, then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such Class of Notes (and any Class of Notes junior to that Class of Notes) shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer. The Issuer will not be obliged to pay any amounts representing a shortfall and any claims in respect of such shortfall shall be extinguished. "Realisation" is defined in Condition 10 (*Limited Recourse*).

None of the Secured Creditors shall be entitled to institute against the Issuer any bankruptcy, reorganisation, arrangement, examination, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligation relating to the Notes or the other Transaction Documents, save for lodging a claim in the liquidation of the Issuer which is initiated by any other party.

Each Secured Creditor (other than the Trustee) agrees that if any amount is received by it (including by way of set-off) in respect of any secured obligation owed to it other than in accordance with the provisions of the Irish Deed of Charge and the English Deed of Charge, then an amount equal to the difference between the amount so received by it and the amount that it would have received had it been paid in accordance with the provisions of the Irish Deed of Charge and the English Deed of Charge, as applicable, shall be received and held by it as trustee for the Trustee and shall be paid over to the Trustee immediately upon receipt so that such amount can be applied in accordance with the provisions of the Irish Deed of Charge and the English Deed of Charge.

"**Charged Property**" means all the property of the Issuer which is subject to the Security.

Deferral of interest payments on the Notes and Additional Note Payments

If, on any Interest Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of interest (including any accrued interest thereon) payable in respect of the Notes (other than the Class A Notes), after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then that amount shall not be due and payable and the Issuer will be entitled to defer payment of that amount (to the extent of the insufficiency) until the following Interest Payment Date or such earlier date as interest in respect of such Class of Notes becomes immediately due and repayable in accordance with the Conditions and it shall not constitute an Event of Default. To the extent that there are insufficient funds on the following Interest Payment Date or such earlier date as interest in respect of such Class of Notes is scheduled to be paid in accordance with the Conditions, the deferral of interest shall continue until the Final Maturity Date.

If, on any Interest Payment Date after the Step-Up Date, the Issuer has insufficient funds to make payment in full of all amounts in respect of Additional Note Payment Amounts (including interest (if any) accrued but unpaid and/or deferred and accrued interest thereon) payable in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall defer payment of the relevant Additional Note Payment Amount until the next Interest Payment Date. Such failure to pay Additional Note Payment Amounts shall not constitute an Event of Default. To the extent that there are insufficient funds on the following Interest Payment Date or such earlier date as interest in respect of such Class of Notes is scheduled to be paid in accordance with the Conditions, the deferral of interest shall continue until the Final Maturity Date.

Credit risk

The Issuer is subject to the continued risk of default in payment by the Borrowers and upon such default in payment, the failure by the Administrator, on behalf of the Issuer, to realise or recover sufficient funds from the Borrowers under the arrears and default procedures in respect of the Mortgage Loans and their Related Security in order to discharge all amounts due and owing by the relevant Borrowers under the Mortgage Loans. Furthermore potential investors in the Notes should note that the Issuer expects that the Class Z2 Principal Sub-Ledger will be credited up to an estimated amount of €13 million on the Issue Date, as a result of arrears provisioning. Please see section "*Statistical Information on the Provisional Mortgage Pool*"

for more information. This risk may adversely affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by certain credit enhancement features which are described in the section entitled "*Key Structural Features - Credit Enhancement and Liquidity Support*". However, no assurance can be made as to the effectiveness of such credit enhancement features or that such alternative sources of liquidity will protect the Noteholders from all risk of loss.

Liquidity risk

The Issuer is subject to the risk of insufficiency of funds on any Interest Payment Date as a result of payments being made late by Borrowers after the end of the relevant Monthly Calculation Period to which the Interest Payment Date relates. This risk may adversely affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by the provision of liquidity from alternative sources as described in the section entitled "*Key Structural Features - Credit Enhancement And Liquidity Support*". However, no assurance can be made as to the effectiveness of such alternative sources of liquidity, or that such alternative sources of liquidity will protect the Noteholders from all risk of loss.

Payment of principal, interest and Additional Note Payments in respect of the Classes of Notes is sequential.

Payments of principal on the Class A Notes will be made in priority to payments of principal on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes. Payments of principal on the Class B Notes will be made in priority to payments of principal on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes. Payments of principal on the Class C Notes will be made in priority to payments of principal on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes. Payments of principal on the Class D Notes will be made in priority to payments of principal on the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes. Payments of principal on the Class E Notes will be made in priority to payments of principal on the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes. Payments of principal on the Class F Notes will be made in priority to payments of principal on the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes. Payments of the principal on the Class G Notes will be made in priority to payments of principal on the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes. Payments of principal on the Class RFN Notes will be made in priority to payments of principal on the Class Z1 Notes and the Class Z2 Notes. Payments of principal on the Class Z1 Notes will be made in priority to payments of principal on the Class Z2 Notes.

Prior to the service of an Enforcement Notice by the Trustee on the Issuer, payments of principal on the Class X Notes will be made in accordance with the Pre-Enforcement Revenue Priority of Payments: (i) while any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, or the Class Z2 Notes are outstanding, until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000; and (ii) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, until the Class X Notes are redeemed to €1. Following the service of an Enforcement Notice by the Trustee on the Issuer, the Class X Notes will be redeemed in accordance with the Post-Enforcement Priority of Payments after the redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes.

Payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes. Payments of interest on the Class B Notes will be made in priority to payments interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes. Payments of interest on the Class C Notes will be made in priority to payments interest on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes. Payments of interest on the Class D Notes will be made in priority to payments of interest on the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes.

Payments of interest on the Class E Notes will be made in priority to payments interest on the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes. Payments of interest on the Class F Notes will be made in priority to payments interest on the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes. Payments of interest on the Class G Notes will be made in priority to payments of interest on the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes. Payments of interest on the Class RFN Notes will be made in priority to payments of interest on the Class Z1 Notes, the Class Z2 Notes and the Class X Notes. Payments of interest on the Class Z1 Notes will be made in priority to payments of interest on the Class Z2 Notes and the Class X Notes. Payments of interest on the Class Z2 Notes will be made in priority to payments interest on the Class X Notes.

Payment of Additional Note Payments in respect of the Class C Notes will be made in priority to payments of Additional Note Payments on the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes. Payment of Additional Note Payments in respect of the Class D Notes will be made in priority to payments of Additional Note Payments on the Class E Notes, the Class F Notes and the Class G Notes. Payment of Additional Note Payments in respect of the Class E Notes will be made in priority to payment of Additional Note Payments on the Class F Notes and the Class G Notes. Payment of Additional Note Payments in respect of the Class F Notes will be made in priority to payment of Additional Note Payments on the Class G Notes.

There can be no assurance that these subordination provisions will protect the then current Most Senior Class of Noteholders from all risks of loss.

Basis risk

The Issuer is subject to:

- (a) the risk of a mismatch between interest on the Variable Rate Mortgage Loans and the Tracker Mortgage Loans being determined on different bases than that on which the interest rate payable on the Notes is determined; and
- (b) the risk that any cash held by or on behalf of the Issuer may earn a rate of return below the rate of interest payable on the Notes, which risk is mitigated by the ability of the Issuer (or the Cash Manager on its behalf and on its direction) to invest sums standing to the credit of the Transaction Account in Authorised Investments and the availability of excess Available Principal Receipts, each of which are available to meet payments of interest due under the Notes and the other expenses of the Issuer.

An increase in the level of one month EURIBOR could adversely impact the ability of the Issuer to make payments on the Notes. To mitigate the effect of such interest rate mismatch, however, the Issuer is entering into the Interest Rate Cap Agreement with the Interest Rate Cap Provider, whereby the Interest Rate Cap Provider is obliged to make payments to the Issuer on each Interest Payment Date if one month EURIBOR exceeds the Cap Strike Rate. Entry by the Issuer into the Interest Rate Cap Agreement does not completely eliminate the interest rate risk related to the Notes.

Yield and prepayment considerations

The yield to maturity of the Notes of each Class will depend on, among other things, the amount and timing of payment of principal and interest (including prepayments, sale proceeds arising on enforcement of a Mortgage Asset) on the Mortgage Loans, the sale of any enforced Property and the price paid by the holders of the Notes of each Class. Such yield may be adversely affected by, amongst other things, a higher or lower than anticipated rate of prepayment on the Mortgage Loans.

The rate of prepayment of Mortgage Loans is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing programmes, local and regional economic conditions and homeowner mobility and local housing markets.

Following enforcement of the Security, there is no guarantee that the Issuer will have sufficient funds to redeem the Notes in full.

Pursuant to the terms of the Deed Poll, the then holder of more than 50 per cent. (such holder acting alone or together and collectively with one or more of its Affiliates which are also holders of the Class Z1 Notes)

of the Class Z1 Notes (excluding for the purposes of the calculation the portion of the Class Z1 Notes held by the Retention Holder (the "**Initial Option Holder**") at any time on or after the Option Purchase Commencement Date up to and including the second Interest Payment Date following the Option Purchase Commencement Date has the right to purchase the Mortgage Portfolio from the Issuer and thereby effect redemption of the Rated Notes, the Class RFN Notes and the Class Z1 Notes (only).

If the Initial Option Holder does not exercise its Call Option within two Interest Payment Dates of (and excluding) the Option Purchase Commencement Date, then either:

- (a) from (and excluding) the second Interest Payment Date falling after the Option Purchase Commencement Date up to (and including) the fifth Interest Payment Date falling after the Option Purchase Commencement Date, the then holder of at least 5 per cent. of the Class Z1 Notes will have the right to participate in a bidding process pursuant to the terms of the Deed Poll,
- (b) if the Call Option is not exercise within five Interest Payment Date of (and excluding) the Option Purchase Commencement Date, any holder of the Class Z1 or any other party may submit a bid pursuant to the terms of the Deed Poll,

and the winner of such bidding process described above will acquire the right to purchase the Mortgage Portfolio from the Issuer and thereby effect the redemption of either:

- (a) the Rated Notes and the Class RFN Notes only, if the Call Option Purchase Price being equal to the Minimum Call Option Price is required to be paid following the exercise of the Call Option; or
- (b) the Rated Notes, the Class RFN Notes first, and if any amounts are still available thereafter (following the redemption of the Rated Notes and the Class RFN Notes) firstly towards the redemption of the Class Z1 Notes (in full or in part), secondly, towards the redemption of the Class Z2 Notes (in full or in part) and thirdly, towards the redemption of the Class X Notes (in full or in part), if an Eligible Bid that is above the Minimum Call Option Price is required to be paid following the exercise of the Call Option.

In addition, it should be noted by the holders of the Class Z2 Notes, the Class X Notes and, in certain circumstances, the Class Z1 Notes (i.e. if the Call Option is not exercised by the Initial Option Holder on or after the Option Purchase Commencement Date up to and including the second Interest Payment Date) that upon the exercise of the Call Option, such Noteholders will receive no further payment of interest or principal on such relevant subsequent Interest Payment Date on which the relevant Notes are redeemed pursuant to the Call Option or at any time thereafter.

See Condition 9.3 (*Mandatory Redemption in full*) and section "*Early Redemption of the Notes Pursuant to a Call Option or the Risk Retention Regulatory Change Option*" for further information.

Pursuant to the Risk Retention Letter, on any Interest Payment Date following a Risk Retention Regulatory Change Event, the Retention Holder (or its nominee) has the right to purchase the Mortgage Portfolio from the Issuer and thereby effect redemption of the Notes. See Condition 9.4 (*Mandatory Redemption in full pursuant to a Risk Retention Regulatory Change Option*) and section "*Early Redemption of the Notes Pursuant to a Call Option or the Risk Retention Regulatory Change Option*" for further information.

In addition, the Issuer may, subject to the Conditions, redeem all of the Notes if a change in tax law results in the Issuer being required to make any deduction or withholding on account of Tax ("**Tax Deduction**") in respect of any payment in respect of the Notes, or the Issuer would be subject to Irish corporation tax in an accounting period on an amount which materially exceeds the Issuer Profit Amount retained during that accounting period. See Condition 9.5 (*Mandatory Redemption for Taxation or Other Reasons*) for further information.

As a result of these and other relevant factors not being within the control of the Issuer, no assurance can be given as to the timing or level of redemptions of the Notes.

Early redemption of the Notes may adversely affect the yield on the Notes.

Ratings of the Notes

A rating is not a recommendation to buy, sell or hold securities and there is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any one or more of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. At any time, a Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Notes may be lowered or withdrawn. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Notes. The ratings of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes do not address the likelihood of receipt of any amount in respect of Additional Note Payments.

The Class RFN Notes, the Class Z1 Notes, Class Z2 Notes and the Class X Notes will not be rated by the Rating Agencies.

Agencies other than the Rating Agencies could seek to rate the Notes and if such "unsolicited ratings" are lower than the comparable ratings assigned to the Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "ratings" or "rating" in this Prospectus is to the ratings assigned by the specified Rating Agencies only.

Ratings confirmation in relation to the Notes in respect of certain actions

The terms of certain Transaction Documents require the Rating Agencies to be notified in relation to certain actions proposed to be taken by the Issuer and the Trustee and such actions will only be effective to the extent there has been no reduction, qualification or withdrawal by the Rating Agencies of the then current rating of the Rated Notes.

A Ratings Confirmation that any action proposed to be taken by the Issuer or the Trustee will not have an adverse effect on the then current rating of the Notes does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or prejudicial to, Noteholders. While entitled to have regard to the fact that the Rating Agencies have confirmed that the then current rating of the relevant Class of Notes would not be adversely affected, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Secured Creditors (including the Noteholders), the Issuer, the Arranger, the Lead Manager, the Trustee or any other person or create any legal relationship between the Rating Agencies and the Secured Creditors (including the Noteholders), the Issuer, the Arranger, the Lead Manager, the Trustee or any other person whether by way of contract or otherwise.

Any such Ratings Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Ratings Confirmation in the time available or at all, and the Rating Agency is likely to state that it is not responsible for the consequences thereof. A Ratings Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the Closing Date. A Ratings Confirmation represents only a restatement of the opinions given as at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction.

Certain Rating Agencies have indicated that they will no longer provide Ratings Confirmations as a matter of policy. To the extent that a Ratings Confirmation cannot be obtained, whether or not a proposed action will ultimately take place will be determined in accordance with the provisions of the relevant Transaction Documents and specifically the relevant modification and waiver provisions.

In respect of each Rating Agency, if a Ratings Confirmation is a condition to any action, step or matter under any Transaction Document and a written request for such Ratings Confirmation is delivered to that Rating Agency by or on behalf of the Issuer (copied to the Trustee) and:

- (a) (A) that Rating Agency indicates that it does not consider a Ratings Confirmation necessary in the circumstances or otherwise declines to review the matter for which the Ratings Confirmation is sought (including as a result of the policy or practice of that Rating Agency) or (B) within 30 days

of delivery of such request, that Rating Agency has not responded to the request for the Ratings Confirmation; and

- (b) the Issuer has otherwise received no indication from that Rating Agency that its then current ratings of the Rated Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such action, step or matter,

then (i) there shall be no requirement for the Ratings Confirmation from the Rating Agency if the Issuer certifies to the Trustee that one of the events in paragraph (a) has occurred and the condition in paragraph (b) is fulfilled; and (ii) neither the Issuer nor the Trustee shall be liable for any loss that Noteholders may suffer as a result.

The above mechanism as described above shall for the purposes of the Conditions and the Transaction Documents be construed as a "**Ratings Confirmation**".

Eurosystem Eligibility

The Global Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Global Notes will be issued and held under the new safekeeping structure and are intended upon issue to be deposited with one of the ICSDs as common safekeeper and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. Any potential investor in the Notes should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute Eurosystem eligible collateral.

Absence of secondary market for the Notes

There can be no assurance that there is an active and liquid market for the Notes and no assurance is **provided that** a secondary market for the Notes will develop or, if it does develop, that such market will provide Noteholders with liquidity of investment for the life of the Notes or that such market will subsequently continue to exist. Any investor in the Notes must be prepared to hold its Notes for an indefinite period of time or until the Final Maturity Date or alternatively such investor may only be able to sell its Notes at a discount to the original purchase price of those Notes.

The secondary market for mortgage-backed securities has in the past experienced significant disruptions resulting from reduced investor demand for such securities. This has resulted in the secondary market for mortgage-backed securities similar to the Notes experiencing very limited liquidity during such severe disruptions. If limited liquidity were to occur in the secondary market it could have a material adverse effect on the market value of mortgage-backed securities including the Notes issued by the Issuer, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. It is not known whether such market conditions will recur.

Whilst central bank schemes such as the European Central Bank liquidity scheme provide an important source of liquidity in respect of eligible securities, such as mortgage-backed securities, the eligibility criteria have become and may continue to become more restrictive, which is likely to adversely impact secondary market liquidity for mortgage-backed securities in general, regardless of whether the Notes are eligible securities for the purpose of such facilities.

In addition, potential investors in the Notes should be aware that global markets have recently been negatively impacted by the then prevailing global credit market conditions and reduced growth expectations for the Organisation for Economic Co-operation and Development economies, which could affect any secondary market for instruments similar to the Notes. In particular, at the date of this Prospectus, as well as the current challenges facing the Irish macro-economic environment, certain European governments are in discussions with other countries in the Eurozone, the International Monetary Fund and other creditors and are in the process of establishing or have already established and are implementing an austerity programme. It is unclear what the effect of these discussions will be on the Eurozone or the Irish economy. This uncertainty may have implications for the liquidity of the Notes in the secondary market.

Economic conditions in the Eurozone

Concerns have been raised with respect to current economic, monetary and political conditions in the Eurozone, including as a result of the United Kingdom's referendum vote to leave the European Union on 23 June 2016 and the subsequent formal notice given by the United Kingdom on 29 March 2017 under Article 50 of the Treaty on the European Union of its intention to leave the European Union ("**Brexit**"). If such concerns persist and/or such conditions further deteriorate (including as may be evidenced by any relevant credit rating agency action, or any default or restructuring of indebtedness by one or more states of the European Union (each a "**Member State**") or institutions and/or any changes to, including any break up of, the Eurozone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect the Issuer, one or more of the other parties to the Transaction Documents and/or any Borrower in respect of the Mortgage Loans.

Furthermore, there is currently no certainty on the conditions under which the United Kingdom will exit the European Union or on the terms that will govern the economic and trading relationships between the United Kingdom and the European Union (and in particular Ireland) following that exit (including during any transitional exit period, if any). Accordingly, there can be no assurance that the United Kingdom's exit from the European Union will not have an adverse effect on one or more of the other parties to the Transaction Documents or the financial strength and ability to pay of the underlying Borrowers and/or the underlying value of the property securing the Mortgage Loans. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

Given the current uncertainty and the range of possible outcomes, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the rights of the Noteholders, the market value of the Notes and/or Irish economic conditions and the ability of the Issuer to satisfy its obligations under the Notes.

Changes or uncertainty in respect of EURIBOR may affect the value or payment of interest under the Notes

Following previously highlighted vulnerabilities of benchmarks raising concerns about the appropriateness of the processes and methodologies used in determining interbank offered rates, EURIBOR which is set by the EMMI has been subject to review and various investigations to analyse how increasing loss of confidence in interbank offered rates, including EURIBOR, could be improved. Whilst no changes to the EURIBOR methodology are expected in the short term, the EMMI has stated that it remains committed to reforming the EURIBOR quote based methodology to anchor it in transactions and adapt it to the evolving market circumstances. Investors should be aware that actions by the EMMI, regulators or law enforcement agencies may affect EURIBOR (and/or the determination or availability thereof) in unknown ways which could affect the determination of the rate of interest on the Floating Rate Notes and the value of the Floating Rate Notes. Furthermore, uncertainty with respect to EURIBOR may affect the liquidity of such Floating Rate Notes. In addition, no assurance can be given that the fall-back provisions relating to the changes of EURIBOR methodology set out below and elsewhere in this Prospectus relating to the Notes will be adopted in the same manner with respect to the calculation of EURIBOR under the Interest Rate Cap Agreement. As a result of this mismatch the Issuer may find itself in an underhedged position.

Reference Banks

If the Screen Rate is not available (as described in "*Market Disruption*" below) there can be no guarantee that the Issuer (with the approval of the Trustee) shall be able to appoint one or more Reference Banks to provide quotations, in order to determine the Reserve Reference Rate in respect of the Notes. Certain financial institutions that have historically acted as Reference Banks, have indicated that they will not currently provide EURIBOR quotations and there can be no assurance that they will agree to do so in the future.

If the Screen Rate is not available and the Issuer (with the approval of the Trustee) is unable to appoint one or more Reference Banks to provide quotations or otherwise obtain quotations, the Reserve Reference Rate in respect of such Interest Payment Date shall be determined, pursuant to Condition 8.4 (*Determination of Note Rate, Interest Amount, Class X Note Interest Amount and Interest Payment Date*), to be the Reserve Reference Rate. To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected. In such circumstances, neither the

Principal Paying Agent nor the Trustee shall have any obligation to determine the Rate of Interest on any other basis.

Market Disruption

The Rate of Interest in respect of the Notes for each Interest Period is determined in accordance with Condition 8.4 (*Determination of Note Rate, Interest Amount, Class X Note Interest Amount and Interest Payment Date*). Condition 8.4 (*Determination of Note Rate, Interest Amount, Class X Note Interest Amount and Interest Payment Date*) which contains provisions for the calculation of such underlying rates, in respect of the Notes, based on rates given by various market information sources and Condition 8.4 (*Determination of Note Rate, Interest Amount, Class X Note Interest Amount and Interest Payment Date*) contains an alternative method of calculating the underlying rate should any of those market information sources, including the Screen Rate, be unavailable. The market information sources might become unavailable for various reasons, including suspensions or limitations on trading, events which affect or impair the ability of market participants in general, or early closure of market institutions. These could be caused by physical threats to the publishers of the market information sources, market institutions or market participants in general, or unusual trading, or matters such as currency changes.

Rights of Noteholders and Secured Creditors

Conflict between Noteholders

The Trust Deed contains provisions requiring the Trustee to have regard to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders, the Class RFN Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class X Noteholders equally as regards all powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise).

If, in the opinion of the Trustee, there is a conflict between the interests of holders of different Classes of Notes, the Trustee will have regard only to the interests of the holders of the Most Senior Class of Notes.

Conflict between Noteholders and other Secured Creditors

The Trust Deed provides that the Trustee shall, except where expressly provided otherwise and prior to the redemption in full of the Notes, have regard solely to the interests of the Noteholders and shall have regard to the interests of the other Secured Creditors only to ensure the application of the proceeds of enforcement after the delivery of an Enforcement Notice in accordance with the Post-Enforcement Priority of Payments.

The Seller will purchase 100 per cent. of the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes on the Closing Date (see "*Subscription and Sale*" below). The Seller is under no obligation to consider the interests of other Noteholders when exercising its rights under the Notes.

Where all of the Notes of any Class are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Class of Notes (the "**Relevant Class of Notes**") shall be deemed to remain outstanding except that, if there is any other class of Notes ranking *pari passu* with, or junior to, the Relevant Class of Notes and one or more Relevant Persons are not the beneficial owners of all the Notes of such Class, then the Relevant Class of Notes shall be deemed not to remain outstanding and, in respect of any meeting for Noteholders to consider the removal or replacement of the Trustee, any Note held by a Relevant Person shall be deemed not to be outstanding for the purposes of such vote unless one or more Relevant Persons holds, in aggregate, more than 50 per cent. of the Principal Amount Outstanding on the Notes. "**Relevant Person**", for these purposes, means the Seller, any holding company of the Seller or any other subsidiary of such holding company.

Certain of the Transaction Parties and their respective affiliates are acting in a number of capacities in connection with the transaction described herein. Those Transaction Parties and any of their respective affiliates acting in such capacities will have only the duties and responsibilities expressly agreed to by each such entity in the relevant capacity and will not, by reason of it or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each such capacity. In no event shall such Transaction Parties or any of their respective affiliates be deemed to have any fiduciary obligations to any person by reason of their or any of their respective affiliates acting in any capacity.

In addition to the interests described in this Prospectus, the Arranger, the Lead Manager and their respective related entities, associates, officers or employees (each a "**Lead Manager Related Person**");

- (a) may from time to time be a Noteholder or have other interests with respect to the Notes and they may also have interests relating to other arrangements with respect to a Noteholder or a Note or any other Transaction Party;
- (b) may receive (and will not have to account to any person for) fees, brokerage and commissions or other benefits and act as principal with respect to any dealing with respect to any Notes;
- (c) may purchase all or some of the Notes and resell them in individually negotiated transactions with varying terms; and
- (d) may be or have been involved in a broad range of transactions including, without limitation, banking, lending, advisory, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Issuer or any other Transaction Party or any related entity, both on its own account and for the account of other persons.

Prospective investors in the Notes should be aware that:

- (a) each Lead Manager Related Person in the course of its business (including in respect of interests described above) may act independently of any other Lead Manager Related Person or Transaction Party;
- (b) to the maximum extent permitted by applicable law, the duties of each Lead Manager Related Person in respect of the Notes are limited to the relevant contractual obligations set out in the Transaction Documents (if any) and, in particular, no advisory or fiduciary duty is owed to any person. No Lead Manager Related Person shall have any obligation to account to the Issuer, any Transaction Party or any Noteholder for any profit as a result of any other business that it may conduct with either the Issuer or any Transaction Party;
- (c) a Lead Manager Related Person may have or come into possession of information not contained in this Prospectus that may be relevant to any Noteholder or to any decision by a potential investor to acquire the Notes and which may or may not be publicly available to potential investors ("**Relevant Information**");
- (d) to the maximum extent permitted by applicable law no Lead Manager Related Person is under any obligation to disclose any Relevant Information to any other Lead Manager Related Person, to any Transaction Party or to any potential investor and this Prospectus and any subsequent conduct by a Lead Manager Related Person should not be construed as implying that such Person is not in possession of such Relevant Information; and
- (e) each Lead Manager Related Person may have various potential and actual conflicts of interest arising in the ordinary course of its businesses, including in respect of the interests described above. For example, a Lead Manager Related Person's dealings with respect to a Note, the Issuer or a Transaction Party, may affect the value of a Note.

These interests may conflict with the interests of a Noteholder, and the Noteholder may suffer loss as a result. To the maximum extent permitted by applicable law, a Lead Manager Related Person is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents, the Notes, or the interests described above and may otherwise continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders and the Lead Manager Related Persons may in so doing so act in its own commercial interests and without notice to, and without regard to, the interests of any such person.

The Mortgage Loans

Title of the Issuer

The sale of the Mortgage Assets will take effect in equity only. Save in the limited circumstances described below under "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" (such as, *inter alia*,

where an Enforcement Notice has been given), neither the Issuer nor the Trustee (or their nominee) will obtain legal title to the Mortgage Assets by effecting any registration of their interests in the Mortgage Assets and by giving notice of assignment to the Borrowers.

Prior to the Issuer or the Trustee having the right to require the transfer of legal title to the Mortgage Assets (as described above) to a duly authorised nominee, the rights of the Issuer and the Trustee may be or may become subject to equities (e.g. rights of set-off between the Borrowers and the Legal Title Holder (as discussed below)) and to the interests of third parties who perfect a legal interest, namely, a *bona fide* purchaser for value from the Legal Title Holder of any such Mortgage Asset without notice of any interest of the Issuer or the Trustee, who may obtain a good title to the Mortgage Asset free of any such interests. Such equities and third party rights may diminish or negate the value of the Issuer's or Trustee's interest in the Mortgage Assets and could acquire priority over the interests of the Issuer and the Trustee. If this occurred, then the Issuer would not have good title to the affected Mortgage Assets and it would not be entitled to payments by a Borrower in respect of that Mortgage Loan.

Borrowers will also have the right to redeem their Mortgages by repaying the Mortgage Loan directly to the Legal Title Holder. However, the Seller and the Legal Title Holder will undertake, pursuant to the Mortgage Sale Agreement, to hold any money repaid to it in respect of Mortgage Loans to the order of the Issuer. In addition the Legal Title Holder is under a contractual obligation to transfer all payments received in relation to the Mortgage Loans to the Paris Collection Account or the Java Collection Accounts as applicable (from which there is a daily sweep of the Issuer's Collection Portion from the Paris Collection Account and the Java Collection Accounts to the Transaction Account, subject to the retention of the Minimum Retained Balance).

Also, for so long as neither the Issuer (or its nominee) nor the Trustee (or its nominee) has required the transfer of the legal title, it must join the Legal Title Holder as a party to any legal proceedings which it may wish to take against any Borrower to enforce its rights under the relevant Mortgage Asset. In this respect the Legal Title Holder will, pursuant to the Mortgage Sale Agreement, undertake for the benefit of the Issuer and the Trustee that it will join in any legal proceedings to the extent necessary to protect, preserve and enforce the Issuer's title to or interest in any in respect of the Mortgage Asset.

Variation of terms of Mortgage Loans

Although as between the Seller and the Issuer, the Seller has agreed under the Mortgage Sale Agreement that it will not vary any of the terms of the Mortgage Assets except that the Administrator may under the Administration Agreement vary certain terms in certain circumstances as set out in the Administration Agreement. As between any Borrower and the Issuer, if the Seller were to modify the terms of the Mortgage Assets the revised terms would apply and the Issuer would only have recourse against the Seller for breach of contract or breach of trust.

Set off risk may adversely affect the value of the Mortgage Portfolio or any part thereof

As described above, the sale by the Seller to the Issuer of the Mortgage Assets will be given effect by an equitable assignment. As a result, legal title to the Mortgage Assets sold by the Seller to the Issuer will remain with the Legal Title Holder until the occurrence of certain trigger events under the terms of the Mortgage Sale Agreement.

Therefore, the rights of the Issuer and the Trustee may be or may become subject to the direct rights of the Borrowers against the Legal Title Holder. Such rights may include rights of set-off existing prior to notification to the Borrowers of the sale of the Mortgage Assets, which arise in relation to transactions made between certain Borrowers and the Legal Title Holder and the rights of Borrowers to redeem their mortgages by repaying the relevant Mortgage Loan directly to the Legal Title Holder. These rights may result in the Issuer receiving a lesser amount than anticipated from the Mortgage Assets. Further, there is a risk that the service of a notice of sale to a Borrower would not terminate his rights of set-off, as Section 40 of the Consumer Credit Act 1995 provides that where a creditor's or owner's rights under an agreement are assigned to a third person, the consumer is entitled to plead against the third person any defence which was available to him against the original creditor, including set-off.

Income and Principal Deficiency

If, on any Interest Payment Date, there is a Revenue Shortfall, then subject to certain conditions set out in "*Key Structural Features*", the Issuer may pay or provide for such Revenue Shortfall by applying: *first*, any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger; *second*, any amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger, *third*, with respect to a Revenue Shortfall in respect of items (a) to (e) only of the Pre-Enforcement Revenue Priority of Payments, any amounts standing to the credit of the Liquidity Reserve Fund Ledger and *fourth*, with respect to a Revenue Shortfall in respect of items (a) to (d) only of the Pre-Enforcement Revenue Priority of Payments and to pay any outstanding interest amounts on the then Most Senior Class of Notes, Principal Receipts in accordance with the Pre-Enforcement Principal Priority of Payments.

If, on any Interest Payment Date, there is an Additional Note Payment Shortfall, the Issuer may pay or provide for such Additional Note Payment Shortfall by applying amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger.

If there insufficient funds to pay interest in respect of any Class of Notes (other than the Class A Notes), the interest in respect of such Class of Notes will not then fall due but will instead be deferred until the next Interest Payment Date or such earlier date as interest in respect of such Class of Notes becomes immediately due and repayable in accordance with the Conditions and it shall not constitute an Event of Default. If there are insufficient funds to pay Additional Note Payments in respect of any Class of Notes, the Additional Note Payments in respect of such Class of Notes will not then fall due but will instead be deferred until the next Interest Payment Date or such earlier date as Additional Note Payments in respect of such Class of Notes becomes immediately due and repayable in accordance with the Conditions and it shall not constitute an Event of Default.

If there are insufficient funds available as a result of such income or principal deficiencies, then one or more of the following consequences may ensue:

- (a) the interest and other net income of the Issuer may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest and Additional Note Payments due on the Notes; and
- (b) there may be insufficient funds to repay the Notes on or prior to the Final Maturity Date of the Notes.

No Consent, No Sale Bill 2019

As at the date of this Prospectus, the Irish Parliament is considering a bill entitled "No Consent, No Sale Bill 2019" (the "**Bill**"). The Bill has completed the second stage in the legislative process and has moved to committee stage, however, it is not currently supported by the Irish Government or the Central Bank. It is not possible to say definitively if the Bill will come into force. In addition, the Bill is in draft form and subject to amendment.

Under the Bill, it is currently proposed, amongst other matters, that a loan secured by a mortgage over a residential property shall not be transferred without the written consent of the borrower. In seeking consent, the lender must provide a statement to the borrower containing sufficient information to allow the borrower to make an informed decision. Where it is intended that the original lender will service the relevant mortgage as agent of the transferee, the lender is required to confirm that the transferee's policy on the handling of arrears and the setting of mortgage interest rates will be the same as the original lender. If the lender will no longer have control in respect of conducting relations with borrowers whose mortgage payments are seriously in arrears or in the setting of interest rates, the lender must seek the borrower's consent.

If the Bill is enacted as proposed, the transfer of loans secured by a mortgage over residential property (which would include the Mortgage Loans) would require the written consent of the borrower. The Bill as currently drafted provides for limited exemptions, however an exemption for the transfer of mortgages in the context of a securitisation transaction is not included. If the Bill were to be enacted in its current form, no assurance can be given that borrowers would provide their consent to any transfer of their Mortgage Loans after the enactment. In particular, this could materially impact the ability of the Issuer or the Trustee

(as applicable) to perfect the transfer of the Mortgage Loans on the occurrence of a Perfection Trigger Event and the ability to subsequently refinance the Mortgage Loans.

The Mortgage Portfolio

The information in the section headed "*Statistical Information On The Provisional Mortgage Portfolio*" has been extracted from the systems of the Administrator as at the Provisional Cut-off Date (the "**Provisional Mortgage Portfolio**") and comprises 2,682 Mortgage Loans with a Current Balance of €619,927,173. The characteristics and the composition of the Mortgage Portfolio as at the Cut-Off Date will vary from those set out in the tables in this Prospectus as a result of Mortgage Assets from the Provisional Mortgage Portfolio being excluded from the Mortgage Portfolio as a result of repayments and redemptions of Mortgage Loans prior to the Cut-Off Date.

Knowledge of matters with respect of the Mortgage Loans represented in Mortgage Loan Warranties

Neither the Seller nor the Retention Holder are the originator of the Mortgage Loans comprised in the Mortgage Portfolio. The Seller has acquired its interest in the Mortgage Assets from European Residential Loan Securitisation 2017-PL1 DAC who acquired the relevant Mortgage Loans and Related Security indirectly from the relevant Originator or their successors in title.

In acquiring the Mortgage Portfolio, the Seller and the Retention Holder (which is its parent company) and/or entities on their behalf have undertaken the following due diligence and verifications with respect to the Mortgage Portfolio:

- (a) review of the following advice previously given in relation to the Mortgage Portfolio in connection with the issuance of notes by European Residential Loan Securitisation 2017-PL1 DAC backed by the Mortgage Portfolio:
 - (i) legal due diligence report by KPMG dated 9 January 2017;
 - (ii) legal due diligence report by Arthur Cox ("**Report on Standard Documents**") dated 20 November 2014;
 - (iii) legal due diligence report (Irish Law) by Arthur Cox dated 20 March 2017;
 - (iv) legal due diligence report (English Law) by Allen & Overy LLP dated 30 March 2017; and
 - (v) sample loan file due diligence and detailed review of standard procedures and practises in relation to the administration of the Completion Mortgage Pool conducted on site visits by DBRS, S&P and Moody's, to the Administrator's offices in December 2016;
- (b) an examination of the regulatory framework and requirements for origination of the Mortgage Loans in Ireland at the time of origination of such Mortgage Loans;
- (c) an examination of disclosure in the previous European Residential Loans Securitisation transactions and investor reports published in relation thereto;
- (d) an examination, where applicable, of specific lending criteria;
- (e) review and the delivery of the following advice in relation to the Mortgage Portfolio in connection with the issuance of the Notes by the Issuer:
 - (i) an AUP Report to be delivered by KPMG on or prior to the Closing Date; and
 - (ii) a due diligence call prior to the Closing Date with the Administrator and the Issuer Administration Consultant (in which the Administrator and the Issuer Administration Consultant participated on a strictly no liability basis).

Whilst, as described above, the Issuer has sought to verify the historic credit granting and lending criteria procedures of the Originators, the Seller and the Retention Holder cannot give, from a factual point of view, assurance that the lending criteria of the relevant Originator in respect of the Mortgage Loans (the "**Lending Criteria**") were always applied consistently at the time of origination of the Mortgage Loans or that

different criteria were not applied. Additionally, neither Seller or the Retention Holder has direct knowledge as to whether certain Mortgage Loan Warranties (including the Mortgage Loan Warranties which relate to the origination process) are correct or not. Accordingly, since neither the Seller or the Retention Holder has direct knowledge as to matters relating to the actual origination of the Mortgage Loans, although the Seller and the Retention Holder has conducted limited due diligence on the relevant Mortgage Loans certain warranties relating to among other things the origination process are necessarily qualified by reference to the awareness of the Seller and the Retention Holder. It may be practically difficult for the Seller and/or the Retention Holder to detect a breach of warranty in respect of the Mortgage Loans sold by it to the extent that the same relates to a matter outside of the immediate knowledge of the Seller and the Retention Holder, as there is no ongoing active involvement of the relevant Originator to monitor or notify any defect in relation to the circumstances of the Mortgage Loans. The Administrator will have no obligation to monitor compliance with the Mortgage Loan Warranties following the Closing Date or those warranties given by the Seller and the Retention Holder pursuant to the Mortgage Sale Agreement. To the extent that the Administrator and/or the Issuer Administration Consultant identifies any events or circumstances as those particularly detailed in the Administration Agreement and/or the Asset Management Consulting Agreement (as applicable), which may be relevant to the Mortgage Loan Warranties, the Administrator and/or the Issuer Administration Consultant (as applicable) shall inform the Issuer and the Trustee in writing of such events or circumstances, however none of the Administrator, the Seller, the Retention Holder the Legal Title Holder, the Arranger, the Lead Manager, the Trustee or the Issuer will monitor compliance with the Mortgage Loan Warranties.

Administration and Third Party Risk

Issuer reliance on other third parties

The Issuer is also party to contracts with a number of other third parties who have agreed to perform services in relation to the Notes. In particular, but without limitation, the Corporate Services Provider has agreed to provide certain corporate services to the Issuer, the Account Bank has agreed to provide the Transaction Account and the Issuer Account to the Issuer, the Administrator has agreed to service the Mortgage Portfolio, the Servicing Advisor has agreed to provide certain monitoring services in relation to the Mortgage Portfolio to the Issuer in relation to the Mortgage Pool, the Issuer Administration Consultant has agreed to provide certain consulting services to the Issuer in relation to the Mortgage Portfolio, the Cash Manager has agreed to provide cash management services to the Issuer, the Paying Agents and the Registrar have agreed to provide certain agency services to the Issuer in connection with the Notes and the Interest Rate Cap Provider has agreed to provide hedging against interest rate fluctuations to the Issuer pursuant to the Interest Rate Cap Agreement. In the event that any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party, payments on the Notes may be adversely affected.

If the Interest Rate Cap Provider is not obliged to make payments of any amounts, or if it defaults in its obligation to make payments to the Issuer in accordance with the terms of the Interest Rate Cap Agreement, the Issuer will be exposed to changes in associated interest rates, and the Issuer as a result may have insufficient funds to make payments due on the Notes.

The Interest Rate Cap Agreement will provide that upon the occurrence of certain events the Interest Rate Cap Agreement may terminate and a termination payment by either the Issuer or the Interest Rate Cap Provider will be payable. This may affect amounts available to pay interest and principal on the Notes. If the Interest Rate Cap Agreement terminates, no assurance can be given about the ability of the Issuer to enter into a Replacement IRC Agreement or about the credit rating of any replacement interest rate cap provider.

Investors should also be aware that third parties on which the Issuer relies may be adversely impacted by the general economic climate. At the date of this Prospectus, global markets have recently been negatively impacted by the then prevailing global credit market conditions as further described above in "*Absence of secondary market for the Notes*". If such conditions were to return, these factors affecting Transaction Parties specifically, as well as market conditions generally, could adversely affect the performance of the Notes. In addition there can be no assurance that governmental or other actions would improve market conditions in the future should conditions deteriorate.

The Administrator

The Administrator will be appointed by the Issuer to administer the Mortgage Loans.

In case the appointment of the Administrator as administrator is terminated in accordance with the provisions of the Administration Agreement, a replacement administrator will be required to be appointed to perform Administration Services in respect of the Mortgage Loans. In this event, the Servicing Advisor shall provide the Issuer with further information in relation to each eligible administrator as identified in the Servicing Advisory Agreement (each an "**Eligible Administrator**") that the Issuer can elect to appoint as a replacement administrator pursuant to the Administration Agreement and assist in the facilitation of the negotiations with any potential replacement administrator (on behalf of the Issuer and the Seller). The Issuer will appoint the replacement Administrator, in agreement with the Trustee.

If the appointment of the Administrator is terminated, the collection of payments on the Mortgage Loans and the provision of the Administration Services could be disrupted during the transitional period in which the performance of the Administration Services is transferred to a replacement administrator. Any failure or delay in collection of payments on the relevant Mortgage Loans resulting from a disruption in the administration of the Mortgage Loans could ultimately adversely affect payments of interest and principal on the Notes. A failure or delay in the performance of the services, in particular reporting obligations, could affect the payments of interest and principal on the Notes. Such risk is mitigated by the provisions of the Administration Agreement, pursuant to which, the Servicing Advisor, in certain circumstances, will assist the Issuer in appointing a replacement administrator as described above.

"**Administration Services**" or "**Services**" means the services to be provided by the Administrator set out in the Administration Agreement including in Schedule 1 (*The Services*) thereto;

The Administrator has no obligation itself to advance payments that Borrowers fail to make in a timely fashion.

Delegation under the Administration Agreement

As at the Closing Date, Start Mortgages DAC will be appointed as the Administrator under the Administration Agreement. It may, pursuant to the terms of the Administration Agreement, delegate the provision of certain of the Services to be provided under the Administration Agreement to one or more third parties. Such a delegation is in effect as of the Closing Date. The identity of the party or parties to which such services are delegated by the Administrator may change while the Notes are outstanding and the current delegation arrangements may change such that one or more additional or replacement third parties provides the delegated services under the Administration Agreement. In relation to the delegation in effect as of the Closing Date, the Administrator remains responsible for the performance of all of the obligations under the Administration Agreement and it is a term of any subsequent delegation that the Administrator remains responsible for the performance of all of the obligations under the Administration Agreement. Any breach in the performance of the Administrator's obligations under the Administration Agreement caused by a delegate shall be treated as a breach of the Administration Agreement by the Administrator.

Any change in the identity of any delegate to the Administrator carries certain risks, including in relation to the compatibility of IT systems and the physical moving of loan files if such matters are required to be completed in the scope of the relevant delegation. There can therefore be no assurance that there will be no disruption in the collection of amounts from Borrowers as a result of the transfer of any change in delegation arrangements. Any disruption to the servicing of the Mortgage Loans, in particular any delay in collecting payments from Borrowers, whether by way of direct debit or otherwise, or in the receipt of any proceeds recovered as a result of any enforcement in relation to any of the Mortgage Loans, may have an adverse effect on the ability of the Issuer to make payments under the Notes. However, as stated above, notwithstanding any changes to any delegation arrangements in relation to the servicing of the Mortgage Portfolio, the Administrator remains responsible for the provision of Services under the Administration Agreement.

Credit Servicing Legislation - Ireland

The Consumer Protection (Regulation of Credit Servicing Firms) Act 2018 (the "**CSA 2018**") became law in Ireland on 21 January 2019. The CSA 2018 amends the definition of "credit servicing" in Part V of the

Central Bank Act 1997 (as amended) (the "**CBA 1997**") so that certain activities (which did not previously fall within the definition of 'credit servicing' under the legislation) now constitute 'credit servicing'. These activities include:

- (a) holding legal title to credit (which would include the Mortgage Loans);
- (b) determining the overall strategy for the management and administration of a portfolio of credit agreements; and
- (c) maintaining control over key decisions relating to such portfolio of credit agreements.

Subject to limited exceptions, an entity cannot perform "credit servicing" in respect of Irish credit agreements without holding an appropriate authorisation from the Central Bank. The CSA 2018 provides for an exemption from the requirement to be authorised (the "**securitisation exemption**") in the case of a securitisation special purpose entity which satisfies certain conditions.

The Issuer does not satisfy the conditions necessary to avail of the securitisation exemption and is not (and does not propose to become) authorised as a credit servicing firm. Accordingly, the Legal Title Holder, the Administrator (which is appropriately authorised as a retail credit firm and is authorised to service the Mortgage Portfolio under the CBA 1997) and the Issuer Administration Consultant (which, at the date of this Prospectus intends to avail of a transitional authorisation as a credit servicing firm under the CBA 1997 – see further the section entitled "*The Issuer Administration Consultant*") have been appointed to discharge the credit servicing activities in connection with the Mortgage Portfolio. The Transaction Documents have been prepared on the basis that neither the Issuer nor any other parties to the Transaction Documents (other than the Legal Title Holder, the Administrator and the Issuer Administration Consultant) conduct any activities which would be considered to be "credit servicing" activities and would require such parties to be authorised as a credit servicing firm. However, the amendments to the CBA 1997 introduced by the CSA 2018 are relatively new and are broadly drafted and, as at the date of this Prospectus, there is no guidance from the Central Bank as to how the scope of activities within the ambit of the "credit servicing" should be interpreted.

If the Issuer (or any other party to the Transaction Documents) were determined to be undertaking credit servicing activities of a nature that require it to be authorised, the Issuer or such party could either seek the appropriate authorisations, or seek to amend the Transaction Documents accordingly. No assurance can be given that such authorisation would be forthcoming. Furthermore, the Issuer may be subject to sanctions by the Central Bank and, potentially, would be in breach of law and the Transaction Documents. Any of the foregoing circumstances could adversely affect the value of the Notes.

Furthermore, a replacement administrator, a replacement legal title holder or a replacement issuer administration consultant may be required to be authorised as a credit servicing firm. This requirement may limit the number of potential replacement administrators, replacement legal title holders or issuer administration consultants and may make it more difficult or costly to find a replacement administrator if the appointment of the Administrator, the Legal Title Holder or Issuer Administration Consultant were terminated, which could adversely affect the timing or the amount of payments on the Notes.

The Trustee is not obliged to act in certain circumstances

The Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of the Notes or the Trust Deed, the Irish Deed of Charge and the English Deed of Charge (the "**Trust Documents**") (including the Conditions) or of the other Transaction Documents to which it is a party and at any time after the service of an Enforcement Notice, the Trustee may, at its discretion and without notice, take such proceedings, actions or steps as it may think fit to enforce the Security. However, the Trustee shall not be bound to take any such proceedings, actions or steps (including, but not limited to, the giving of an Enforcement Notice in accordance with Condition 13 (*Events of Default*)) unless it shall have been directed to do so (i) by an Extraordinary Resolution of the holder of the Most Senior Class of Notes (the "**Most Senior Class of Noteholders**") or (ii) in writing by the holders of at least 25 per cent. in Principal Amount Outstanding of the Most Senior Class of Notes then outstanding and, **provided that**, in each case, it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

Change of counterparties

The parties to the Transaction Documents who receive and hold monies or provide support to the transaction pursuant to the terms of such documents (such as the Account Bank) are required to satisfy certain criteria in order to remain a counterparty to the Issuer.

These criteria may include requirements in relation to the short-term and long-term unguaranteed and unsecured ratings ascribed to such party by the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria detailed above, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the Issuer) may be required to be transferred to another entity which does satisfy the applicable criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document and the cost to the Issuer may therefore increase. This may reduce amounts available to the Issuer to make payments of interest on the Notes.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may (but shall not be obliged to) agree to amend or waive certain of the terms of such document, including the applicable criteria, in order to avoid the need for a replacement entity to be appointed. The consent of Noteholders may not be required in relation to such amendments and/or waivers.

Certain material interests and potential for conflicts

The Arranger, the Lead Manager and other parties to the transaction have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Seller in the ordinary course of business. The Arranger, the Lead Manager and/or their affiliates may hold some of the Notes from time to time. Other parties to the transaction may also perform multiple roles. Accordingly, conflicts of interest may exist or may arise as a result of parties having previously engaged or in the future engaging in transactions with other parties, having multiple roles or carrying out other transactions for third parties. The parties to the transaction may, pursuant to the Transaction Documents, be replaced by one or more new parties. It cannot be excluded that such a new party could also have a potential conflicting interest, which might ultimately have a negative impact on the ability of the Issuer to perform its obligations in respect of the Notes.

The Mortgage Portfolio

Collectability of Mortgages

The collectability of amounts due under the Mortgage Loans is subject to credit, liquidity and interest rate risks and will generally fluctuate in response to, among other things, market interest rates, general economic conditions, the financial standing of Borrowers and other similar factors. Although interest rates are currently at a historical low, this may change in the future and an increase in interest rates may adversely affect Borrowers' ability to pay interest or repay principal on their Mortgage Loans. Other factors (which may not affect real estate values, such as Borrowers' personal or financial circumstances) may have an impact on the ability of Borrowers to repay Mortgage Loans. Loss of earnings, redundancy, illness, divorce and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers and could ultimately have an adverse impact on the ability of Borrowers to repay the Mortgage Loans. Specifically, the level of protections afforded to Borrowers under the Arrears Code may result in a reduction in the amounts collected under the Mortgage Loans.

In addition, the ability of the Borrower or, as the case may be, the Issuer or the Trustee to dispose of a Property given as security for a Mortgage Loan at a price sufficient to repay the amounts outstanding under the relevant Mortgage Loan will depend upon a number of factors including the availability of buyers for the Property, the value of the Property and property values in general at the time.

If a Borrower fails to repay its Mortgage Loan and the related Property is repossessed, the likelihood of there being a net loss on disposal of the Property is increased by a higher "loan to value" ratio.

In order to enforce a power of sale in respect of a Property, the relevant mortgagee (which may be the Legal Title Holder, the Issuer or the Trustee or a Receiver (or any such entity's nominee)) must first obtain possession of the Property unless the Property is vacant. Possession is usually obtained by way of a court order although this can be a lengthy process and the mortgagee must assume certain risks if it goes into

possession of a Property. Obtaining possession of a Property could be a costly and lengthy process and the ability of the Issuer to make payments on the Notes may be reduced as a result.

The Trustee is entitled to be indemnified and/or secured and/or prefunded to its satisfaction against personal and any other liabilities which it could incur if it were to become a mortgagee in possession before seeking possession, **provided that** the Trustee is never obliged to enter into possession of the Property or become a Mortgagee in possession.

Risks Associated with Rising Mortgages Rates

The Mortgage Portfolio will include Mortgage Loans subject to a variable rate of interest set by the Administrator (the "**Variable Rate**") or set by reference to the ECB Rate (the "**Tracker Rates**") from time to time. The Variable Rate and Tracker Rates are subject to fluctuation and consequently the Issuer could be subject to an increased risk of increased levels of default or greater degrees of default in payment by a Borrower under such Mortgage Loans as a result of an increase in the Variable Rate or Tracker Rates.

Borrowers with a Mortgage Loan subject to a variable rate of interest, will be exposed to increased monthly payments if the related mortgage interest rate adjusts upward. Any increase in the Variable Rate or the Tracker Rates would have an effect by increasing levels of default (in particular if this not covered by the security for the Mortgage Loan) and would increase the likelihood of default in respect of the re-performing and performing loans in the Mortgage Portfolio.

These events, alone or in combination, may contribute to higher delinquency rates and losses on the Mortgage Portfolio, which in turn may affect the ability of the Issuer to make payments of interest and principal on the Notes.

Declining property values

The value of the Related Security in respect of the Mortgage Loans may be affected by, among other things, a decline in the residential property values in Ireland. If the residential property market in Ireland should experience an overall decline in property values, such a decline could in certain circumstances result in the value of the Related Security being significantly reduced and, in the event that the Related Security is required to be enforced, may result in an adverse effect on payments on the Notes.

The Issuer cannot guarantee that the value of a Property will remain at the same level as on the date of origination of the related Mortgage Loan or as at the Cut-Off Date. The residential property market in Ireland experienced a severe decline in property values. House prices nationally are recovering from a 55 per cent reduction between 2007 and March 2013. The fall in property prices resulting from the deterioration in the housing market could result in losses being incurred by lenders where the net recovery proceeds are insufficient to redeem the outstanding Mortgage Loans. If the value of the Related Security is reduced this may ultimately result in losses to Noteholders if the Security is required to be enforced and the resulting proceeds are insufficient to make payments on all Notes.

Challenging Economic Environment

The Irish economy has recovered from the severe recession it experienced in the period 2008 to 2010 and the subsequent fiscal adjustment. GDP has increased each year from 2014 to 2017, with growth of 8.8% in 2014; 25.1% in 2015; 5.0% in 2016 and 7.2% in 2017; and is expected to have grown, by 6.8% in 2018 and to grow by 4.1% in 2019 (*Source: Central Statistics Office (CSO) Quarterly National Accounts Q3 2018 and European Commission Winter 2019 Economic Forecast*).

The Irish residential property market suffered a very significant downturn during the period 2007 to 2013, with property prices falling by 55% from their peak. Property prices have since recovered, increasing by 17.9% in 2014, 7.1% in 2015, 9.0% in 2016, 12.3% in 2017 and by 7.1% in the twelve months to November 2018 (*Source: CSO Residential Property Price Index: Annual Change December to December*).

The number of mortgage accounts for buy to lets in arrears continues to fall. In Q3 2018, 14.7% of total buy to let accounts were in arrears, down from 15.1% in Q3 2017. (*Central Bank of Ireland Statistical Releases 14 December 2017 and 19 December 2018*).

There can be no assurance that the current relatively favourable economic conditions in Ireland will continue. Ireland has an open economy which could be adversely affected by deterioration in external

economic conditions or an external economic shock. For example, the exit of the United Kingdom from the European Union could, in certain circumstances, have a disproportionately negative effect on the Irish economy. No assurance can be given that any such external deterioration or shock would not adversely affect the Irish economy, the ability of Borrowers to make payments on their Mortgage Loans, residential property values in Ireland and/or the Issuer's ability to make payments on the Notes.

Please also see the section entitled "*Economic conditions in the Eurozone and UK Referendum on membership of the EU*".

Considerations relating to Buy to Let Mortgage Loans

In the Provisional Mortgage Portfolio 4.65 per cent. by value of the Mortgage Loans are Buy to Let Mortgage Loans, where the relevant Properties (in respect of the mortgages forming part of the collateral Security for such Buy to Let Mortgage Loans) are not owner-occupied. The Borrower's ability to service payment obligations in respect of a Mortgage Loan secured on such a property is likely to depend on the Borrower's ability to lease the Properties on appropriate terms. This dependency on leasing income increases the likelihood, during difficult market conditions, that the rate of delinquencies and losses on Mortgage Loans secured by such non-owner occupied properties will be higher than for Mortgage Loans secured on the primary residence of a Borrower.

There can be no guarantee that each Property will be tenanted throughout the life of the Mortgage Loan, that the rental income achievable from the tenancies of the relevant Property will be sufficient to provide the Borrower with sufficient income to meet the Borrower's obligations in respect of the Mortgage Loan during the life of such Mortgage Loan, that the tenancies will be on market terms, that a tenant will always be able to pay their rent and that a Borrower will always respect the terms of such tenancy relating to the maintenance of the relevant Property. The obligations of a Borrower to make payments under a Mortgage Loan are without regard to whether the relevant Property is let and without regard to the amount of rent received from the relevant tenant however these factors may affect the Borrower's ability to satisfy its obligations under the Mortgage Loans.

Upon enforcement of a Mortgage Loan in respect of a property which is the subject of an existing tenancy, the Administrator may not be able to obtain vacant possession of that property, in which case the Administrator will only be able to sell the property as an investment property with one or more sitting tenants. This may affect (i) the amount that the Administrator could realise upon enforcement of the mortgage and a sale of the relevant property, and (ii) the speed at which such a sale can be achieved. However, the Administrator will have the ability to appoint a receiver of rent to collect any rents payable in respect of such property and apply them in payment of any interest and arrears accruing under that Mortgage Loan.

Risk of losses associated with Interest Only Mortgage Loans

45.39 per cent. by value of the Mortgage Loans in the Provisional Mortgage Portfolio constitute Interest Only Mortgage Loans (as defined in the section entitled "*The Mortgage Portfolio*"). Interest Only Mortgage Loans are originated with a requirement that the Borrower pay scheduled interest payments only. There is no scheduled amortisation of principal. Consequently, upon the maturity of an Interest Only Mortgage Loan, the relevant Borrower will be required to make a "bullet" payment that will represent the entirety of the principal amount outstanding. The ability of such a Borrower to repay an Interest Only Mortgage Loan at maturity frequently may depend on such Borrower's ability to sell the Property, refinance the Property or obtain funds from another source such as savings accounts, a pension policy, personal equity plans or an endowment policy. None of the Issuer, the Trustee, the Seller, the Legal Title Holder, the Arranger, the Lead Manager, the Issuer Administration Consultant, the Servicing Advisor or the Administrator has verified that the Borrower has any such other source of funds and none of them has obtained security over the Borrower's right in respect of any such other source of funds. The ability of a Borrower to sell or refinance the Property will be affected by a number of factors, including the value of the Property, the Borrower's equity in the Property, the financial condition of the Borrower, tax laws and general economic conditions at the time. Because of the greater risk relating to refinancing of Interest Only Mortgage Loans, a significant downturn in the property markets or the economy could lead to a greater increase in defaults. Moreover, the Mortgage Conditions in respect of Interest Only Mortgage Loans do not require a Borrower to put in place alternative funding arrangements to provide for the repayment of the relevant Mortgage Loan at maturity.

Borrowers may have insufficient equity to refinance their Mortgage Loans with lenders other than the Legal Title Holder and may have insufficient resources to pay amounts in respect of their Mortgage Loans as and when they fall due. This could lead to higher delinquency rates and losses which in turn may adversely affect payments on the Notes.

Self-Certified Loans

Some of the Mortgage Loans whose Current Balance is approximately 14.7% of the Current Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date are loans in respect of which income and employment details of the relevant Borrower are not substantiated by supporting documentation (the "**Self-Certified Loans**"). Self-Certified Loans may suffer higher rates of delinquencies, enforcements and losses than Mortgage Loans in respect of which supporting documentation has been provided in respect of the income or employment details of the Borrower (the "**Verified Loans**"), which delinquencies, enforcements and losses may lead to a reduction in amounts available to the Issuer and, ultimately, affect its ability to make payments under the Notes. No Self-Certified Loan in the Mortgage Portfolio were originated on or after 20 March 2014.

Geographic Concentration Risks

Mortgage Loans and related Properties in the Mortgage Portfolio may also be subject to geographic concentration risks within certain regions of Ireland. To the extent that specific geographic regions within Ireland have experienced or may experience in the future weaker regional economic conditions and housing markets than other regions in Ireland, a concentration of the Mortgage Loans in such a region may be expected to exacerbate the risks relating to the Mortgage Loans described in this section. Certain geographic regions within Ireland rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the Borrowers in that region or the region that relies most heavily on that industry. Any natural disasters in a particular region may reduce the value of affected Properties. This may result in a loss being incurred upon sale of the Property. These circumstances could affect receipts on the Mortgage Loans and ultimately result in losses on the Notes. For an overview of the geographical distribution of the Mortgage Loans as at the Provisional Cut-Off Date, see "*Statistical Information on the Provisional Mortgage Portfolio - Geographical Distribution of Properties*"

Buildings insurance

The Mortgage Loans contain requirements for the relevant Property to be insured. No assurance can be given that the Issuer will always receive the benefit of any claims made under any applicable buildings insurance contracts or that the amounts received in respect of a successful claim will be sufficient to reinstate the affected Property. This could adversely affect the Issuer's ability to redeem the Notes.

Searches, Investigations and Warranties in Relation to the Mortgage Loans

None of the Trustee, the Arranger, the Lead Manager or the Issuer has undertaken, or will undertake, any investigations, searches or other actions of any nature whatsoever in respect of any Mortgage Asset in the Mortgage Portfolio and each of the parties to the Mortgage Sale Agreement rely instead on the warranties given therein by the Seller and the Retention Holder in respect of the Mortgage Assets (see "*The Mortgage Portfolio - Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" below for a summary of these). Mortgage Loans which have undergone such a limited investigation may be subject to matters which would have been revealed by a full investigation of title and which may have been remedied or, if incapable of remedy, may have resulted in the Related Security not being accepted as security for a Mortgage Loan had such matters been revealed. Although the Seller and the Retention Holder undertook certain due diligence in respect of the Mortgage Loans at the time of acquisition and will give certain representations and warranties in respect of the Mortgage Loans sold by it, neither Seller or the Retention Holder was the originator of any of the Mortgage Loans comprised in the Mortgage Portfolio. See section "*Knowledge of matters represented in Mortgage Loan Warranties*" above.

In the case of a material breach of any of the representations or warranties given by the Seller and the Retention Holder on the Closing Date which is not capable of remedy or is not remedied within 30 Business Days of being notified by the Issuer, the Issuer's only remedy in respect of a breach of any Mortgage Loan Warranty will be to claim damages for breach of that Mortgage Loan Warranty. The Issuer will first claim damages for breach of Mortgage Loan Warranty from the Seller, and if the Seller either (i) fails to pay

damages by the Claim Payment Date or (ii) pays such damages in part only, the Issuer may claim such damages in whole or in part (as applicable) from the Retention Holder which shall pay such claim within 5 Business Days of the Claim Payment Date. Neither the Seller or the Retention Holder will be required to repurchase or procure the repurchase of any Mortgage Loan which is the subject of any such breach. There can be no assurance that the Seller or the Retention Holder (as applicable) will have the financial resources to honour its obligations to pay any payment of damages in respect of a breach of warranty. This may affect the quality of the Mortgage Assets and accordingly the ability of the Issuer to make payments due on the Notes.

Further, if the Issuer wishes to make a claim in respect of that breach of any Mortgage Loan Warranty, the Issuer must at any time on or before the date falling two years after the Closing Date give notice of such breach to the Seller and the Retention Holder.

The liability of the Seller and the Retention Holder in respect of any breach of any Mortgage Loan Warranty shall be limited to not greater than ten per cent of the Current Balance of the relevant Mortgage Loan. Notwithstanding such limit, the Seller and the Retention Holder will have no liability to the Issuer unless the amount of damages to which the Issuer would be entitled but for such limit as a result of that Warranty Claim is greater than €5,000 per Mortgage Loan that is the subject of that Warranty Claim (unless there are Warranty Claims relating to breaches of the same Mortgage Loan Warranty arising from similar facts where the amount of such claim to which the Issuer would but for such limit be entitled as a result of those Warranty Claims exceeds €20,000 in aggregate).

In each case, none of the Issuer, the Trustee, the Arranger, the Lead Manager, the Noteholders or any other secured party will have recourse to any other person in the event that the Seller or the Retention Holder (as applicable), for whatever reason, fails to meet such obligations.

The Seller has not originated the Mortgage Loans and therefore no assurance can be given that the Lending Criteria were applied at the time of origination of the Mortgage Loans or whether different criteria were applied at the time.

Impact of step-up date and no additional sources of funds after the Option Redemption Date

From the Step-Up Date the Step-Up Coupon with respect of:

- (a) the Class A Notes and the Class B Notes will increase; and
- (b) the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes will remain unchanged (but Additional Note Payments will be payable in respect of such Notes); and
- (c) the Class RFN Notes, Class Z1 Notes and the Class Z2 Notes will remain unchanged.

There will, however, be no additional receipts or other sources of funds available to the Issuer at such time, nor is it expected that any of the sources of income available to the Issuer prior to the Step-Up Date will be increased. In such circumstances the Issuer may not have sufficient funds to pay all amounts of interest, principal and/or Additional Note Payments (as applicable) under the Notes (including any Step-Up Coupon on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes).

Limited Resources of the Seller and the Retention Holder

The Seller and/or the Retention Holder may be required, pursuant to the Mortgage Sale Agreement, to make indemnity payments or payments of damages to the Issuer as a result of a breach of a Mortgage Loan Warranty in certain circumstances (as more particularly set out in "*The Mortgage Portfolio - Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" below). This obligation will be subject to a time limitation and will not extend beyond two years and be subject to certain aggregate caps and *de minimis* amounts.

In addition, as a practical matter, the ability of the Seller and/or the Retention Holder to make any indemnity payments or otherwise discharge its liabilities under the Mortgage Sale Agreement or any other Transaction Document will be limited.

Each of the Seller and Retention Holder have limited assets and funds and as such will, after having satisfied its obligations to pay its then secured creditors (if any), have limited resources available to it to make any indemnity payments under the Mortgage Sale Agreement or any other Transaction Document. The obligations of the Seller and the Retention Holder is not guaranteed nor will it be the responsibility of any person other than the Seller and the Retention Holder (as applicable), and, as such neither the Issuer nor the Trustee will have recourse to any other person in the event that the Seller and/or the Retention Holder (as applicable), for whatever reason, fails to meet its obligations to make indemnity payments or payments of damages to the Issuer under the Mortgage Sale Agreement or otherwise fails to discharge its obligations to make any indemnity payments or payments of damages under the Mortgage Sale Agreement or any other Transaction Document. Therefore if any Mortgage Loan is found to be in breach of the Mortgage Loan Warranties, the Seller and/or the Retention Holder (as applicable) may have limited funds available to it to make an indemnity payment or payment of damages to the Issuer, which may have an adverse effect on the Issuer's ability to make payments on the Notes.

The Issuer has also agreed that it will not take any action to wind up the Seller or the Retention Holder or initiate similar proceedings. This may affect the ability of the Issuer to exercise effectively certain rights under the Mortgage Sale Agreement.

Risks relating to the Issuer

Preferred Creditors under Irish Law

Under Irish law, if a liquidator or a receiver is appointed to an Irish company such as the Issuer, the claims of a limited category of preferential creditors will take priority over the claims of unsecured creditors and holders of floating security. These preferred claims include taxes, such as income tax and corporation tax payable before the date of appointment of the liquidator or receiver and arrears of VAT, together with accrued interest thereon. For the circumstances in which fixed security granted by the Issuer may take effect as floating security see "Fixed Charges may take effect as Floating Charges" below.

Under Irish law, upon an insolvency of an Irish company such as the Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company which have been approved by the Irish courts. See "Examinership" below.

The holder of a fixed security over the book debts of an Irish incorporated company (which would include the Issuer) may be required by the Revenue Commissioners, by notice in writing from the Revenue Commissioners, to pay to them sums equivalent to those which the holder received in payment of debts due to it by the company. Where the holder of the security has given notice to the Revenue Commissioners of the creation of the security within 21 days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of the Revenue Commissioners' notice to the holder of fixed security.

The Revenue Commissioners may also attach any debt due to an Irish tax resident company (or any person who is liable to pay, remit or account for tax to the Revenue Commissioners) by another person in order to discharge any liabilities of the company in respect of outstanding tax (whether Irish, EU, or pursuant to a treaty or mutual assistance agreement) whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of any Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable out of the proceeds of such disposal for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

In relation to the disposal of assets of an Irish tax resident individual which are subject to security, such as the disposal of a property on which the Borrower has secured a Mortgage Loan, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the individual on a disposal of those assets on exercise of the security. Capital gains tax will arise on the gain at a rate which is currently 33 per cent. Tax is calculated by reference to the excess of the net disposal proceeds over the

allowable acquisition costs (including enhancement expenditure) and is calculated without reference to the amounts outstanding on a Mortgage Loan. There is an exemption from Irish capital gains tax on gains arising on the disposal by an individual of his principal private residence, which broadly covers gains arising on the disposal of the dwelling house which has been occupied by the individual as his only or main residence since he acquired the property.

However, this shortfall risk will only occur where, as part of enforcement proceedings, a capital gain is realised on the disposal of a Property. In addition, this shortfall risk is most likely to arise in circumstances where (i) a Borrower originally acquired a Property with finance provided by a third party and subsequently refinanced such acquisition with a Mortgage Loan, or (ii) the Legal Title Holder has provided a further advance to an existing Mortgage Loan, in each case in circumstances where the value of the Property has increased from the date of its original acquisition.

Examinership

Examinership is a court procedure available under the Companies Act 2014 (as amended) (the "**Companies Act**") to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will compile proposals for a compromise or scheme of arrangement to assist in the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors whose interests or claims would be impaired by implementation of the proposals has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement and the proposals are not unduly prejudicial to the interests of any interested party.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Trustee represented the majority in number and value of claims within the secured creditor class (which would be likely given the restrictions agreed to by the Issuer in the Conditions), the Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Trustee would also be entitled to argue at the Irish High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included a writing down to the value of amounts due by the Issuer to the Noteholders or resulted in Noteholders receiving less than they would have if the Issuer was wound up. The primary risks to the holders of Notes if an examiner were appointed to the Issuer are as follows:

- (a) the potential for a scheme of arrangement being approved involving the writing down of the debt due by the Issuer to the Noteholders as secured pursuant to the Irish Deed of Charge and the English Deed of Charge;
- (b) the potential for the examiner to seek to set aside any negative pledge in the Notes prohibiting the creation of security or the incurring of borrowings by the Issuer to enable the examiner to borrow to fund the Issuer during the protection period; and
- (c) in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the Irish High Court) will take priority over the amounts secured by the charges held for the benefit of the Noteholders and the other Secured Creditors under the Irish Deed of Charge and the English Deed of Charge.

Fixed Charges may take effect as Floating Charges

It is the essence of a fixed charge that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security. Dealing with the assets includes disposing of such assets or expending or appropriating the moneys or claims constituting such assets. Accordingly, if and to the extent that such liberty is given to the Issuer, any such fixed charge may instead operate as a floating charge.

In particular, the Irish courts have held that in order to create a fixed charge on receivables it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee.

Floating charges have certain weaknesses, including the following:

- (a) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;
- (b) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;
- (c) they rank after certain insolvency remuneration expenses and liabilities;
- (d) the examiner of a company has certain rights to deal with the property covered by the floating charge; and
- (e) they rank after fixed charges.

Risks relating to the Administrator

Risk inherent in the Administrator's business

The Administrator's business depends on the ability of the Administrator to process a large number of transactions efficiently and accurately. Losses can result from inadequate or failed internal control processes, and systems, human error, fraud or from external events that interrupt normal business operations. In the event that the Administrator fails to perform or observe all or any of its material obligations under the Administration Agreement to the extent which, taken in the aggregate with all other such failures, is materially prejudicial in the context of the transaction contemplated by the Transaction Documents, the Issuer may be required to appoint a replacement administrator. Depending on market circumstances, it may be difficult to appoint a replacement administrator in such circumstances and the fees charged by any replacement administrator will be payable in priority to all other parties, with the exception of the Trustee and certain administrative costs of the Issuer.

Certain Regulatory Considerations

Legal considerations may restrict certain investments

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

EU financial transaction tax

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the 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 to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution 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 dealings is issued in a participating Member State.

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

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

Enforcement in respect of the Mortgage Assets

Even assuming that the Properties provide adequate security for the Mortgage Loans, delays could be encountered in connection with enforcement and recovery of the Mortgage Assets, resulting in corresponding delays in the receipt of related proceeds by the Issuer.

In order to realise its security in respect of a Property, the relevant mortgagee (be it the legal owner, the Administrator, the Issuer as beneficial owner or the Trustee or its Appointee (if the Trustee has taken enforcement action against the Issuer)) will need to obtain possession of such Property. There are two means of obtaining possession under Irish law: (i) by taking physical possession (seldom done in practice) and (ii) by applying for, obtaining and enforcing a court order for possession.

A court order for possession will be required in practice to obtain possession of primary residences and family homes/shared homes (as defined in the Family Home Protection Act 1976 and the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010 respectively). In addition, under section 97 of the Land and Conveyancing Law Reform Act 2009, as amended (the "**2009 Act**") (which applies to mortgages created after 1 December 2009) a mortgagee (the lender) is required to either obtain a court order for possession or obtain the written consent of the mortgagor (in the case of each Mortgage Loan, the Borrower) to the taking of possession. For the purposes of the 2009 Act, a housing loan mortgage comes into existence where a person borrows money (for whatever reason) and provides, by way of security, a mortgage on that person's principal residence or the principal residence of that person's dependants. A housing loan mortgage also occurs where monies are advanced to a consumer and security is provided over a residential property. In this regard, a consumer is defined as a natural person acting out of his/her business which includes trade or profession.

It may be possible for a mortgagee to obtain possession of residential buy-to-let properties without a court order where: (1) the relevant mortgages post-date the 2009 Act but do not fall within the definition of a housing loan mortgage set out above; or (2) where the relevant mortgages pre-date the 2009 Act. In this regard, a mortgagee may take possession of such buy-to-let properties where the mortgagee is entitled to possession under the terms of the mortgage, the property is vacant and the mortgagee is able to effect peaceful entry. Similarly, for mortgages which pre-date the commencement of the 2009 Act, an order for possession may not be required in respect of buy-to-let properties where the mortgagee is entitled to possession under the terms of the mortgage deed, the property is vacant and the mortgagee is able to effect peaceful entry. The terms of the security over such residential buy-to-let properties may afford the mortgagee a power to appoint a receiver over the property. In practice this is a more common enforcement mechanism for such residential buy-to-let properties.

In considering an application for a possession order, an Irish court has a very wide discretion, and may adopt a sympathetic attitude towards a Borrower at risk of eviction. For example, an Irish court has certain powers to adjourn possession proceedings, to stay any possession order and to postpone the date for delivery of possession. In general, an Irish court would be likely to exercise such powers in favour of a Borrower where it appears to the court that such Borrower is likely to be able, within a reasonable period, to pay any

sums due under his Mortgage Loan or to remedy any default consisting of a breach of any other obligation arising under or by virtue of such Mortgage Loan.

It should also be noted that a practice direction issued by the Irish Circuit Court pursuant to the Circuit Court Rules entitled '*Actions for Possession*' provides that no order for possession shall be made on the return date (i.e. the first hearing date) but rather the proceedings shall be adjourned to such later date as the County Registrar considers just in the circumstances. This has the effect of an automatic delay on possession proceedings. In practice, County Registrars are often more amenable to giving possession orders on vacant properties the subject of a buy to let mortgage than they are to giving possession orders in respect to Mortgages relating to a principal private residence.

Where an order for possession is granted by a court, a sheriff will arrange for such orders to be effected. This can result in a delay of a number of months between the granting of the order and its execution. Once possession of a property has been obtained, the mortgagee has a duty to the mortgagor to take reasonable care to obtain a proper price for such property. Any failure to do so will put such mortgagee at risk of an action for breach of duty by the mortgagor, although it is for the mortgagor to prove breach of duty. There is also a risk that a mortgagor may take court action to force the mortgagee to sell the relevant property within a reasonable time. Under the 2009 Act, a mortgagee in possession is obliged by law to sell the relevant property, at the best price reasonably obtainable, within a reasonable time, or if it would be inappropriate to sell such property, to lease it within a reasonable time.

If a mortgagee takes possession of a property it will, as mortgagee in possession, have an obligation to account to the mortgagor for the income obtained from such property, be liable for any damage to such property, have a limited liability to repair such property, and, in certain circumstances, may be obliged to make improvements or may incur certain financial liabilities in respect of such property.

On 24 July 2013 the Land and Conveyancing Law Reform Act 2013 was signed into law (the "**2013 Act**"). The 2013 Act also proposes the adjournment of possession actions in certain cases relating to the principal private residence ("**PPR**") of the borrower where it is considered by the court that the matter could be resolved by recourse to a personal insolvency arrangement under the Personal Insolvency Act. The 2013 Act provides that the court, where it considers it appropriate or on application by the borrower, in proceedings for possession of a PPR, may in certain circumstances adjourn the proceedings to enable the parties to consider whether a personal insolvency arrangement under the Personal Insolvency Act would be a more appropriate course of action than the seeking by the lender of an order for possession (see "*Personal Insolvency Act*" below). In the event that a lender does not implement a proposal put forward by a personal insolvency practitioner, a court could use its discretionary powers to delay granting an order for possession.

It should be noted that as the Arrears Code applies to borrowers in respect of their primary residence or where it is the only residential property owned by them in Ireland, the protection afforded by the Arrears Code is unlikely to apply to Buy to Let Mortgage Loans unless secured on the only residential property of a Borrower in Ireland.

Code of Conduct on Mortgage Arrears and Consumer Protection Code

The Code of Conduct on Mortgage Arrears (the "**Arrears Code**"), came in to force on 1 July 2013 replacing the previous code (which came into force in January 2011) (the "**Previous Arrears Code**") and which applies to arrears cases existing both as at 1 July 2013 and those that arise thereafter. The Arrears Code is a legally binding code published by the Central Bank on the handling of mortgage arrears and pre-arrears. A pre-arrears case arises where a Borrower contacts the relevant lender to inform them that he/she is in danger of going into financial difficulties and/or is concerned about going into mortgage arrears or when the relevant lender itself identifies that this is likely to occur.

The Arrears Code applies to the mortgage lending activities of lenders to borrowers in respect of their primary residence or in respect of the only residential property in this State owned by the borrower. Neither of the Seller, as unregulated entities, are obliged to comply with the Arrears Code. However, the Administrator as an authorised retail credit firm will be required by law to administer the Mortgage Loans in accordance with the Arrears Code. The Arrears Code sets out what the lender must do when managing mortgage arrears and pre-arrears cases and provides for, amongst other things, the actions a lender is required to take to address mortgage arrears before resorting to repossession of the relevant property. In particular, the Arrears Code provides that a lender:

- (a) must put in place a mortgage arrears resolution process ("**MARP**") which complies with the Arrears Code;
- (b) must explore, and if appropriate, offer the borrower alternative repayment arrangements which may include full or partial interest only repayment for a specified period, full or partial deferral of the instalment repayment for a specified period, extension of the term, capitalising arrears and interest and any voluntary repayment scheme to which the lender has signed up under the Arrears Code;
- (c) in recognition of the serious impact of being classified as 'not cooperating', a lender must provide a warning letter giving at least 20 business days' notice to the borrower, outlining the implications of being classified as not cooperating and providing specific information on how to avoid this classification;
- (d) must have a board-approved communications policy that will protect borrowers against unnecessarily frequent contact and harassment, while ensuring that the lender can make the necessary contact to progress resolution of arrears cases. This replaces the limit of three successful, unsolicited communications per month which was set out in the Previous Arrears Code and allows for an approach to lender and borrower communication that is suited to individual needs and circumstances;
- (e) must provide the standard financial statement ("**SFS**") to the borrower at the earliest opportunity, and to offer assistance to borrowers with completing the SFS and inform the borrower that the borrower may wish to seek independent advice to assist with completing the SFS. In addition, lenders can now agree with the borrower to put a temporary arrangement in place to prevent arrears from worsening while the full SFS is being completed and assessed;
- (f) where there is no other sustainable option available, the lender can offer an arrangement to distressed mortgage holders which provides for the removal of a tracker rate, but only as a last resort, where the only alternative option is repossession of the home. Lenders must be able to demonstrate that there is no other sustainable option that would allow the borrower to keep the tracker rate, and the arrangement offered must be a long term sustainable solution that is affordable for the borrower;
- (g) must provide cooperating borrowers with at least 8 months' notice from the date arrears first arise before legal action can commence and at the end of the MARP process, lenders will be required to provide a 3 month notice period to allow cooperating borrowers time to consider their options such as voluntary surrender or an arrangement under the Personal Insolvency Act (before legal action can start). In effect this means that legal proceedings may commence 3 months from the date the letter is issued to borrower or 8 months from the date the arrears first arose, whichever is the later; and
- (h) must not apply to the courts to seek repossession of a Borrower's primary residence until every reasonable effort has been made to agree an alternative repayment schedule with the relevant borrower in accordance with the MARP.

However, under the Arrears Code, a lender is permitted to seek repossession where it is clear that such borrower is deliberately not engaging with the lender, or where other circumstances reasonably so justify. In addition, a lender may enforce a mortgage in circumstances where application of the Arrears Code is not appropriate, such as, but not limited to, in the case of fraud or breach of contract other than the existence of arrears.

It should be noted that as the Arrears Code applies to borrowers in respect of their primary residence or where it is the only residential property owned by them in Ireland the protections afforded by the Arrears Code are unlikely to apply to Buy to Let Mortgage Loans unless secured on the only residential property of the borrower in Ireland.

The revised Consumer Protection Code (the "**Consumer Protection Code**") came in to force on 1 January 2012. Amendments were made to the Consumer Protection Code by way of addendum in July 2015, July 2016, August 2017, December 2017, May 2018 and June 2018. The Consumer Protection Code sets out how lending institutions must deal with personal customers under the Consumer Protection Code, who are

defined as natural persons acting outside his/her business, trade or profession. The arrears handling provisions (in addition to certain other provisions) in the Consumer Protection Code do not apply to a mortgage loan to which the Arrears Code applies, but it could apply to a mortgage not in respect of a primary residence, including a Buy to Let Mortgage Loan. The Seller, as unregulated entities, is not obliged to comply with the Consumer Protection Code. However, the Administrator as an authorised retail credit firm will be required by law to administer the Mortgage Loans in accordance with the Consumer Protection Code.

Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Lending to Small and Medium-Sized Enterprises) Regulations 2015

The Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Lending to Small and Medium-Sized Enterprises) Regulations 2015 (the "**SME Regulations**") came into force on the 1 July 2016 and replaced the Code of Conduct on Lending to Small and Medium Enterprises (the "**SME Code**"). The SME Regulations apply to finance provided to micro, small and medium enterprises which can include natural persons acting within the course of a business, trade or profession. To the extent a Borrower, in respect of a Buy to Let Mortgage Loan, falls within this category, the provisions of the SME Regulations could apply. These include, provisions relating to communications with the Borrower, information to be provided to the Borrower and dealing with Borrowers in financial difficulties.

The Seller, as an unregulated entity, is not obliged to comply with the SME Regulations. However, the Administrator as an authorised retail credit firm will be required by law to administer the Mortgage Loans in accordance with the SME Regulations to the extent that they are applicable to any of the Mortgage Loans.

The Central Bank has requested banks to put in place longer term mortgage arrears resolution strategies ("**MARS**") to deal with borrowers in or facing arrears or in pre-arrears. It is likely that lenders' actions in dealing with borrowers who are in financial difficulty or whose mortgages are, or may become, in arrears will be subject to additional regulation in the future. Any such additional regulation may have a negative impact on the ability of the Issuer to recover amounts due under the Mortgage Loans and on its ability to pay amounts due under the Notes.

Personal Insolvency Act

The Personal Insolvency Act 2012 (as amended) (the "**Personal Insolvency Act**") which was fully commenced on 3 December 2013, provides for three Court approved debt resolution options for Borrowers deemed under the provisions of the Personal Insolvency Act to have unsustainable indebtedness levels. These three debt resolution options are alternatives to bankruptcy.

In summary, the key aspects of the Personal Insolvency Act are as follows:

- (a) the establishment of three new non-judicial settlement systems:
 - (i) a Debt Relief Notice ("**DRN**") which provides for the write-off of qualifying unsecured debt (including for example credit card debt and overdrafts) up to €35,000 (as provided by the Personal Insolvency (Amendment) Act 2015 which commenced 29 September 2015 (the "**Personal Insolvency Amendment Act**", together with the Personal Insolvency Act the "**Personal Insolvency Acts**") following a three-year moratorium period (during which the debtor's circumstances must not have improved);
 - (ii) a Debt Settlement Arrangement ("**DSA**") which covers unsecured debt without a limit on the amount of debt. A debtor can go through a DSA once in their lifetime;
 - (iii) a Personal Insolvency Arrangement ("**PIA**") for the agreed settlement of both secured and unsecured debt of (secured is subject to a cap of €3,000,000 unless the cap is waived by an agreement of all secured creditors), including residential mortgage debt. The Personal Insolvency Amendment Act provides that a Borrower who has entered a mortgage restructure is not excluded from applying for a Personal Insolvency Arrangement, should the restructure not succeed in returning the borrower to solvency;
- (b) changes to the existing personal bankruptcy regime to provide that the period for discharge of bankrupts is to be reduced from twelve to one year (subject to limited exceptions) and that the

amount which must be owing before bankruptcy proceedings can be brought is to be increased from the euro equivalent of €1,900 to €20,001; and

- (c) the establishment of a new State-funded independent body to be known as the Insolvency Service which will oversee, and give determinations on, the non-judicial settlement procedures referred to above and which will also maintain a new Personal Insolvency Register which will hold details of debtors subject to the new procedures.

Where a PIA is not approved by the creditors, the personal insolvency practitioner ("**PIP**") may, where so instructed by the debtor, and where the PIP considers that there are reasonable grounds to do so, apply to the appropriate Court for an order confirming the coming into effect of the PIA. Creditors must be notified of the appeal and can lodge a notice of objection. The Court must hold a hearing promptly and may confirm the PIA where it is satisfied as to various matters. In making its determination, the Court will consider (amongst other things):

- (i) the conduct of the debtor and creditors within 2 years prior to the issuing of the protective certificate;
- (ii) submissions by the creditors;
- (iii) any alternative option available to the creditors for the recovery of the debt; and
- (iv) whether the proposed PIA is fair and reasonable to any non-approving class of creditor and is not unfairly prejudicial to any interested party.

There are certain caveats to the appeals process. The PIA can only be appealed where the debt is secured on the debtor's family home and the debtor was either (i) in arrears on 1 January 2015 or (ii) having been in arrears before 1 January 2015, had entered into an alternative repayment arrangement with the secured creditor. In addition, at least one class of creditor must have voted in favour of the PIA (by a majority of over 50 per cent of the value of the debts owed to that class) at the creditors meeting (provided there is more than one creditor).

The Personal Insolvency Acts provide a framework for personal insolvency and for the settlement and enforcement of debt, including, through the PIA, residential mortgage debt.

DRNs and DSAs both deal with unsecured debt. However, the Personal Insolvency Acts regime may result in the restructuring of the principal amount outstanding of the secured debt (which would include mortgage debt) of a borrower who completes a PIA and could also affect the enforcement of mortgages over residential property, and accordingly may have an adverse effect on the ability of the Issuer to fully recover amounts due under the Mortgages, which in turn may adversely affect the Issuer's ability to make payments under the Notes.

A PIA will not, however, involve an automatic writing down of negative equity and to be eligible, the Borrower will have to show positive engagement with his/her secured creditors in the period leading up to the application for an arrangement.

Consumer Credit Act and Mortgage Credit Regulations

The making of housing loans in Ireland is regulated by the Consumer Credit Act 1995 (as amended) (the "**CCA**") and the European Union (Consumer Mortgage Credit Agreements) Regulations 2016 (the "**Mortgage Credit Regulations**"), which impose a range of obligations and restrictions on mortgage lenders and mortgage intermediaries.

A mortgage lender is an entity the business of which consists of or includes the making of housing loans. A housing loan is a loan that is secured by a mortgage on a house and which is, *inter alia*, made to a consumer for the purchase of the house to which the mortgage relates, or otherwise made to a person for the purchase or improvement of that person's principal residence. It is not anticipated that the Issuer will be a mortgage lender for the purposes of the CCA.

A mortgage intermediary is a person (other than a mortgage lender or credit institution) who, in return for commission or some other form of consideration arranges, or offers to arrange, for a mortgage lender to provide a consumer with a housing loan, or introduces a consumer to an intermediary who arranges, or offers to arrange, for a mortgage lender to provide the consumer with such a loan. A mortgage intermediary

requires an authorisation from the Central Bank in order to conduct its business. In the event that an unauthorised mortgage intermediary operates in Ireland, it is subject to penalties and sanctions that are discussed below. It is not anticipated that the Issuer will be a mortgage intermediary for the purposes of the CCA.

Relevant obligations imposed by the CCA include rules regulating advertising for housing loans; a requirement to furnish the borrower with a valuation report concerning the property; a requirement that specified warnings regarding the potential loss of the person's home be included in all key documentation relating to a housing loan and that key, prescribed information be displayed on the front page of a housing loan; and obligations to provide prescribed documents and information to a Borrower. Restrictions include prohibitions on the imposition of a redemption fee in the case of many types of housing loan; compelling a Borrower to pay the lender's legal costs of investigating title; and the linking of certain products.

A breach of any of these obligations or restrictions is a criminal offence by the mortgage lender or intermediary. The financial penalties may range from a maximum fine of €3,000 for most offences, to a maximum fine of €100,000 for the unlawful linking of certain services. A person (including a company) that is convicted of an offence under the CCA will normally be ordered to pay the costs of the prosecution. In respect of a regulated financial service provider (but not an entity that is a mortgage lender only), the Central Bank may, instead of a prosecution, impose a monetary penalty for breach of any of these obligations and restrictions; that penalty may be appealed to the Financial Services Appeals Tribunal. The maximum financial penalty is €10,000,000 in the case of a body corporate.

The Mortgage Credit Regulations came into force on 21 March 2016 and transpose Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property into Irish law. The Mortgage Credit Regulations apply to credit provided to a consumer under: (a) credit agreements secured by a mortgage or comparable security commonly used in a member state on residential immovable property, or secured by a right relating to residential immovable property; and (b) credit agreements the purpose of which is to acquire or retain rights in land or in an existing or proposed residential building.

The Mortgage Credit Regulations requires (among other things): standard information in advertising; standard pre-contractual information; adequate explanations to the consumer on the proposed credit agreement and any ancillary service; calculation of the annual percentage rate of charge in accordance with a prescribed formula; assessment of creditworthiness of the consumer; a right of the consumer to make early repayment of the credit agreement; notifications to consumers concerning changes in the borrowing rates; and certain obligations in respect of arrears and reposessions. The Mortgage Credit Regulations also imposes prudential and supervisory requirements including the establishment and supervision of credit intermediaries, appointed representatives and non-credit institutions.

Unfair Terms in Consumer Contracts Regulations

The European Communities (Unfair Terms in Consumer Contracts) Regulations 1995 and the European Communities (Unfair Terms in Consumer Contracts) (Amendment) Regulations 2000, 2013 and 2014 (together, the "**UTCC Regulations**") apply in relation to the Mortgage Loans. A Borrower may challenge a term in an agreement on the basis that it is "unfair" within the meaning of the UTCC Regulations and therefore not binding on the Borrower. In addition, the Competition and Consumer Protection Commission, the Central Bank or a consumer organisation (collectively defined as authorised bodies) may apply to the Circuit Court or the High Court for a declaration that a term drawn up for general use in contracts concluded by sellers or suppliers is unfair. At the discretion of the court, an order banning the use of such a term can be subsequently granted. The Director of Consumer Affairs or a consumer organisation may also seek an injunction preventing the use of specific terms that are unfair.

This will not generally affect "core terms" which set out the main subject matter of the contract, such as the Borrower's obligation to repay principal, but may affect terms deemed to be ancillary terms, which may include terms the application of which are in the Administrator's discretion (such as a term permitting the Administrator to vary the interest rate).

If a term of a Mortgage Loan is found to be unfair that term may not be enforceable. For example if a term permitting the lender to vary the interest rate is found to be unfair, the Borrower will not be liable to pay the increased rate or, to the extent that the Borrower has paid it, will be able, as against Legal Title Holder, or any assignee such as the Issuer, to claim repayment of the extra interest amounts paid or to set-off the amount of the claim against the amount owing by the Borrower under the Mortgage Loan. Any such non-

recovery, claim or set-off may adversely affect the realisable value of the Mortgage Loans in the Mortgage Portfolio and accordingly the ability of the Issuer to meet its obligations in respect of the Notes.

No assurance can be given that the UTCC Regulations or any changes thereto, will not have an adverse effect on the Mortgage Loans, the Seller, the Legal Title Holder, the Administrator or the Issuer and their respective businesses and operations. This may adversely affect the ability of the Issuer to dispose of the Mortgage Portfolio, or any part thereof, in a timely manner and/or the realisable value of the Mortgage Portfolio, or any part thereof, and accordingly affect the ability of the Issuer to meet its obligations under the Notes when due.

The Courts and Land and Conveyancing Law Reform Bill

In May 2018, the Courts and Land and Conveyancing Law Reform Bill secured government approval for drafting and was subsequently included in the Irish Government's Legislation Programme Autumn Session 2018, issued on 18 September 2018. The Courts and Land and Conveyancing Law Reform Bill (which incorporates elements of the "Keeping People in their Homes Bill 2017") would, if enacted, further limit the ability of a lender to obtain orders for possession in respect of defaulted mortgage loans. The proposed draft Bill aims to reform the factors taken into consideration by the Irish Courts when determining applications for mortgagee possession under the Land and Conveyancing Law Reform Act 2013. It is expected the Bill will provide, amongst other things, that a court will have to take into account (i) the proportionality of making an order for possession (ii) the circumstances of those resident in the property; and (iii) in cases where the enforcing entity is not the original lender, the amount that the enforcing entity paid for the loan.

It is unclear whether any legislation in respect of the foregoing (either in the current draft form or a different form) will be enacted or whether further legislative initiatives to regulate the Irish mortgage market will be introduced. If enacted, any further legislation could potentially impact the ability of the Issuer to make recoveries in respect of the Mortgage Loans and, accordingly, its ability to make payments under the Notes.

Tracker Mortgage Examination

In October 2015 the Central Bank commenced an industry wide review of tracker mortgage related issues including the transparency of communication with borrowers and contractual rights of borrowers with tracker mortgages (the "**Tracker Mortgage Examination**"). The industry wide examination arose following an investigation of practices adopted by certain lenders where tracker mortgage borrowers were switched to variable rate mortgages. The principal issue related to a failure by lenders to inform borrowers of the impact of switching mortgage products, in particular that borrowers would lose their contractual right to a tracker mortgage.

The Central Bank's examination is split in to three phases as follows:

- (i) Phase 1 - Lenders were required to put plans and frameworks in place by the end of March 2016, in line with principles prescribed by the Central Bank. This phase includes the requirement for appropriate governance and reporting structures to be put in place to deliver on the examination framework specified by the Central Bank.
- (ii) Phase 2 - Lenders are required to examine their tracker mortgages and identify borrowers who have been impacted by the lender's failure to honour a contractual commitment to the borrower or a failure to comply with the regulatory requirements regarding disclosure and transparency of information.
- (iii) Phase 3 - Lenders will provide redress (including the amendment of their mortgage agreement) and compensation to affected customers.

A tracker mortgage is a loan secured on a private dwelling house or buy to let property where the interest rate is expressed to track a defined benchmark – usually the ECB main refinancing operations rate, or similar benchmark – or which has an option to convert to such.

The Tracker Mortgage Examination pertaining to loans originated by Start Mortgages DAC has concluded that no borrowers were impacted. However, Bank of Scotland plc, remains subject to the Tracker Mortgage Examination and a small number of mortgages originated by Bank of Scotland plc and subsequently acquired by Start Mortgages DAC form part of the Mortgage Portfolio have been identified by Bank of

Scotland plc as being impacted under the Tracker Mortgage Examination. Compensation and, where appropriate, redress has been issued to affected borrowers by Bank of Scotland plc, but there is a risk that further Mortgage Loans that are Tracker Mortgage Loans may be impacted by the Tracker Mortgage Examination. As a Bank of Scotland plc is continuing to engage with the Central Bank on the Tracker Mortgage Examination, there can be no assurance that this issue shall not be applicable to other Tracker Mortgage Loans (including any in the Mortgage Portfolio) in addition to those already identified.

Where a lender identifies that a borrower has been denied a contractual right or that a regulatory requirement has been breached, then this may lead to a further Central Bank investigation and the imposition of sanctions (over and above the redress and compensation mentioned above) in the form of fines on lenders. The Central Bank requires lenders to provide redress to impacted customers. That redress may include moving customers on to an appropriate rate of interest and/or paying compensation. If the Central Bank, as part of the Tracker Mortgage Examination process, determines that the relevant lender did not comply with applicable contractual obligations and consumer protection regulations, it may require the relevant lender to provide redress to impacted customers, which may include modifying an impacted mortgage loan to reflect an appropriate rate of interest and/or to reflect any compensation.

As part of the Tracker Mortgage Examination, the Central Bank required that lenders "stop the harm", including putting in place measures to ensure that steps in the legal process are not taken against potentially impacted customers. As a result, no enforcement action, except in certain limited circumstances, is being taken in respect of loans identified to be in scope and which have not yet been remediated. Although only one such loan has been identified in the Mortgage Portfolio as at the date of this Prospectus, the same suspension of enforcement action arising out of the "stop the harm" requirement may apply to any Tracker Mortgage Loan identified as being so impacted in the future.

Automatic Capitalisation of Arrears

In October 2016, the Financial Conduct Authority in the UK (the "FCA") issued a consultation relating to issues arising from automatic capitalisation, in particular cases where lenders both add arrears to an account balance and keeps a separate record of the borrower's arrears and seeks separate (and additional) payment of those. In the finalised guidance (FG17/4) published in April 2017, the FCA state that they expect FCA authorised firms to ensure this practice ceases and to carry out remediation. The FCA has a proposed framework for remediation in the finalised guidance.

The Central Bank conducted a program of engagement with relevant regulated entities, including the main mortgage lenders, to determine whether such practices operated in Ireland. Following a review Start Mortgages DAC advised the Central Bank that it included borrowers' arrears when recalculating monthly mortgage payments on certain "trigger events" (e.g. interest rate changes). Following further engagement with the Central Bank, Start Mortgages DAC ceased that practice in November 2017. On 28 June 2018, the Central Bank, in a briefing note to the Chair of the Joint Committee on Finance, Public Expenditure and Reform, and Taoiseach, stated that certain Irish lenders had engaged in the practice. The Central Bank advised that it did not have concerns that borrowers were over-charged as a result, rather that borrowers' arrears were not presented in a fully transparent manner. The Central Bank stated that borrowers' overall indebtedness and interest calculations on mortgage accounts were unaffected.

European Directive on Unfair Commercial Practices

On 11 May 2005, the European Council and European Parliament signed Directive 2005/29/EC (the "**Unfair Commercial Practices Directive**"). The Unfair Commercial Practices Directive affects all consumer contracts and thus will have some impact in relation to the residential mortgage market.

Under the Unfair Commercial Practices Directive, a commercial practice is to be regarded as unfair if it is

- (a) contrary to the requirements of professional diligence; and
- (b) materially distorts or is likely to materially distort the economic behaviour of the average consumer whom the practice reaches or to whom it is addressed or the average member of a group where a practice is directed at a particular group of consumers. In addition to the general prohibition on unfair commercial practices, the Unfair Commercial Practices Directive contains provisions aimed at aggressive and misleading practices (including, but not limited to; (i) pressure selling; (ii) misleading marketing (whether by action or omission); and (iii) falsely claiming to be a signatory

to a code of contact) and a list of practices which will in all cases and in all Member States be considered unfair. The Unfair Commercial Practice Directive also contains provisions aimed at preventing the exploitation of consumers whose characteristics make them particularly vulnerable to unfair commercial practices (which may include non-status, credit impaired or sub-prime Borrowers).

The Consumer Protection Act 2007 (as amended) (the "**CPA**") came into force on 1 May 2007 which implements the Unfair Commercial Practices Directive in Ireland. Under the CPA there are four principal heads of offences; (i) Unfair Commercial Practices, (ii) Misleading Commercial Practices, (iii) Aggressive Commercial Practices and (iv) Prohibited Commercial Practices.

In respect of most offences (other than, for example, pyramid selling schemes), the CPA contains a defence of "due diligence". This defence is available where the accused proves (i), the commission of the offence was due to a mistake or the reliance on information supplied to the accused or to the act or default of another person, an accident of some other cause beyond the accused's control, and (ii), that the accused exercised due diligence and took all reasonable precautions to avoid the commission of the offence. Where due diligence means the standard of special skill and care which a trader may reasonably be expected to exercise towards consumers, commensurate with honest market practice and/or the general principle of good faith in trader's field of activity.

Under the CPA both civil proceedings and criminal proceedings may be brought against a trader engaging in an unfair act or practice albeit this should not impact on the enforceability of the underlying contract itself.

Any affected person, including consumers, other traders, and the Competition and Consumer Protection Commission ("**CCPC**") may bring civil proceedings under the CPA for a prohibition order against a trader engaging in an unfair act or practice. The CCPC may also serve a compliance notice on a trader whom it considers to have engaged in an unfair commercial practice. A consumer aggrieved by an Unfair Commercial Practice also has a right of action for damages.

The CCPC is also empowered to institute summary proceedings for breaches of the CPA relating to misleading, aggressive and prohibited practices. A trader found guilty of an offence on summary conviction will be liable to a fine not exceeding €3,000 and/or six months imprisonment for a first offence and a fine of €5,000 and/or twelve months imprisonment for subsequent offences. Proceedings on indictment will be taken by the Director of Public Prosecutions (the "**DPP**"). On a first conviction on indictment an offending trader may be fined up to €60,000 and/or eighteen months imprisonment and subsequent convictions carry a fine of up to €100,000 and/or 24 months imprisonment.

The Unfair Commercial Practices Directive is stated to be without prejudice to contract law and the rules of the validity, formation or effect of a contract. There is, as yet, no reported case law on the CPA.

TRS Scheme

Tax relief at source for mortgage interest was introduced in Ireland in the tax year 2002 under section 244A of the Taxes Consolidation Act 1997 of Ireland (the TRS Scheme) and the Mortgage Interest (Relief at Source) Regulations 2001 (the Regulations). The Legal Title Holder has been operating the TRS Scheme based on the Regulations since then.

Under the TRS Scheme, mortgage borrowers are permitted to pay interest net of the relevant tax relief to the relevant mortgage lender and the relevant mortgage lender, once it constitutes a qualifying lender, claims a refund of the tax relief directly from an account of the Revenue Commissioners. On the Closing Date, the Legal Title Holder will be the lender with respect to the Mortgage Loans in the Mortgage Portfolio which it sold and will, as the Legal Title Holder of such Mortgage Loans, remain registered as the qualifying lender for the purposes of the TRS Scheme.

The operation of the TRS Scheme does not have any negative impact on the cash flows as the Legal Title Holder makes claims for a payment of the tax relief granted from the Revenue Commissioners funding account on a direct debiting monthly (estimated) basis. The Revenue Commissioners of Ireland Revenue Commissioners ("**Revenue Commissioners**") given a significant level of non-payment of interest by residential borrowers during Ireland's recent economic downturn, requested that financial institutions

change the method by which tax relief at source under the TRS Scheme is being calculated with effect from 1 January 2014. This has resulted in a withdrawal of relief where the underlying interest is not being paid.

In the event of an Enforcement Notice being delivered or the occurrence of such other event that results in a transfer of legal title to the Mortgage Portfolio to the Issuer or the Trustee as described in "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*", the Legal Title Holder would no longer be the lender with respect to the Mortgage Portfolio. However, the Regulations provide that the Legal Title Holder can nominate the securitisation vehicle to which the Mortgage Portfolio was transferred (the Issuer), or its agent (the Trustee or another nominee) as a qualifying lender for the purpose of the TRS Scheme. The power of attorney granted by the Legal Title Holder in favour of the Issuer and the Trustee on the Closing Date in substantially the same form as that set out in Schedule 4 (*Legal Title Holder Power of Attorney*) to the Mortgage Sale Agreement (the "**Legal Title Holder Power of Attorney**") will enable the Issuer and, following an Enforcement Notice, the Trustee to make this nomination on behalf of the Legal Title Holder as its attorney. If a new qualifying lender is required to be appointed it may be required to make certain notifications to Revenue Commissioners.

In addition, under the terms of the Mortgage Sale Agreement, the parties, including the Legal Title Holder, have agreed that, if requested by the Issuer, they will make any changes to any relevant documents to deal with, or alleviate the burden of, the TRS Scheme, **provided that** such changes are not materially prejudicial to the interests of the holders of the Most Senior Class of Notes. In determining whether to make any such change, the Trustee will act pursuant to its powers under the Transaction Documents and in determining whether such change is materially prejudicial to the interests of the holders of the Most Senior Class of Notes, the Trustee shall be entitled to seek the advice of an investment bank or other expert of recognised standing or shall act pursuant to an Extraordinary Resolution of the relevant Class or Classes of Noteholders.

Withholding Tax under the Notes

In the event that withholding taxes are imposed in respect of payments to Noteholders of amounts due pursuant to the Notes, neither the Issuer nor any Paying Agent nor any other person is obliged to gross up or otherwise compensate Noteholders for the lesser amounts the Noteholders will receive as a result of the imposition of withholding taxes. The imposition of such withholding taxes would entitle (but not oblige) the Issuer to redeem the Notes at their Principal Amount Outstanding plus accrued interest and any Deferred Interest please see the section entitled "*Taxation - Ireland Taxation*" in relation to Irish withholding tax.

Book-Entry Interests

Unless and until Definitive Notes are issued in exchange for the Book-Entry Interests, holders and beneficial owners of Book-Entry Interests will not be considered the legal owners or holders of the Notes under the Trust Deed. After payment to the Principal Paying Agent, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts in respect of the Notes to Euroclear or Clearstream, Luxembourg or to holders or beneficial owners of Book-Entry Interests.

A nominee for the Common Safekeeper will be considered the registered holder of the Notes as shown in the records of Euroclear or Clearstream, Luxembourg and will be the sole legal holder of the Global Notes under the Trust Deed while the Notes are represented by the Global Notes. Accordingly, each person owning a Book-Entry Interest must rely on the relevant procedures of Euroclear and Clearstream, Luxembourg and, if such person is not a participant in such entities, on the procedures of the participant through which such person owns its interest, to exercise any right of a Noteholder under the Trust Deed.

Except as noted in the previous paragraph, payments of principal and interest on, and other amounts due in respect of, the Global Notes will be made by the Principal Paying Agent to a nominee of the Common Safekeeper for Euroclear and Clearstream, Luxembourg. Upon receipt of any payment from the Principal Paying Agent, Euroclear and Clearstream, Luxembourg, as applicable, will promptly credit participants' accounts with payment in amounts proportionate to their respective ownership of Book-Entry Interests as shown on their records. The Issuer expects that payments by participants or indirect payments to owners of Book-Entry Interests held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street name", and will be the responsibility of such participants or indirect participants. None of the Issuer, the Trustee, any Paying Agent or the Registrar will have any responsibility

or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

Unlike Noteholders, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by or on behalf of the Issuer for consents or requests by or on behalf of the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg (as the case may be) and, if applicable, their participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under the Notes, holders of Book-Entry Interests will be restricted to acting through Euroclear and Clearstream, Luxembourg unless and until Definitive Notes are issued in accordance with the relevant provisions described herein under "*Terms and Conditions of the Notes*" below. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Trustee, any Paying Agent, the Registrar or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants or account holders of their respective obligations under the rules and procedures governing their operations.

The lack of Notes in physical form could also make it difficult for a Noteholder to pledge such Notes if Notes in physical form are required by the party demanding the pledge and hinder the ability of the Noteholder to recall such Notes because some investors may be unwilling to buy Notes that are not in physical form.

Certain transfers of Notes or interests therein may only be effected in accordance with, and subject to, certain transfer restrictions and certification requirements and in accordance with the rules and regulations of any applicable clearing system. In order for a Noteholder to effect a transfer of Notes to a potential purchaser, the Noteholder and the potential purchaser will need to comply with the applicable transfer restrictions (see "*Description of the Notes in Global Form - Transfers and Transfer Restrictions*" below). To the extent such transfer restrictions cannot be complied with, a Noteholder should be prepared to hold its Notes until the Final Maturity Date or until it can effect a transfer to a potential purchaser that complies with the requirements of the applicable transfer restrictions. In order to comply with any applicable laws and regulations in respect of such transfer, potential purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered.

Meetings of Noteholders, modification and waiver

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Trust Deed provides that, without the consent or sanction of the Noteholders or any of the other Secured Creditors (other than those Secured Creditors who are party to the relevant Transaction Documents), the Trustee may, and in the case of (a)(iii) below shall:

- (a) concur with the Issuer and/or any other person, in making any modification to the Conditions or the Transaction Documents:
 - (i) (including a Reserved Matter) which, in the opinion of the Trustee, is of a formal, minor or technical nature, or is to correct a manifest error; or
 - (ii) (other than a Reserved Matter) which, in the opinion of the Trustee, will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding; or

- (iii) (other than a Reserved Matter) which is required to enable the Issuer or any other Transaction Party to comply with, implement or reflect: (A) FATCA and/or CRS (or any other similar regime for the reporting and automatic exchange of information), (B) complying with any obligation which applies to such party under the Securitisation Regulation, including as a result of the adoption of any secondary legislation or official guidance in relation to the Securitisation Regulation or regulations or official guidance in relation thereto (including the appointment of a third party pursuant to the Cash Management Agreement to assist with the Issuer's reporting obligations pursuant to the Securitisation Regulation), (C) change the base rate in respect of the Notes from EURIBOR to an alternative base rate and make such other amendments as are necessary or advisable in the reasonable commercial judgment of the Issuer (or the Administrator on its behalf) to facilitate such change in accordance with the provisions detailed in Condition 18 (*Modification and Waiver in relation to the Screen Rate*), (D) any requirements which apply to it under EMIR; (E) any updated criteria of one or more Rating Agencies which may be published after the Closing Date; (F) the appointment of any additional or replacement account bank and/or the opening of any additional or replacement Issuer Account in accordance with the Transaction Documents; or (G) the appointment of any custodian and/or the opening of any custody account in accordance with the Transaction Documents,

provided that the Issuer certifies to the Trustee that such amendments are required solely for such purpose and have been drafted solely to such effect and regardless of whether or not such amendments are materially prejudicial to the Most Senior Class of outstanding Notes and provided that the Trustee shall not be obliged to agree to such amendments if such amendments would in the sole opinion of the Trustee have the effect of (A) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfactions and or (B) such amendments increase the obligations or duties or reduce the rights or protections of the Trustee under the Transaction Documents;

- (b) authorise or waive, on such terms and conditions (if any) as it may decide, any proposed breach or breach of any Transaction Document, if in the Trustee's opinion, the interests of the holders of the Most Senior Class of Notes then outstanding will not be materially prejudiced thereby; and
- (c) determine that any Event of Default or Potential Event of Default shall not be treated as such, if in the Trustee's opinion, the interests of the holders of the Most Senior Class of Notes then outstanding will not be materially prejudiced thereby,

provided always that the Trustee shall not exercise any powers under paragraphs (b) or (c) in contravention of any express direction given by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or a request or direction in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding (but no such direction or request shall affect any authorisation or waiver or determination previously given or made).

The Trustee shall not be obliged to agree to any matter which, in the reasonable opinion of the Trustee, would have the effect of exposing the Trustee to any losses, damages, costs, fees, charges, awards, claims, demands, expenses, judgments, decrees, actions, proceedings or other liabilities whatsoever including properly incurred legal fees and any Taxes and penalties incurred ("**Liabilities**") against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee shall not be held liable for the consequences of exerting its discretion or taking any action, step or proceeding (or not exerting its discretion or taking any action, step or proceeding as the case may be) and may do so without having regard to the effect of such action on individual Noteholders or Secured Creditors.

The Trustee may also, without the consent of any of the Noteholders or other Secured Creditors, concur with the Issuer in substituting in place of the Issuer another single purpose company incorporated in any jurisdiction that meets the SPV criteria (a "**Substituted Obligor**") as the principal debtor in respect of the Transaction Documents **provided that** certain conditions as set out in the Trust Deed are satisfied.

The Issuer shall not, without the prior written consent of the Interest Rate Cap Provider (such consent not to be withheld unreasonably), agree to any amendment to, modification of, or supplement to (and shall procure that there is no amendment to, modification of or supplement to) any of the Transaction Documents,

insofar as such amendment, modification or supplement relates to or affects: (a) any Priority of Payments in a manner that adversely affects the Interest Rate Cap Provider and/or the operation of the IRC Collateral Account (other than in relation to any replacement of the Account Bank, provided such replacement has the required ratings); (b) the timing or amount of any payments or deliveries due to be made by or to the Interest Rate Cap Provider under the Conditions or any Transaction Document or the Interest Rate Cap Provider's status as a Secured Creditor; or (c) Condition 17.3 or (d) Condition 18.

The Issuer shall not, without the prior written consent of the Servicing Advisor, agree to any amendment to, modification of, or supplement to (and shall procure that there is no amendment to, modification of or supplement to) the Administration Agreement and or the Asset Management Consulting Agreement, unless such amendment, modification or supplement is for the purpose of complying with CSA 2018.

The Issuer shall not, without the prior written consent of the Option Holder, agree to any amendment to, modification of, or supplement (and shall procure that there is not amendment to, modification of or supplement to) the Deed Poll.

The Issuer shall not agree to any amendment to, modification of, or supplement to any of the Transaction Documents, insofar as such amendment, modification or supplement relates to or affects the Pre-Enforcement Revenue Priority of Payments and/or the Post-Enforcement Priority of Payments, or the timing or amount of any payments due to be made pursuant to the Pre-Enforcement Revenue Priority of Payments and/or the Post-Enforcement Priority of Payments in such a way as to have the effect of putting the Administrator in a less beneficial position than it would have been had such amendment, modification or supplement not been made, without the prior written consent of the Administrator.

"Event of Default" means any one of the events specified in Condition 13 (*Events of Default*).

"Potential Event of Default" means any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination thereof) an Event of Default.

Noteholders will be deemed to have consented to certain modifications to the Transaction Documents so long as less than 10 per cent. of the Most Senior Class have objected to such modifications

In addition to the ability of the Trustee to concur in making certain modifications to the Transaction Documents without Noteholder consent described under "*Meetings of Noteholders, modification and waiver*" above, the Trustee shall, without any consent or sanction of the Noteholders or any of the other Secured Creditors, concur with the Issuer in making any modification (other than a Reserved Matter) to the Trust Deed, the Conditions and/ or any other Transaction Document to which it is a party or in relation to which it holds security to or enter into any new, supplemental or additional documents that the Issuer considers necessary in order to (a) change the Screen Rate or the benchmark rate that then applies in respect of the Notes to an alternative benchmark rate and make such other amendments as are necessary or advisable in the commercially reasonable judgment of the Issuer (or the Servicing Advisor on its behalf) to facilitate such change to the extent there has been or there is reasonably expected to be a material disruption or cessation to the Screen Rate or the relevant benchmark rate that applies to the Notes at such time; or (b) change the benchmark rate that then applies in respect of the calculation of the Cap Strike Rate under the Interest Rate Cap Agreement to an Alternative Benchmark Rate solely as a consequence of a Benchmark Rate Modification and solely for the purpose of aligning the benchmark rate of the calculation of the Cap Strike Rate under the Interest Rate Cap Agreement to the benchmark rate of the Notes following such Benchmark Rate Modification, **provided that** the relevant Interest Rate Cap Provider has provided its prior written consent to such Swap Rate Modification, in each case pursuant to and in accordance with the provisions of Conditions 18 (*Modification and Waiver in relation to the Screen Rate*), including receipt by the Trustee of a Benchmark Rate Modification Certificate or a Swap Rate Modification Certificate, as applicable, from the Servicing Advisor (on behalf of the Issuer, as applicable) certifying, among other things, that the modification is required for its stated purpose.

If the Issuer proposes a modification of such Transaction Document and/or the Conditions as described above, it shall promptly cause the Trustee and all Noteholders to be notified of the proposed modification in accordance with Condition 23 (*Notices*). If, within 30 calendar days from the giving of such notice, Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Most Senior Class of Noteholders then outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes may be held) that such Noteholders do not consent to the modification, then such modification will not be made unless an

Extraordinary Resolution of the Noteholders of the Most Senior Class then outstanding is passed in favour of such modification in accordance with Conditions 16 (*Meetings of Noteholders*). If, however, Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Most Senior Class of Noteholders then outstanding fail to notify the Trustee in writing that they do not consent to such modification as set forth above, then all Noteholders will be deemed to have consented to such modification and the Trustee shall, subject to the requirements of Condition 18 (*Modification and Waiver in relation to Screen Rate*), without seeking further consent or sanction of any of the Noteholders and irrespective of whether such modification is or may be materially prejudicial to the interest of the Noteholders of any Class, concur with the Issuer in making the proposed modification **provided that** in circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, such Extraordinary Resolution shall be passed by the Noteholders of the Most Senior Class of Notes then outstanding and by the Noteholders of each Class of Notes then outstanding to which the lower Note Rate Maintenance Adjustment is proposed to be made.

Therefore, it is possible that a modification could be made without the vote of any Noteholders or even if holders holding less than 10 per cent. of the Principal Amount Outstanding of the Most Senior Class then outstanding objected to it. In addition, Noteholders should be aware that, unless they have made arrangements to promptly receive notices sent to Noteholders from any custodians or other intermediaries through which they hold their Notes and give the same their prompt attention, meetings may be convened or resolutions proposed and Extraordinary Resolutions may be considered and resolved or deemed to be passed without their involvement even if, were they to have been promptly informed, they would have voted in a different way from that which passed or rejected the relevant proposal or resolution. For more detail see "*Book-Entry Interests*".

Change of law

The structure of the transaction and, inter alia, the issue of the Notes and the ratings which are to be assigned to the Rated Notes are based on the relevant law, tax, accounting, risk retention requirements, regulatory and administrative requirements and practice and current interpretation thereof, in effect as at the date of this Prospectus and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to the relevant law, tax, regulatory, risk retention requirements, accounting (and any change in regulation which may occur without a change in primary legislation), administrative practice, interpretation or tax treatment after the date of this Prospectus nor can any assurance be given as to whether any such change would either adversely affect the ability of the Issuer to make payments under the Notes and/or adversely affect any then investor and/or holder of the Notes.

It is unclear whether any legislation in respect of the foregoing (either in the current draft form or a different form) will be enacted or whether further legislative initiatives to regulate the Irish mortgage market will be introduced. If enacted, any further legislation could potentially impact the ability of the Issuer to make recoveries in respect of the Mortgage Loans and, accordingly, its ability to make payments under the Notes.

Impact of regulatory initiatives on certain investors

Regulatory initiatives may result in increased regulatory capital requirements for certain investors and/or decreased liquidity in respect of the Notes. In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger, the Lead Manager, the Legal Title Holder or the Seller makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment (or the liquidity of such investment as a result thereof) on the Closing Date or at any time in the future.

Securitisation Regulation

On 1 January 2019, Regulation (EU) 2017/2402 (the "**Securitisation Regulation**") and the associated Regulation (EU) 2017/2401 (the "**CRR Amending Regulation**", and together with the Securitisation Regulation, the "**Securitisation Regulations**") began to apply to any securitisations issued from that date, subject to various transitional provisions. The Securitisation Regulations implement the revised securitisation framework developed by the Basel Committee, as well as revised risk retention and transparency requirements (now imposed variously on the issuer, originator, sponsor and/or original lender of a securitisation) and new due diligence requirements imposed on certain institutional investors in a securitisation. It also introduced a ban on the securitisation of residential mortgage loans made after 20 March 2014 and marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the lender. In general, the requirements imposed under the Securitisation Regulations are more onerous and have a wider scope than those imposed under the previous legislation.

The EU risk retention and due diligence requirements under the Securitisation Regulation together with all implementing regulatory and technical standards applicable on the Closing Date (together, the "**EU Securitisation Law**") apply in respect of the Notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made at the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. With respect to the commitment of the Retention Holder to retain a material net economic interest in the securitisation and with respect to the information to be made available by the Issuer or by the Cash Manager on the Issuer's behalf, please see the statements set out in "*Certain Regulatory Disclosures*". Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the Issuer, the Arranger, the Lead Manager, the Retention Holder or any of the other Transaction Parties makes any representation that the information described above is sufficient in all circumstances for such purposes.

Various parties to the Transaction are subject to the requirements of the EU Securitisation Laws. Although the Issuer believes the Transaction to be in compliance with the requirements of the EU Securitisation Laws, as discussed below there is at present some uncertainty in relation to some of these requirements, including in particular with regard to the transparency obligations imposed under Article 7 of the Securitisation Regulation (the "**Transparency and Reporting Requirements**").

With regard to the Transparency and Reporting Requirements, the relevant regulatory technical standards, including the standardised templates to be developed by ESMA to fulfil these requirements (the "**ESMA Disclosure Templates**") have not as yet been adopted. As a result, the Securitisation Regulation transitional provisions will apply, which require that the disclosure templates prescribed under CRA3 are to be used until the new regulatory technical standards have been published and the ESMA Disclosure Templates begin to apply.

Furthermore, in a statement issued on 30 November 2018, the Joint Committee of the European Supervisory Authorities noted the operational difficulties of compliance with the Securitisation Regulation disclosure obligations using the CRA3 templates for some entities and indicated that national competent authorities should generally apply their supervisory powers in their day-to-day supervision and enforcement of applicable legislation in a proportionate and risk-based manner.

In line with the above statement, the Issuer has adopted to report quarterly on the mortgage loan data on the Mortgage Portfolio by way publishing such data in the form of the ECB loan-by-loan data templates (which the Issuer notes contains the same level of information as required under the CRA3 template). The Issuer believes, based on advice that it has received, that as at the date hereof it has taken reasonable steps to comply with the Transparency and Reporting Requirements. However, it also notes the general market uncertainty on this point and also the uncertainty with respect to the contents and timing of the obligations to be imposed by regulatory technical standards containing the ESMA Disclosure Templates when they eventually begin to apply, and the further uncertainty as to the existence and (if they are made) contents of any further transitional provisions to be included in the those regulatory technical standards. Furthermore, it is not yet clear how the Central Bank (as the competent authority in Ireland) intends to monitor and enforce compliance. The Issuer will continue to monitor any further statements by the European Supervisory Authorities and/or the Central Bank in this regard.

U.S. Risk Retention Requirements

The U.S. Risk Retention Rules came into effect on 24 December 2016 and generally require the “sponsor” of a “securitization transaction” to retain at least 5 per cent. of the “credit risk” of “securitized assets”, as such terms are defined for purposes of that statute, and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The transaction will not involve risk retention by the Seller for the purposes of the U.S. Risk Retention Rules, but rather will be made in reliance on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as “**Risk Retention U.S. Persons**”); (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Transaction provides that the Notes may not be purchased by Risk Retention U.S. Persons except in accordance with the exemption under Section 20 and with the prior consent of the Retention Holder. 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 under Regulation S under the Securities Act and that an investor could be a Risk Retention U.S. Person but not a U.S. person under Regulation S.

The consequences of non-compliance with the U.S. Risk Retention Rules are unclear, but investors should note that the liquidity and/or value of the Notes could be adversely affected by any such non-compliance.

Financing of the risk retention piece

Any financing of the Retained Amount may require a grant or a security interest over the Retained Amount and result in the financing counterparty having enforcement rights in case of an event of default, which may include the right to appropriate or sell the Retained Amount. In carrying out such appropriations or sale, the financing counterparty would not be required to have regard for the provisions of the risk retention requirements under the Securitisation Regulation, and any such sale could cause the Retention Holder to be out of compliance with such rules.

Implementation of and/or changes to the Basel Framework

The Basel Committee on Banking Supervision (the “**Basel Committee**”) approved significant changes to Basel II (being the revised international capital framework of the Basel Committee, published in 2004) regulatory capital and liquidity framework in 2011 (such changes being commonly referred to as “**Basel III**”). In particular, Basel III provides for a substantial strengthening of existing prudential rules, including requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio “backstop” for financial institutions and certain minimum liquidity standards (referred to as the “**Liquidity Coverage Ratio**” and the “**Net Stable Funding Ratio**”).

The Basel III reforms are being implemented in the European Economic Area (“**EEA**”) through the Capital Requirements Regulation and the Capital Requirements Directive (together “**CRD IV**”). CRD IV became effective in the UK and other EU member states on 1 January 2014. The regulation establishes a single set of harmonised prudential rules which apply directly to all credit institutions and investment firms in the EEA, with the directive containing less prescriptive provisions which are required to be transposed into national law. Basel Committee member countries agreed to implement the initial phase of Basel III reforms from 1 January 2013 and the second phase from 1 January 2022, subject to transitional and phase-in arrangements for certain requirements.

Implementation of Basel III requires national legislation and therefore, the final rules and the timetable for their implementation in each jurisdiction may be subject to national variation. The Basel Committee has

also published certain proposed revisions to the securitisation framework, including changes to the approaches to calculating risk weights and a new risk weight floor of 10 per cent.

Implementation of the Basel framework (to the extent that it has not already been fully implemented in member countries) and/or of any of the changes put forward by the Basel Committee and/or the European Commission as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Notes.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences for and effect on them of any changes to the Basel framework (including the changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Transparency Requirements

The Issuer has been appointed as the designated entity under Article 7(2) of the Securitisation Regulation. The Issuer has also appointed the Administrator and the Cash Manager to assist the Issuer in its performance of certain of its obligations pursuant to Article 7(2) of the Securitisation Regulation by providing or publishing (as applicable) certain information as documented in the Administration Agreement and the Cash Management Agreement (as applicable). For further information please refer to the sections entitled "*Listing and General Information*", "*The Administrator and the Administration Agreement*" and "*Cashflows and Cash Management*".

As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and to the Investor Reports that are prepared pursuant to the Cash Management Agreement.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with Article 5 of the Securitisation Regulation and any corresponding national measures which may be relevant to investors and none of the Issuer, the Arranger, any Joint Lead Manager, the Administrator, the Issuer Administration Consultant, the Seller, the Retention Holder or any of the other Transaction Parties makes any representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

Please refer to the section entitled "*Securitisation Regulations*" for further information on the implications of the risk retention requirements and the Securitisation Regulation.

CRA3

Prospective investors should note the provisions of Regulation 462/2013 (EU) which amends Regulation (EC) 1060/2009 on Credit Rating Agencies (together, "**CRA3**") which became effective on 20 June 2013. CRA3 requires, among other things, issuers or related third parties intending to solicit a credit rating of a structured finance instrument to appoint at least two credit rating agencies to provide credit ratings independently of each other.

European Market Infrastructure Regulation

The Interest Rate Cap Provider has agreed to provide hedging to the Issuer and investors should be aware that, further to Regulation (EU) n. 648/2012 of the European Parliament and of the Council of 4 July 2012 ("**EMIR**"), the Issuer is subject to certain regulatory requirements including, but not limited to, various compliance requirements for non-cleared "over-the-counter" ("**OTC**") derivative transactions (known as the 'risk mitigation techniques') and the requirement to report derivative transactions to a trade repository or to ESMA which may result in future amendments by the Issuer to the Transaction Documents, in particular where Noteholder consent will not be required for such amendments. The 'risk mitigation techniques' include requirements for timely confirmation, portfolio reconciliation, and dispute resolution.

The Interest Rate Cap Provider or its affiliate will provide services to the Issuer pursuant to the terms of a reporting services agreement to be entered into between the Interest Rate Cap Provider or its affiliate and the Issuer on or about the Closing Date which are required in order for the Issuer to comply with its reporting obligations and portfolio reconciliation obligations under EMIR, to the extent that they may be delegated.

If the Issuer enters into any further interest rate cap agreements such relevant Interest Rate Cap Provider or its affiliate will provide services to the Issuer pursuant to the terms of a reporting services agreement to be entered into between such Interest Rate Cap Provider or its affiliate and the Issuer on or about the date of such interest rate cap agreement which are required in order for the Issuer to comply with its reporting and portfolio reconciliation obligations under EMIR, to the extent that they may be delegated.

It should also be noted that further changes may be made to the EMIR framework in the context of the EMIR review process, including in respect of counterparty classification. In this regard, the EU Commission has published legislative proposals providing for certain amendments to EMIR (the "**Proposal**"). If the Proposal is adopted in their current form, the classification of certain counterparties under EMIR would change including with respect to certain securitisation vehicles such as the Issuer. While the Proposal would need to be approved by the Council and the European Parliament, and its effective date is not yet certain, it contains several features which, if not modified, may impact the Issuer's ability to enter into currency hedge transactions and interest rate hedge transactions. Under the Proposal, securitisation special purpose entities such as the Issuer will be classified as financial counterparties ("**FCs**"). FCs, subject to a newly introduced clearing threshold per asset class for FCs, are subject to the clearing obligation under EMIR. While the clearing threshold is unlikely to be exceeded by the Issuer, there is no corresponding relief available to an FC in respect of its obligation to post margin pursuant to the margin rules for uncleared swaps. In respect of any interest rate hedge transaction, such changes may adversely affect the Issuer's ability to manage interest rate risk. It is not clear when, and in what form, the legislative proposals (and any corresponding technical standards) will be adopted and will become applicable. In addition, the compliance position under any adopted amended framework of swap transactions entered into prior to adoption is uncertain. No assurances can be given that any changes made to EMIR would not cause the status of the Issuer to change and lead to some or all of the potentially adverse consequences outlined above. Prospective Noteholders should note if the Issuer is required to post any collateral, no assurance can be given that this will not cause, at least on an interim basis or potentially permanently, a shortfall of interest and/or principal payments on the Notes.

Amongst other requirements, Markets in Financial Instruments Regulation (EU) No 600/2014 ("**MiFIR**") requires certain standardised derivatives to be traded on exchanges and electronic platforms (the "**Trading Obligation**"). Regulatory technical standards will be developed to determine which derivatives will be subject to the Trading Obligation. In this respect, it is difficult to predict the full impact of these regulatory requirements on the Issuer.

Prospective investors should be aware that the regulatory changes arising from EMIR and MiFID II/MiFIR may in due course significantly raise the costs of entering into derivative contracts and may adversely affect the Issuer's ability to engage in transactions in OTC derivatives. As a result of such increased costs or increased regulatory requirements, investors may receive less interest or return, as the case may be. Investors should be aware that such risks are material and that the Issuer could be materially and adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR, technical standards made thereunder (including the Adopted Technical Standards) and MIFID II/MiFIR, in making any investment decision in respect of the Notes.

Insolvency proceedings and subordination provisions

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called "**flip clauses**"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of any termination payment due to the Interest Rate Cap Provider pursuant to the relevant Priorities of Payments in circumstances where the Interest Rate Cap Agreement has been terminated as a result of, *inter alia*, an IRC Provider Default or an IRC Provider Downgrade Event.

The English Supreme Court has held that a flip clause as described above is valid under English law. Contrary to this, however, the US Bankruptcy Court has held that such a subordination provision is unenforceable under US bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a US bankruptcy of the counterparty. The

implications of this conflict remain unresolved, particularly as several subsequent challenges to the US decision have been settled and certain other actions which raise similar issues are currently pending.

If a creditor of the Issuer (such as the Interest Rate Cap Provider) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the US), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the IRC Collateral Account Priority of Payments which subordinates a termination payment due to the Interest Rate Cap Provider in circumstances where the Interest Rate Cap Agreement has been terminated as a result of an IRC Provider Default or an IRC Provider Downgrade Event). In particular, based on the decision of the US Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under US bankruptcy laws. Such laws may be relevant in certain circumstances with respect to the Interest Rate Cap Provider given that it may have assets and/or operations in the US, notwithstanding that it is a non-US established entity (and/or with respect to certain replacement Interest Rate Cap Providers).

As the Interest Rate Cap Provider is incorporated in France, if it is subject to an insolvency proceeding governed by French law, it is not certain that a French court would give effect to the provisions of the IRC Collateral Account Priority of Payments which subordinate a termination payment due to the Interest Rate Cap Provider in circumstances where the Interest Rate Cap Agreement has been terminated as a result of an IRC Provider Default or an IRC Provider Downgrade Event as a result only of the opening of such insolvency proceedings.

In relation to any such insolvency proceeding consisting in the appointment of a *mandataire ad hoc* or a conciliation proceeding (*procédure de conciliation*), Ordinance no. 2014-326 dated 12 March 2014 (the "**2014 Ordinance**") expressly introduced the principle that clauses which modify the conditions of the continuation of an ongoing contract by reducing the rights or by increasing the obligations of a debtor on the ground that a *mandataire ad hoc* has been appointed or a conciliation proceeding has been opened (or a request for such appointment or opening has been made) must be set aside.

In relation to other types of insolvency proceedings, there is no legal principle or case law directly and explicitly addressing the preservation of the rights of an insolvent company at a certain level of seniority which would be directly applicable to the assessment of the situation. Accordingly, it could be argued that the subordination provisions of the IRC Collateral Account Priority of Payments are not expressly prohibited under French law and also that the French Monetary and Financial Code contains provisions supporting the efficiency of the payment terms of the termination amount of a swap agreement. However, the application of certain legal insolvency principles may raise the risk of such subordination provisions being considered as unenforceable, including (i) the principle of continuation of ongoing contracts, (ii) the general objectives of safeguard (*sauvegarde*) or reorganisation (*redressement judiciaire*) proceedings and (iii) the principle introduced by the 2014 Ordinance to the extent that it would be considered as applicable also to such other types of insolvency proceedings.

In general, if a subordination provision included in Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales and any relevant foreign judgment or order was recognised by the English courts, there can be no assurance that such actions would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of termination payments due to the Interest Rate Cap Provider in certain circumstances, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

TRIGGERS TABLES

Rating Triggers Table

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
Account Bank	(a) long-term unsecured, unsubordinated and unguaranteed debt obligation must be rated at least A by S&P; and	The consequences of breach may include (i) the transfer of amounts standing to the credit of the Transaction Account to a bank account of the Issuer held with a replacement account bank which has the required rating within 30 calendar days from the date of such breach; (ii) obtaining a guarantee of the Account Bank's obligations from an entity with at least the required rating; or (iii) to take such other actions as may be agreed with the relevant Rating Agency to maintain or restore the rating of the Class A Notes. See the section entitled " <i>The Account Bank and the Account Bank Agreement</i> ".
	(b) long-term senior unsecured debt rating of at least A from DBRS), or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes, or (in each case) such other credit rating as would not adversely affect the then current rating of the Rated Notes.	
Collection Account Bank	(a) long-term deposit rating of at least BBB by S&P; and	The consequences of breach may include the transfer of amounts standing to the credit of the Paris Collection Account and the Java Collection Accounts to a bank account held with a replacement account bank which has the required rating within 30 calendar days from the date of such breach.
	(b) long-term senior unsecured debt rating of BBB (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS), or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes, the Class B Notes, the	

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
Interest Rate Cap Provider	<p>Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes,</p> <p>or (in each case) such other credit rating as would not adversely affect the then current rating of the Rated Notes.</p> <p>Loss of the DBRS required ratings or the S&P required ratings.</p> <p>For so long as the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and the Class G Notes are rated by DBRS, the "DBRS required ratings" set out below apply.</p> <p>For so long as the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and the Class G Notes are rated by S&P, the "S&P required ratings" set out below apply.</p> <p>S&P long-term and short-term unsecured, unsubordinated and unguaranteed debt rating requirements</p> <p>The S&P "Counterparty Risk Framework Methodology and Assumptions" (originally published on 25 June 2013, as republished on 20 June 2017) permit four different options for selecting applicable ratings triggers, and the contractual requirements that should apply on the occurrence of breach of a ratings trigger by the Interest Rate Cap Provider (the S&P Replacement Options, as defined and set out in the Interest Rate Cap Agreement). Subject to certain conditions specified in the Interest Rate Cap Agreement, the Interest Rate Cap Provider may change the applicable S&P</p>	<p>The relevant remedial actions and relevant timing for such actions set out below are dependent on the trigger that has been breached.</p>

Transaction Party	Required Ratings on the Closing Date				Possible effects of Ratings Trigger being breached include the following
	Replacement Option by written notice to S&P (with a copy to Party A (as defined in the Interest Rate Cap Agreement) and the Trustee). S&P Replacement Option 3 is expected to apply on the Closing Date.				
	The S&P required ratings depend on both the rating of the highest-rated Class of Notes by S&P at the relevant time (the "S&P Relevant Notes") and which S&P Replacement Option applies at the relevant time.				
	The Interest Rate Cap Provider will have the Initial S&P Required Rating if (i) its long-term, unsecured, unsubordinated and unguaranteed debt obligations are rated by S&P at least as high as the relevant rating (depending on the then current rating assigned by S&P to the S&P Relevant Notes and the then applicable S&P Replacement Option) set out in the table below and (ii) its short-term, unsecured, unsubordinated and unguaranteed debt obligations are rated by S&P such that any applicable criteria in the footnotes to the table below are satisfied:				

S&P Relevant Notes Rating	Initial S&P Required Rating (S&P Replacement Option 1)	Initial S&P Required Rating (S&P Replacement Option 2)	Initial S&P Required Rating (S&P Replacement Option 3)	Initial S&P Required Rating (S&P Replacement Option 4)
AAAsf	A or A+ ¹	A or A+ ¹	A or A+ ¹	N/A
AA+sf	A or A+ ¹	A or A+ ¹	A or A+ ¹	N/A
AAsf	A-	A or A+ ¹	A or A+ ¹	N/A
AA-sf	A-	A-	A-	N/A
A+sf	BBB+	A-	A-	N/A

Transaction Party		Required Ratings on the Closing Date		Possible effects of Ratings Trigger being breached include the following
Asf	BBB+	A-	A-	N/A
A-sf	BBB ²	BBB+	BBB+	N/A
BBB+sf	BBB ²	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	N/A
BBBsf	BBB-	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	N/A
BBB-sf and below	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	N/A

¹ To meet the minimum required rating of A, the entity should also have a short term rating of A-1 from S&P; or, if the entity does not have a short-term rating of at least "A-1" from S&P, its long-term rating by S&P must be at least "A+".

² To meet the minimum required rating of BBB, the entity should also have a short term rating of A-2 from S&P.

Failure by the Interest Rate Cap Provider, or an applicable guarantor, to have the Initial S&P Required Rating shall give rise to an Initial S&P Rating Event.

The Interest Rate Cap Provider will have the Subsequent S&P Required Rating if (i) its long-term unsecured, unsubordinated and unguaranteed debt obligations are rated by S&P at least as high as the relevant rating (depending on the then current rating assigned by S&P to the S&P Relevant Notes and the then applicable S&P Replacement Option) set out in the table below and (ii) its short-term, unsecured, unsubordinated and unguaranteed debt obligations are rated by S&P such that any applicable criteria in the footnotes to the table below are satisfied:

Subject to the terms of the Interest Rate Cap Agreement, if an initial S&P Rating Event occurs and S&P Replacement Option 1, 2 or 3 applies at such time, the Interest Rate Cap Provider will be obliged, within 10 Business Days (or within 20 Business Days if the Interest Rate Cap Provider has received written confirmation from S&P that they will not take negative rating action if a proposal by the Interest Rate Cap Provider is implemented within 20 Business Days), to (a) post collateral and may (or, if S&P Replacement Option 3 applies, will use commercially reasonable efforts to) (b) (i) procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Cap Agreement or (iii) take such other action as required to maintain or restore the rating of the S&P Relevant Notes by S&P. If S&P Replacement Option 4 applies at

Transaction Party		Required Ratings on the Closing Date			Possible effects of Ratings Trigger being breached include the following
					the relevant time, then there will be no Initial S&P Rating Event.
					The Issuer may terminate the Interest Rate Cap Agreement if the Interest Rate Cap Provider fails to provide collateral in respect of the Interest Rate Cap Agreement in the relevant time period.
S&P Relevant Notes Rating	Subsequent S&P Required Rating (S&P Replacement Option 1)	Subsequent S&P Required Rating (S&P Replacement Option 2)	Subsequent S&P Required Rating (S&P Replacement Option 3)	Subsequent S&P Required Rating (S&P Replacement Option 4)	
AAAsf	BBB+	A-	A or A+ ¹	A+	
AA+sf	BBB+	A-	A or A+ ¹	A+	
AAsf	BBB+	A-	A or A+ ¹	A+	
AA-sf	BBB ²	BBB+	A-	A or A+ ¹	
A+sf	BBB ²	BBB+	A-	A or A+ ¹	
Asf	BBB ²	BBB+	A-	At least as high as the Relevant Notes rating by S&P	
A-sf	BBB-	BBB ²	BBB+	At least as high as the Relevant Notes rating by S&P	
BBB+sf	BBB-	BBB ²	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	
BBBsf	BB+	BBB-	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	
BBB-sf	BB+	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	At least as high as the Relevant Notes rating by S&P	
BB+sf and below	At least as high as the Relevant	At least as high as the Relevant	At least as high as the Relevant	At least as high as the Relevant	

Transaction Party	Required Ratings on the Closing Date						Possible effects of Ratings Trigger being breached include the following	
	Notes by S&P	rating	Notes by S&P	rating	Notes by S&P	rating	Notes by S&P	rating
1	To meet the minimum required rating of A, the entity should also have a short term rating of A-1 from S&P; or, if the entity does not have a short-term rating of at least "A-1" from S&P, its long-term rating by S&P must be at least "A+"							
2	To meet the minimum required rating of BBB, the entity should also have a short term rating of A-2 from S&P.							
	Failure by the Interest Rate Cap Provider, or an applicable guarantor, to have the Subsequent S&P Required Rating shall give rise to a Subsequent S&P Rating Event .						Subject to the terms of the Interest Rate Cap Agreement, if a Subsequent S&P Rating Event occurs and irrespective of which S&P Replacement Option is applicable at the relevant time, the Interest Rate Cap Provider will be obliged to: (a) where S&P Replacement Option 1,2 or 3 applies at such time, either (i) if such Subsequent S&P Rating Event occurs at a time when an Initial S&P Rating Event is not continuing, post collateral within 10 Business Days (or within 20 Business Days if the Interest Rate Cap Provider has received written confirmation from S&P that they will not take negative rating action if a proposal by the Interest Rate Cap Provider is implemented within 20 Business Days) or (ii) if such Subsequent S&P Rating Event occurs at a time when an Initial S&P Rating Event is continuing, continue to post collateral; and (b) use commercially reasonable efforts to take one of the following actions: (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Cap Agreement or (iii) take such other action as required to maintain or restore the rating of the S&P Relevant Notes by S&P, in each case (if S&P Replacement Option 4 applies) within 30 calendar days or (if S&P Replacement Option 1, 2 or 3 applies) within 60 calendar days (or within 90 calendar days if the Interest Rate Cap Provider has received written confirmation from S&P that they will not take negative rating action if a proposal	

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
		<p>by the Interest Rate Cap Provider is implemented within 90 calendar days).</p> <p>The Issuer may terminate the Interest Rate Cap Agreement if the Interest Rate Cap Provider fails to provide collateral in respect of the Interest Rate Cap Agreement in the relevant time period. The Issuer may also terminate the Interest Rate Cap Agreement if the Interest Rate Cap Provider fails to take the relevant actions in (b)(i) to (iii) above in the relevant time period.</p>
	<p>DBRS initial required ratings</p> <p>Long term rating of at least A (or its equivalent rating by another rating agency in accordance in with the terms of the Interest Rate Cap Agreement).</p>	<p>Subject to the terms of the Interest Rate Cap Agreement, the consequence of a breach is that the Interest Rate Cap Provider will be obliged (a) to post collateral or (b) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement or (c) to procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Cap Agreement or (d) to take such other action as may be agreed with DBRS to maintain, or restore, the rating of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Class G Notes (as applicable) by DBRS.</p>
	<p>DBRS subsequent required ratings</p> <p>Long term rating of at least BBB (or its equivalent rating by another rating agency in accordance in with the terms of the Interest Rate Cap Agreement).</p>	<p>Subject to the terms of the Interest Rate Cap Agreement, the consequence of a breach is that the Interest Rate Cap Provider will be obliged (a) to post collateral and (b) to use commercially reasonable efforts (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement or (ii) to procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Cap Agreement or (iii) to take such other action as may be agreed with DBRS to maintain, or restore, the rating of the Class A Notes, the</p>

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
		Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Class G Notes (as applicable) by DBRS.

Non-Ratings Triggers Table

Nature of Trigger	Description of Trigger	Consequence of Trigger
Administrator Termination Events	Administrator payment default;	Successor administrator to be appointed.
See the section entitled " <i>The Administrator and the Administration Agreement</i> " for further information on this.	Failure to comply with any of its other material covenants or obligations;	
	Insolvency Event in relation to the Administrator;	
	On the occurrence of a Perfection Trigger Event;	
	Administrator ceases to carry on business of administering mortgage loans;	
	Loss by the Administrator of any regulatory licence or authorisation necessary to perform its obligations;	
	Any restriction applied by a regulator that would prevent the Administrator complying with any of its material obligations under the Administration Agreement;	
	Fraud, wilful misconduct or gross negligence by the Administrator, or the Administrator is found guilty of a criminal offence;	
	Administrator fails to deliver the Monthly Administrator Reports and/or the Quarterly Administrator Data Tape to the Cash Manager on three or more consecutive occasions; or	
	Administrator Material Adverse Effect.	

Nature of Trigger	Description of Trigger	Consequence of Trigger
Issuer Administration Consultant Termination Events	<p>Failure to comply with material covenants or obligations;</p> <p>Breach of representation or warranty;</p> <p>Issuer Administration Consultant ceases or threatens to cease to carry on present business operations;</p> <p>Insolvency Event in relation to the Issuer Administration Consultant; or</p> <p>Fraud, wilful misconduct or gross negligence by the Issuer Administration Consultant, or the Issuer Administration Consultant is found guilty of a criminal offence.</p>	Successor Issuer Administration Consultant to be appointed.
Servicing Advisor Termination Events	<p>Failure to comply with material covenants or obligations;</p> <p>Breach of representation or warranty;</p> <p>Servicing Advisor ceases or threatens to cease to carry on present business operations;</p> <p>Insolvency Event in relation to the Servicing Advisor; or</p> <p>Fraud, wilful misconduct or gross negligence by the Servicing Advisor, or Servicing Advisor is found guilty of a criminal offence.</p>	Successor Servicing Advisor to be appointed.
Perfection Trigger Events See the section entitled " <i>Sale of the Mortgage Portfolio under the Mortgage Sale Agreement</i> " for further information on this.	<p>A requirement of law, court order or a mandatory requirement of any regulatory authority;</p> <p>An Enforcement Notice has been delivered;</p> <p>Insolvency Event in relation to the Seller or the Legal Title Holder or any other entity in which legal title to any Mortgage Loan is vested; or</p> <p>An Administrator Termination Event has occurred.</p>	The legal transfer by the Legal Title Holder to a nominee of the Issuer (being an entity holding all necessary licences and authorisations for such purpose) of all the Mortgage Assets as soon as reasonably practicable.

Nature of Trigger	Description of Trigger	Consequence of Trigger
Cash Manager Termination Event	<p>Cash Manager payment default (unremedied for a period of three Business Days of the earlier of the Cash Manager becoming aware of such default or receiving written notice from the Issuer or the Trustee);</p> <p>Failure to comply with any other of its covenants or obligations (unremedied for a period of 30 Business Days of the earlier of the Cash Manager becoming aware of such default or receiving written notice from the Issuer or the Trustee);</p> <p>Failure to publish any Quarterly Investor Report and/or Quarterly Investor Data Tape on one or more occasion provided such failure is unremedied for a period of 30 Business Days after the earlier of the Cash Manager becoming aware of such failure or receiving written notice from the Issuer or the Trustee of such failure (unless such failure caused solely by the Administrator failing to provide the Quarterly Administrator Data Tape to the Cash Manager).</p> <p>It will become unlawful for the Cash Manager to comply with its obligations; or</p> <p>Insolvency Event in relation to the Cash Manager.</p>	Successor Cash Manager to be appointed.

FEES

The following table sets out the estimated on-going annual fees to be paid by the Issuer to the specified Transaction Parties.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Administration Fees	<p>0.30 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period (the "Base Fee").</p> <p>The Base Fee will, from the third anniversary of the Closing Date and on an annual basis thereafter, be subject to an increase in an amount equal to the amount by which the CPI has increased since the previous anniversary of the Closing Date subject to a cap of 2 per cent. per annum (such increased amount, the "Administrator Indexed Fee", and together with the Base Fee, the "Administration Fee")</p>	Ahead of all outstanding Notes	Monthly in arrear on each Interest Payment Date.
Issuer Administration Consultant Fees	<p>0.04 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period.</p>	<p>0.02 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period will be payable ahead of all outstanding Notes.</p> <p>0.02 per cent. per annum (exclusive of VAT) of the aggregate Current</p>	Monthly in arrear on each Interest Payment Date.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
		Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period will be payable following payment of items (a) to (u) of the relevant Priority of Payment, or ahead of all outstanding Notes only if such amount is due on an Interest Payment Date on which all Notes are redeemed in full.	
Servicing Advisory Fees	0.08 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period.	Ahead of all outstanding Notes.	Monthly in arrear on each Interest Payment Date.
Other fees and expenses of the Issuer	Estimated at €86,000 each year (exclusive of VAT)	Ahead of all outstanding Notes	Monthly in arrear on each Interest Payment Date.
Expenses related to the admission to trading of the Notes	Estimated at €14,000 (exclusive of any applicable VAT)	Ahead of all outstanding Notes	Monthly in arrear on each Interest Payment Date.

"Adjusted Current Balance" means the Current Balance of any Mortgage Loan as at any given date less any Portfolio Expenses incurred in relation to that Mortgage Loan and charged to the relevant Borrower's account as at that date.

"Assets" means the Mortgage Assets.

"Portfolio Expenses" means all amounts paid or to be paid and costs incurred or to be incurred by the Administrator in the name of or on behalf of the Issuer or the Legal Title Holder pursuant to the Administration Agreement or by the Issuer or the Legal Title Holder directly, and all reasonable and documented third party costs associated with the management and administration of the Mortgage Portfolio, whether incurred directly by the Issuer, the Legal Title Holder or the Administrator in the name of or on behalf of the Issuer or the Legal Title Holder; including, but not limited to, such costs and expenses of or related to any Third Party Provider and/or any receiver, solicitor, insurance premiums, broker fees, valuer, surveyor, accountant, estate agent, insolvency practitioner, auctioneer, bailiff, sheriff officer, debt counsellor, collection agents, tracing agent, property management agent, licenced conveyancer, qualified conveyancer or other professional adviser acting as such (all as set out in fee rates agreed between the Issuer Administration Consultant and the Administrator from time to time) and any refunds or amounts payable to Borrowers under or pursuant to the Mortgage Loans.

CERTAIN REGULATORY DISCLOSURES

The following outlines certain matters that may be relevant to some investors. It does not purport to be a comprehensive list of regulatory matters that pertain to investors. All investors are responsible for analysing their own regulatory position.

Please refer to "*Risk Factors - Impact of regulatory initiatives on certain investors*" for more information.

Securitisation Regulation

The Retention Holder, as an originator for the purposes of the Securitisation Regulation, will as at the Closing Date undertake to retain, on an ongoing basis until the Final Maturity Date or the date on which the Notes (other than the Class X Notes) are redeemed in full, a material net economic interest of not less than 5 per cent. of the nominal value of the securitised exposures in the securitisation as required by Article 6 of the Securitisation Regulation as in force on the Closing Date (which does not take into account any relevant national measures). As at the Closing Date, such interest will be satisfied by the Retention Holder holding the economic interest in not less than 5 per cent. of the nominal value of each class of Notes (other than the Class X Notes) sold or transferred to investors in accordance paragraph (a) with Article 6(3) of the Securitisation Regulation (which, in each case, does not take into account any relevant national measures). Any change to the manner in which such interest is held will be notified to Noteholders.

As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and to any other information provided separately (which information shall not form part of this Prospectus) and, after the Closing Date, to the Investor Reports provided to the Noteholders by publication on the following website: on the website of pivot.usbank.com (or any alternative website) and following the appointment by the Issuer of a securitisation repository registered under Article 10 of the Securitisation Regulation (the "**SR Repository**"), the Investor Reports will be published through such SR Repository (which, for the avoidance of doubt does not form part of this Prospectus) pursuant to the Cash Management Agreement.

The Retention Holder will undertake in the Risk Retention Letter for the purposes of complying with EU Securitisation Law:

- (a) to retain on an on-going basis a material net economic interest in the securitisation of not less than 5 per cent. of the nominal value of the securitisation exposures as required by Article 6 of the Securitisation Regulation as in force on the Closing Date (the "**Minimum Required Interest**");
- (b) to retain the Minimum Required Interest in accordance with paragraph (a) of Article 6(3) of the Securitisation Regulation, by holding the economic interest in not less than 5 per cent. of the nominal value of each Class of Notes (other than the Class X Notes) sold or transferred to investors, in an amount not less than the Minimum Required Interest;
- (c) not to change the manner or form in which it retains the Minimum Required Interest, except as permitted under the EU Securitisation Law;
- (d) not to transfer, sell or hedge or take any action which would reduce its exposure to the economic risk of 5 per cent. of the nominal value of each Class of Notes (other than the Class X Notes) in such a way that it ceases to hold the Minimum Required Interest except as permitted under the EU Securitisation Law; and
- (e) to comply with the disclosures and obligations described in Article 7(1)(e)(iii) of the Securitisation Regulation including by confirming the Retention Holder's (i) risk retention as contemplated by paragraph (a) of Article 6(3) of the Securitisation Regulation through the timely provision of the information specified in the prospectus for the securitisation, and (ii) disclosure in the Investor Reports (as prepared by the Cash Manager) and by procuring provision to the Lead Manager and the Issuer of access to any relevant additional data reasonably available to the Retention Holder and information referred to in Article 7(1)(e)(iii) of the Securitisation Regulation (subject to all applicable laws including the EU Securitisation Law), **provided that** the Retention Holder will not be in breach of this paragraph (e) if it fails to so comply due to events, actions or circumstances beyond its control; and

- (f) that it shall immediately notify the Issuer, the Arranger and Lead Manager, the Trustee and the Cash Manager in writing if for any reason it fails to comply with the undertakings set out in (a) to (e) above in any way.

The Issuer is the designated entity under Article 7(2) of the Securitisation Regulation. The Issuer has also instructed the Administrator and the Cash Manager to provide or publish (as applicable) certain information to assist in the Issuer's performance of its obligations pursuant to Article 7(2) of the Securitisation Regulation, in accordance with the terms of the Administration Agreement and the Cash Management Agreement (as applicable). For further information please refer to the section entitled "*the Administration Agreement*", "*Key Structural Features*" and "*General Information*".

Each prospective investor who is subject to the EU Securitisation Laws is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 5 of the Securitisation Regulation and any relevant national measures which may be relevant and none of the Issuer, the Retention Holder, the Seller, the Legal Title Holder, the Cash Manager, the Administrator, the Issuer Administration Consultant, the Servicing Advisor, the Trustee, the Arranger or the Lead Manager (i) makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes, (ii) should have any liability to any such investor or any other person for any insufficiency of such information or any failure of the transactions contemplated herein to comply with or otherwise satisfy the requirements of the Securitisation Regulation or any other applicable legal, regulatory or other requirements, or (iii) shall have any obligation (other than the obligations in respect of Article 6 of the Securitisation Regulation undertaken by the Retention Holder in the Risk Retention Letter) to enable compliance with the requirements of Article 6 of the Securitisation Regulation or any other applicable legal, regulatory or other requirements.

For further information please refer to the Risk Factor entitled "*Certain Regulatory Considerations - Impact of regulatory initiatives on certain investors*" and section entitled "*Securitisation Regulation*".

Information regarding the policies and procedures of the Originators

As required by Article 9(3) of the Securitisation Regulation, the Seller and the Retention Holder carried out certain due diligence on the Mortgage Loans so as to verify that each Originator has applied the same sound and well-defined credit-granting criteria for the Mortgage Loans as it has applied to equivalent mortgage loans that are not part of the Mortgage Portfolio. In particular:

- (a) each Originator applied the same the same clearly established processes for approving and, where relevant, amending, renewing and refinancing for the Mortgage Loans as it has applied to equivalent mortgage loans that are not part of the Mortgage Portfolio; and
- (b) each Originator had in place effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting his obligations under the relevant mortgage loan agreement.

Please see risk factor "*Knowledge of matters in Mortgage Loan Warranties*" and sections "*The Seller and Retention Holder*" and "*The Administration Agreement*" for further information.

Credit Rating Agency Regulation

Each of DBRS and S&P is a credit rating agency established and operating in the European Community and registered under the CRA Regulation.

WEIGHTED AVERAGE LIFE OF THE NOTES

The average lives of the Notes cannot be stated, as the actual rate of repayment of the Mortgage Loans and redemption of the Mortgages and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Notes can be made based on certain assumptions. For example, based on the assumptions that:

- (a) (i) the Option Holder exercises the Call Option to redeem the Notes on the Option Redemption Date, in the first scenario, or (ii) the Option Holder does not exercise the Call Option to redeem the Notes on and after the Option Redemption Date in the second scenario;
- (b) the Mortgage Loans are subject to a constant annual rate of prepayment (excluding scheduled principal redemptions) of between 0 and 15 per cent. per annum as shown on the table below;
- (c) the assets of the Issuer are not sold except as may be necessary to enable the Issuer to realise sufficient funds to exercise its option to redeem the Rated Notes;
- (d) the characteristics of the Mortgage Loans in the Mortgage Portfolio will be identical to those of the Mortgage Loans in the Provisional Mortgage Portfolio and the Current Balance of the Mortgage Loans will be identical to the current balance of the Provisional Mortgage Portfolio;
- (e) no Enforcement Notice has been served on the Issuer and no Event of Default has occurred;
- (f) no Borrowers are offered and accept different mortgage products by the Seller and the Seller is not required to repurchase any Mortgage Loan in accordance with the Mortgage Sale Agreement;
- (g) the Security is not enforced;
- (h) the Mortgages continue to be fully performing;
- (i) the ratio of the Principal Amount Outstanding of:
 - (i) the Class A Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 56.25 per cent.;
 - (ii) the Class B Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 9.80 per cent.;
 - (iii) the Class C Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 7.20 per cent.;
 - (iv) the Class D Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 6.00 per cent.;
 - (v) the Class E Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 6.00 per cent.;
 - (vi) the Class F Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 2.65 per cent.;
 - (vii) the Class G Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 3.60 per cent.;
 - (viii) the Class RFN Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 2.00 per cent.;
 - (ix) the Class Z1 Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 5.50 per cent.;
 - (x) the Class Z2 Notes balance as at the Closing Date to the Current Balance of the Mortgage Portfolio as at the Cut-Off Date is 3.00 per cent.;

- (j) each of the (i) Rate of Interest for the Notes are as set forth or described in the table on page 10; (ii) the ECB Rate remains at a rate of 0.00 per cent. (iii) one-month EURIBOR remains at a rate of -0.331, and (iv) the SVR loans keep their current rate of interest at the Cut-Off Date, in each case for so long as any Notes are outstanding;
- (k) the Notes are issued on or about 21 March 2019;
- (l) the Loans are sold to the Issuer for value as at the Cut-Off Date, therefore the accrual of cash flows starts at the Cut-Off Date;
- (m) the statistical calculation date of the Loans is 31 December 2018 and the Cut-Off Date (for these purposes) is 28 February 2019, and as such the remaining term of the Loans are adjusted by 2 months;
- (n) any loans which repay on a combination repayment and interest-only basis in the Provisional Mortgage Portfolio are treated as if they are Interest Only Mortgage Loans;
- (o) amounts credited to the Transaction Account have a yield of 0 per cent.

Assumption (a) reflects the current intention of the Issuer but no assurance can be given that such assumption will occur as described.

Assumption (b) is stated as an average annualised repayment rate as the repayment rate for one Interest Period may be substantially different from that for another. The constant repayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant repayment rates.

Assumptions (b) to (j) (inclusive) relate to circumstances which are not predictable.

The average lives of the Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic. They must therefore be viewed with considerable caution. For more information in relation to the risks involved in the use of the average lives estimated above, see "*Risk Factors - Credit Structure - Yield and prepayment considerations*", above.

Redemption on Option Redemption Date

Constant annual rate of prepayment of the Loans

(Assuming Issuer Call on First Option Redemption Date)								
Possible Average Life (in years) of:								
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class G Notes	Class RFN Notes
0%	1.86	2.04	2.04	2.04	2.04	2.04	2.04	2.04
0.5%	1.85	2.04	2.04	2.04	2.04	2.04	2.04	2.04
1%	1.83	2.04	2.04	2.04	2.04	2.04	2.04	2.04
2%	1.80	2.04	2.04	2.04	2.04	2.04	2.04	2.04
3%	1.77	2.04	2.04	2.04	2.04	2.04	2.04	2.04
5%	1.70	2.04	2.04	2.04	2.04	2.04	2.04	2.04
10%	1.55	2.04	2.04	2.04	2.04	2.04	2.04	2.04
15%	1.39	2.04	2.04	2.04	2.04	2.04	2.04	2.04

No Redemption on Option Redemption Date

Constant annual rate of prepayment of the Loans

(Assuming No Issuer Call on First Option Redemption Date)								
Possible Average Life (in years) of:								
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class G Notes	Class RFN Notes
0%	5.90	12.93	14.98	16.90	18.62	20.13	21.72	25.48
0.5%	5.54	12.36	14.38	16.32	18.15	19.43	21.14	24.96
1%	5.21	11.75	13.86	15.72	17.64	18.98	20.48	24.42
2%	4.66	10.65	12.83	14.56	16.58	18.18	19.32	23.47
3%	4.20	9.72	11.82	13.62	15.52	17.14	18.48	22.32
5%	3.47	8.32	10.02	11.81	13.66	15.20	16.67	19.70
10%	2.35	5.94	7.26	8.54	9.99	11.45	12.72	14.73
15%	1.74	4.47	5.55	6.57	7.75	8.84	9.84	11.17

USE OF PROCEEDS

The Issuer will use the gross proceeds of the Notes (other than the Class RFN Notes) (i) to pay the Consideration payable by the Issuer for the Mortgage Portfolio to be acquired from the Seller on the Closing Date, (ii) pay the Interest Rate Cap Fees to the Interest Rate Cap Provider, and (iii) to meet the costs and expenses incurred by the Issuer in respect of the issuance of the Notes.

The Issuer will use the proceeds of the Class RFN Notes on the Closing Date to fund the Reserve Fund up to the Reserve Fund Required Amount.

RATINGS

The Rated Notes, on issue, (with respect to payments of interest and principal) (but not, for the avoidance of doubt, with respect to payments of Additional Note Payments in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes) are expected to be assigned the following ratings by S&P and DBRS. The Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will not be rated.

A security rating given in relation to a bond, note or security by a rating agency is not a recommendation to buy, sell or hold such bond, note or security and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency if, in its judgement, circumstances so warrant.

Class of Notes	S&P	DBRS
Class A Notes	AAA	AAA
Class B Notes	AA	AA
Class C Notes	A+	A(low)
Class D Notes	BBB+	BBB(low)
Class E Notes	BB	BB(low)
Class F Notes	B	B(high)
Class G Notes	B-	B(low)

The ratings assigned by the Rating Agencies in respect of the Class A Notes address the likelihood of timely payment of interest and ultimate payment of principal due to Noteholders by a date that is not later than the Final Maturity Date. The ratings assigned by the Rating Agencies in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes address the likelihood of ultimate payment of interest and ultimate payment of principal due to Noteholders by a date that is not later than the Final Maturity Date.

The ratings of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes do not address the likelihood of receipt of any amount in respect of Additional Note Payments.

As of the date of this Prospectus, each of the Rating Agencies is a credit rating agency established in the EU and is registered under the CRA Regulation.

THE ISSUER

Introduction

The Issuer was incorporated and registered in Ireland (under company registration number 642779) as a designated activity company limited by shares under the Companies Act 2014 (as amended) on 4 February 2019. The registered office of the Issuer is at 1-2 Victoria Buildings, Haddington Road, Dublin 4. The entire issued share capital of the Issuer (one issued share and 1,000 authorised shares of €1 each) is held by the Share Trustee, under the terms of a trust established under Irish law by a declaration of trust dated 4 February 2019 on discretionary trust for a number of charitable purposes. The Issuer has been established as a special purpose company for the purpose of acquiring the Mortgage Assets and issuing the Notes. The Issuer has no subsidiaries.

The telephone number of the Issuer is +353 1 6686152.

Intertrust Management Ireland Limited (the "**Corporate Services Provider**"), acts as the corporate services provider for the Issuer. The office of the Corporate Services Provider serves as the general business office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on or about the Closing Date between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**"), the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving at least 90 days written notice to the other party. The Corporate Services Provider's principal office is at 1-2 Victoria Buildings, Haddington Road, Dublin 4.

The principal objects of the Issuer are set out in Clause 3 of its Constitution and amongst other things are to purchase, take transfers of, invest in and acquire by any means loans or other obligations involving the extension of credit and any security therefor and to raise or borrow money and to grant security over its assets for such purposes.

The Issuer has not commenced operations and has not engaged, since its incorporation, and will not engage in any material activities other than those incidental to its incorporation under the Irish Companies Act 2014 authorisation and issue of the Notes, the matters referred to or contemplated in this document and the authorisation, execution, delivery and performance of the other documents referred to in this document to which it is a party and matters which are incidental or ancillary to the foregoing.

Directors

The Directors of the Issuer and their respective business addresses and principal activities are:

<u>Name</u>	<u>Address</u>	<u>Principal Activities</u>
Gustavo Nicolosi	16a Saint Brendan's Avenue, Coolock, Dublin 5, Ireland	Company Director
Ronan O'Neill	53 Priory Way, Manor Grove, Terenure, Dublin 12, Ireland	Company Director

The Secretary of the Issuer is Intertrust Management Ireland Limited of 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4.

Activities

On the Closing Date, the Issuer will acquire from the Seller a portfolio of residential mortgages originated by Bank of Scotland plc, Bank of Scotland (Ireland) Limited, Start Mortgages DAC and Nua Mortgages Limited. All Mortgage Assets acquired by the Issuer on such date will be financed by the proceeds of the

issue of the Notes. The activities of the Issuer will be restricted by the Conditions, the Irish Deed of Charge and the English Deed of Charge and will be limited to the issue of the Notes, the ownership of the Mortgage Assets and other assets referred to herein, the exercise of related rights and powers, and other activities referred to herein or reasonably incidental thereto. These activities will include the collection of payments of principal and interest from Borrowers in respect of Mortgage Loans and the operation of arrears procedures.

Certain of the above activities will be carried on by the Administrator on an agency basis on behalf of the Issuer and Trustee under the Administration Agreement. Additionally, the Cash Manager will provide cash management and reporting services to the Issuer and the Trustee pursuant to the Cash Management Agreement. The Issuer (with the consent of the Trustee) or the Trustee may revoke the agency of the Administrator upon the occurrence of certain events of default or insolvency or similar events in relation to the Administrator in accordance with the terms of the Administration Agreement. Following such an event as aforesaid, the Issuer may (with the consent of the Trustee) or the Trustee may, subject to certain conditions, appoint any substitute Administrator.

THE SELLER

Ellington Residential Holdings Ireland DAC (the "**Seller**") was incorporated and registered in Ireland (under company registration number 642780) as a designated activity company limited by shares under the Companies Act 2014 (as amended) on 4 February 2019. The registered office of the Seller is at 1-2 Victoria Buildings, Haddington Road, Dublin 4. The Seller is a wholly-owned subsidiary of Jepson Limited.

It acquired the beneficial title to the Mortgage Loans from European Residential Loan Securitisation 2017-PL1 DAC (the "**Original Seller**") pursuant to the purchase deed dated 21 March 2019 between amongst others, the Original Seller and the Seller (the "**Original Mortgage Sale Agreement**").

On the Closing Date the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will be acquired by the Seller as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio. The Seller will be permitted on and following the Closing Date to dispose of its interest in the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes provided that (i) with respect to the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, such disposal would not cause the Retention Holder to be in breach of its obligations to hold the Minimum Required Interest and (ii) with respect to the Class X Notes, such disposal will only be made to an entity incorporated in Ireland and that is resident in Ireland for tax purposes (an "**eligible purchaser**") with any such eligible purchaser of the Class X Notes at the time of the acquisition covenanting that it will only on-sell the Class X Notes to an entity which is an eligible purchaser.

THE RETENTION HOLDER AND SERVICING ADVISOR

General

Jepson Limited (the "**Retention Holder**" and "**Servicing Advisor**", or "**Jepson**") is an exempted company with limited liability which was incorporated under the laws of the Cayman Islands on May 24, 2018 (registration number WC-337379). The registered office and principal place of business of Jepson is at Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008). The statutory records of the Retention Holder are kept at this address. The Retention holder has an unlimited life.

The objects for which Jepson has been incorporated are unrestricted, and Jepson has full power and authority to carry out any object not prohibited by any law as provided in section 7(4) of the Companies Law (as amended) of the Cayman Islands. The business of Jepson is managed by its directors. Jepson is a direct wholly-owned subsidiary of Jepson Holdings Limited. Jepson Holdings Limited is an exempted company with limited liability incorporated under the laws of Cayman Islands, which is owned in indirect holdings by various funds managed by Ellington Management Group LLC and affiliates. Jepson has a substantive corporate governance structure and an investment strategy as described further below.

Board Members

As at the date of this Prospectus, the board consists of the following:

Laurence Penn –

Mr. Penn is a Vice Chairman of Ellington Management Group, L.L.C., an investment manager based in Old Greenwich, Connecticut, where he oversees many functions of the firm. Mr. Penn also serves as the Chief Executive Officer and President and has served as a member of the Board of Directors of Ellington Financial Inc. (formerly Ellington Financial LLC) since its inception in 2007, and as Chief Executive Officer, President and a member of the Board of Trustees of Ellington Residential Mortgage REIT. Prior to joining EMG in 1995 shortly after its inception, Mr. Penn was at Lehman Brothers where he was a Managing Director and co-head of CMO origination and trading. Mr. Penn began his career at Lehman Brothers in 1984, after receiving a Master of Advanced Study in Mathematics from Cambridge University, where he studied as both a National Science Foundation and Winston Churchill Scholar. Mr. Penn graduated summa cum laude, Phi Beta Kappa with a B.A. in Mathematics from Harvard University in 1983. He was one of five winners nationwide in the 1980 Putnam collegiate mathematics problem solving competition, and represented the United States in the 21st International Mathematics Olympiad held in London, England.

Geoff Ruddick CA, CFA, FICA, Acc. Dir. –

Mr. Ruddick is a resident of the Cayman Islands, is a Canadian Chartered Accountant, a member of the Institute of Chartered Financial Analysts, a member and fellow of the International Compliance Association, a member of the Cayman Islands Institute of Professional Accountants, a founding member of the both the Cayman Islands Directors Association and the Recovery & Insolvency Specialists (Cayman) Association, and holds the Accredited Director designation granted by the Institute of Chartered Secretaries of Canada. He is a Professional Director registered pursuant to the Cayman Islands Directors Registration and Licensing Law, 2014. Mr. Ruddick is the Executive Director of Paradigm Governance Partners, a Cayman Islands based provider of governance and fiduciary services to the investment funds industry, and serves as a director on the boards of alternative investment funds and special purpose vehicles. Prior to Paradigm he was employed by International Management Services Ltd. ("**IMS**") where he held the positions of Director, Head of Funds and Senior Company Manager at various times during his tenure there. Before IMS, he was the Managing Director of Hedgeworks Fund Services Ltd. (now Deutsche Bank (Cayman) Limited) and previously served as a Director and Compliance Officer with Derivatives Portfolio Management Ltd. (now DPM Mellon Limited). Prior to entering the commercial side of fund management, Mr. Ruddick worked with KPMG in Vancouver auditing mutual funds, banks, and insurance companies and later with KPMG in the Cayman Islands, where he worked in the Corporate Recovery department involving the liquidation of hedge funds and other regulated entities.

Priscilla Murray Brown –

Ms. Murray Brown is a member of the California Bar with 25 years' experience in corporate law, governance and compliance. Resident in Bermuda, Ms. Murray Brown is also a recognized training specialist with a particular expertise in anti-money laundering and other regulatory matters. Her consultancy practice provides regulatory compliance and governance consultancy services to the offshore hedge fund, investment management, reinsurance and other regulated financial sectors. Ms. Murray Brown's service as an independent non-executive director on various boards provides her substantial practical governance experience.

Sources and Uses of Funding

Jepson Limited has received, and expects to receive in the future, funding and support from Ellington Management Group, LLC to allow it to carry out its business objectives (including investing in mortgage portfolios) and in addition is permitted to raise further debt from third party institutions.

Jepson also earns servicing advisory fees as described in section "*The Servicing Advisory Agreement*".

The Retention Holder's Investment Strategy

Jepson seeks to invest in a broad range of financial assets, with a particular focus on debt instruments and debt-related entities. Jepson will also invest in various asset- and mortgage-backed securities. The overall investment objective of Jepson is to generate a high risk-adjusted return on capital.

Origination and Retention Holding

For details of asset origination by Jepson please refer to section headed "*The Mortgage Portfolio*".

In its capacity as the Retention Holder it has also given certain undertakings in relation to the holding of the Minimum Required Interest which are set out in the section headed "*Certain Regulatory Disclosures - Securitisation Regulation*".

In its capacity as the Servicing Advisor it has been appointed by the Issuer under the Servicing Advisory Agreement as its agent to provide certain consulting services in relation to the Mortgage Assets, see section "*Servicing Advisory Agreement*" for more information.

THE LEGAL TITLE HOLDER AND ADMINISTRATOR

Start Mortgages DAC, is a designated activity company incorporated in Ireland on 24 September 2004 (registered number 391445). Among other services, Start Mortgages DAC provides third party residential mortgage administration services to its clients on mortgage loans secured by residential real estate located in Ireland. Start Mortgages DAC is a wholly-owned subsidiary of Start Mortgages Holding Limited.

Start Mortgages DAC is authorised as a retail credit firm by the Central Bank under the Central Bank Act 1997 (as amended by the Consumer Protection (Regulation of Credit Servicing Firms) Act 2015 and the CSA 2018) under registration number C36267 to provide credit servicing for the Mortgage Portfolio.

Start Mortgages DAC provides mortgage management services to LSF IX Paris Investments DAC, LSF IX Java Investments DAC, Lansdowne Mortgage Securities No. 1 plc, Lansdowne Mortgage Securities No. 2 plc, European Residential Loan Securitisation 2017-PL1 DAC, European Residential Loan Securitisation 2017-NPL1 DAC and LSF XI Glas Investments DAC.

Start Mortgages DAC had net assets of €271,673 at 31 December 2017.

THE ISSUER ADMINISTRATION CONSULTANT

Hudson Advisors Ireland DAC (the "**Issuer Administration Consultant**") is a wholly owned subsidiary of Hudson Advisors Europe DAC which is in turn a wholly owned subsidiary of Hudson Advisors L.P. Hudson Advisors L.P. and its global subsidiaries (collectively, "**Hudson**") is a globally integrated asset management company that performs due diligence and analysis, asset management, and other support services for Lone Star Funds, a leading private equity firm that invests globally in real estate, equity, credit and other financial assets. Formed in 1995, Hudson Advisors L.P. (formerly known as Brazos Advisors, LLC) is headquartered in Dallas, Texas and has subsidiary offices in Amsterdam, Beijing, Buenos Aires, Dublin, Frankfurt, Hong Kong, Lisbon, London, Luxembourg, Madrid, Miami, New York, Paris, San Juan, São Paulo, Singapore and Tokyo. Hudson collectively employs over 850 professionals. The Issuer Administration Consultant was established as a loan servicing and asset management team which currently employs approximately 18 commercial and residential mortgage professionals in Dublin.

As of the date of this Prospectus, the Issuer Administration Consultant intends to avail of the provisions of section 34FA(1) of the Central Bank Act 1997 (as amended) for authorisation to provide the services required to be provided by it to the Issuer pursuant to the Asset Management Consulting Agreement. This will provide the Issuer Administration Consultant with a transitional authorisation to undertake certain categories of credit servicing activities provided it applies to the Central Bank for authorisation by no later than 21 April 2019. The Issuer Administration Consultant intends to apply to the Central Bank for such authorisation by such date. There can, however, be no assurance that the Issuer Administration Consultant's application to the Central Bank for authorisation will be successful, or when the application process will be completed, or what conditions the Central Bank may impose with respect to such authorisation. If the Issuer Administration Consultant were to be unsuccessful in its application for authorisation as a credit servicing firm under the Central Bank Act 1997 of Ireland (as amended), or if any conditions were imposed on its authorisation that were unacceptable to it, it would terminate its appointment under the Asset Management Consulting Agreement, which termination may take immediate effect.

In its capacity as the Issuer Administration Consultant it has been appointed by the Issuer under the Asset Management Consulting Agreement as its agent to provide certain consulting services in relation to the Mortgage Assets, see section "*Asset Management Consulting Agreement*" for more information.

THE INTEREST RATE CAP PROVIDER

BNP Paribas is a French multinational bank and financial services company with its registered office located at 16 boulevard des Italiens 75009 Paris, France, and its corporate website in English is <http://www.bnpparibas.com/en>.

BNP Paribas, together with its consolidated subsidiaries (the "**BNP Paribas Group**") is a global financial services provider, conducting retail, corporate and investment banking, private banking, asset management, insurance and specialized and other financial activities throughout the world.

The BNP Paribas Group, one of Europe's leading providers of banking and financial services, has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg.

It operates in 72 countries and has more than 202,000 employees, including more than 150,000 in Europe. BNP Paribas holds key positions in its two main businesses:

- Retail Banking and Services, which includes:
 - Domestic Markets, comprising:
 - French Retail Banking (FRB),
 - BNL banca commerciale (BNL bc), Italian retail banking,
 - Belgian Retail Banking (BRB),
 - Other Domestic Markets activities including Luxembourg Retail Banking (LRB);
 - International Financial Services, comprising:
 - Europe-Mediterranean,
 - BancWest,
 - Personal Finance,
 - Insurance,
 - Wealth and Asset Management;
- Corporate and Institutional Banking (CIB):
 - Corporate Banking,
 - Global Markets,
 - Securities Services.

BNP Paribas SA is the parent company of the BNP Paribas Group.

At 31 December 2018, the BNP Paribas Group had consolidated assets of €2,041 billion (compared to €1,952.2 billion at 31 December 2017⁶), consolidated loans and receivables due from customers of €765.9 billion (compared to €735 billion at 31 December 2017¹), consolidated items due to customers of €796.5 billion (compared to €760.9 billion at 31 December 2017¹) and shareholders' equity (Group share) of €101.5 billion (compared to €102 billion at 31 December 2017¹).

⁶ Revised presentation, based on reclassifications and adjustments detailed in note 2.a within the unaudited consolidated Financial Statements at 31 December 2018, mainly related to the re-labelling of financial instruments item headings, the reclassification of financial instruments of insurance activities into "Investments of insurance activities", and the impact of securities recognition at settlement date.

At 31 December 2018, pre-tax income was €10.2 billion (compared to €11.3 billion at the end of December 2017). Net income, attributable to equity holders, for the year 2018 was €7.5 billion (compared to €7.8 billion for the year 2017).

At the date of this Prospectus, the BNP Paribas Group currently has long-term senior debt ratings of "A" with positive outlook from S&P, "Aa3" with stable outlook from Moody's Investors Service, Inc. and "AA (low)" with stable outlook from DBRS and a long-term issuer default rating of "A+" with stable outlook from Fitch Ratings, Ltd.

The information contained in this section relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained herein is furnished solely to provide limited introductory information regarding BNP Paribas and the BNP Paribas Group and does not purport to be comprehensive.

The delivery of the information contained in this section shall not create any implication that there has been no change in the affairs of BNP Paribas or the BNP Paribas Group since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

For up-to-date financial information, including quarterly results since the last fiscal year end, please refer to <http://invest.bnpparibas.com/en>.

THE ACCOUNT BANK

U.S. Bank Global Corporate Trust Services, which is a trading name of Elavon Financial Services DAC (a U.S. Bancorp group company), is an integral part of the worldwide Corporate Trust business of U.S. Bank. U.S. Bank Global Corporate Trust Services in Europe conducts business primarily through the UK Branch of Elavon Financial Services DAC from its offices in London at 125 Old Broad Street, London EC2N 1AR, United Kingdom.

Elavon Financial Services DAC is a bank incorporated in Ireland and a wholly owned subsidiary of U.S. Bank National Association. Elavon Financial Services DAC is authorised by the Central Bank and the activities of its UK Branch are also subject to the limited regulation of the UK Financial Conduct Authority and Prudential Regulation Authority.

U.S. Bank Global Corporate Trust Services in combination with U.S. Bank National Association, the legal entity through which the Corporate Trust Division conducts business in the United States, is one of the world's largest providers of trustee services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The division provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB) is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. Visit U.S. Bancorp on the web at www.usbank.com.

If the long-term unsecured, unsubordinated and unguaranteed debt obligations rating of the Account Bank falls below A by S&P or if the long-term senior unsecured debt rating of the Account Bank falls below A from DBRS or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes, or (in each case) such other credit rating as would not adversely affect the then current rating of the Rated Notes (the "**Minimum Account Bank Rating**"), the Issuer shall, within 30 calendar days, (i) use reasonable endeavours to transfer the Transaction Account to another bank that satisfies the Rating Agencies' criteria in accordance with the Rating Agencies' criteria, (ii) obtain a guarantee of the Account Bank's obligations from an entity that satisfies the Minimum Account Bank Rating or (iii) or take such other actions as may be agreed with the relevant Rating Agency to maintain or restore the rating of the Class A Notes.

The Issuer Accounts will bear or charge interest at the rate agreed from time to time between the Issuer and the Account Bank. If a negative interest rate is applied to an Issuer Account by the Account Bank, the relevant charged interest will be billed to the Issuer by the Account Bank and will be paid concurrently with the fees payable by the Issuer to the Account Bank, subject to the applicable Priority of Payments.

THE MORTGAGE PORTFOLIO

The Mortgage Loans

Introduction

The following is a description of some of the characteristics of the Mortgage Loans comprised in the Mortgage Portfolio including details of loan types and selected statistical information.

Each of the Mortgage Loans in the Mortgage Portfolio was advanced by Bank of Scotland (Ireland) Limited, Start Mortgages DAC or Nua Mortgages Limited. The Provisional Mortgage Portfolio was drawn up as at 31 December 2018 and was made up of mortgages which, prior to the Seller's acquisition of the beneficial interest to such mortgages, were beneficially owned by European Residential Loan Securitisation 2017 PL1 DAC. The Mortgage Portfolio will differ from the Provisional Mortgage Portfolio due to the exclusion of Mortgage Loans which have been redeemed in full in the period from the Provisional Cut-Off Date to the Cut-Off Date.

Unless otherwise indicated, the description that follows relates to types of loans that could be sold to the Issuer as part of the Mortgage Portfolio as at the Closing Date.

Characteristics of the Provisional Mortgage Portfolio

Mortgage Product Types

The Mortgage Portfolio (as defined below) consists of Mortgage Loans originated by Bank of Scotland (Ireland) Limited, Start Mortgages DAC and Nua Mortgages Limited and which were intended for borrowers who are individuals who wished to use the Mortgage Loan (i) as a means to purchase or refinance a residential property situated in Ireland used wholly or partly as the Borrower's own residence ("**Owner Occupied Mortgage Loans**") or (ii) to purchase or refinance residential property(s) for the purposes of letting to third parties ("**Buy to Let Mortgage Loans**").

"**Borrower**" means, in relation to a Mortgage Loan, the individual or individuals specified as such in the relevant mortgage conditions together with the individual or individuals (if any) from time to time assuming an obligation to repay such Mortgage Loan or part of it.

Interest Type

Interest on the Mortgage Loans is charged based on a floating rate of interest based on a variable rate or other discretionary rate.

Types of Interest Rate Terms

The interest rate terms for each Mortgage will comprise any of the following types:

- (a) Mortgage Loans which are subject to a variable rate of interest set by Start Mortgages DAC from time to time ("**Variable Rate Mortgage Loans**");
- (b) Mortgage Loans which are subject to a fixed rate of interest set by reference to a pre-determined rate or series of rates for a fixed period or periods ("**Fixed Rate Mortgage Loans**");
- (c) Mortgage Loans which are ECB-linked mortgages where the applicable rate of interest is calculated by reference to the European Central Bank base rate (the "**ECB Rate**") plus a margin of between 0.55 per cent. per annum and 3.50 per cent. per annum ("**Tracker Mortgage Loans**"); and
- (d) Mortgage Loans which were but are no longer subject to a fixed rate of interest are treated as and are referred to herein as either Variable Rate Mortgage Loans or Tracker Mortgage Loans.

Types of Repayment Terms

The type of repayment terms contained within each Mortgage Loan comprises any of the following types (including possible combinations thereof):

- (a) Mortgage Loans in relation to which monthly instalments normally cover both interest and principal, which are payable until the mortgage loan is fully repaid at its maturity ("**Repayment Mortgage Loans**");
- (b) Mortgage Loans in relation to which monthly payments cover interest only ("**Interest Only Mortgage Loans**"); and
- (c) Mortgage Loans in relation to which certain monthly instalments cover interest only and other monthly instalments cover both interest and principal ("**Part and Part Mortgage Loans**").

Term

Each Mortgage Loan has an initial term of between 5 and 40 years (other than a Buy to Let Mortgage Loans which have an initial term of between 5 and 30 years).

Loan and Arrears Status

The Mortgage Portfolio comprises of Mortgage Loans which are predominantly re-performing and performing. For further information please see section "*Statistical Information on the Provisional Mortgage Pool*".

Credit Risk Mitigation

The Administrator has applied and will apply certain criteria, policies and procedures regarding the administration of the mortgage portfolio:

- (a) the Administrator on behalf of, *inter alios*, the Issuer will have in place and operate effective systems to manage the ongoing administration and monitoring of the Mortgage Portfolio, including for identifying and managing problem loans;
- (b) the Seller purchased the beneficial interest to the Mortgage Portfolio from European Residential Loan Securitisation 2017 PL1 DAC having regard to the diversification, characteristics and performance of the Mortgage Portfolio; and
- (c) the Administrator on behalf of, *inter alios*, the Issuer will have a written policy on credit risk mitigation techniques (as set out in the ASU Policy & Procedures) as relates to Mortgage Loans in arrears and default which describes how and when enforcement may occur.

For further information please see "*The Administrator and the Administration Agreement*".

Lending Criteria

The following lending criteria (the "**Java Lending Criteria**") were applied in respect of those Mortgage Loans comprising part of the Mortgage Portfolio that were originated by Start Mortgages DAC between November 2004 and March 2011.

Key Features of Java Lending Criteria

- (a) Each Mortgage Loan must be secured by a first ranking legal mortgage over either (a) a freehold property or (b) a leaseholder property with a minimum of 70 years on the life of the lease from the date the mortgage was approved (the "**Mortgage Approval Date**");
- (b) Mortgage Loans will be granted over private dwelling houses (but only for owner-occupation except where alternative usage has been agreed) (the "**Owner Occupied Mortgage Loans**") or residential investment properties (the "**Buy to Let Mortgage Loans**") offered as acceptable security in Ireland;
- (c) the customer must be at least 18 years old at the time of advance; and

- (d) The property must be determined as adequate security by a qualified member of a panel of valuers. The subsequent conditions at "*Security*" below must be confirmed either by (a) a valuers report or (b) the borrower's solicitor and must be applicable at the time of application and on completion of the mortgage.

Security

- (a) In order to qualify for a Start Mortgage, the property must be:
- (i) freehold or leasehold, with a minimum of 70 years on the life on the leasehold from the Mortgage Approval Date;
 - (ii) conventionally constructed and structurally sound. Timber framed houses with exterior block are acceptable;
 - (iii) have independent, unimpeded road access;
 - (iv) be on a separate land folio to a farming land (if applicable);
 - (v) fully compliant with planning permissions and building Bye-Law Approval (if applicable) must exist for extensions, conversions etc. before any advances are made;
 - (vi) a property of standard construction (including self-build);
 - (vii) in good condition and have proper bathroom facilities, sewerage, water, ESB and defined access. It must be good or fair saleability at the valuation figure within a reasonable time period (maximum six months); and
 - (viii) insurable for all perils and be free from risks of flooding and subsidence;
- (b) the following are examples of types of property which are deemed unacceptable as security:
- (i) properties of 100% timber construction;
 - (ii) studio flats;
 - (iii) apartments effective from May 2008;
 - (iv) properties with agricultural restrictions or subject to agricultural usage or planning restrictions;
 - (v) properties determined as unacceptable security;
 - (vi) properties not wholly owned by the borrower – specifically shared ownership schemes;
 - (vii) multi-unit properties for principal primary residences;
 - (viii) prefabricated re-enforced concrete (repaired or not);
 - (ix) flats above commercial premises;
 - (x) leasehold houses with less than 70 years remaining on the lease at the Mortgage Approval Date;
 - (xi) non-standard dwellings (included prefabricated timber construction and steel framed buildings) – typically commercial type buildings;
- (c) for Buy to Let Mortgage Loans only, suitable properties include:
- (i) houses for renting purposes;
 - (ii) properties in units with multiple residential lettings;
 - (iii) tax designated properties;

- (d) for Buy to Let Mortgage Loans only, unsuitable properties include:
 - (i) properties in secondary letting locations where subsequent resale could be difficult;
 - (ii) for multi tenanted units where a significant element of the property is not let;
 - (iii) where the tenancies in the property are of a business nature;
 - (iv) apartments; and
 - (v) new self-build properties.
- (e) Prior to the release of advance monies to the borrower's solicitor, Start requires that buildings insurance must be in place. This can be sufficiently evidenced by a copy of the buildings insurance policy schedule, **provided that** the following requirements are met: (i) buildings insurance (including fire cover) must be in place for a minimum of the re-instatement amount advised by the valuer; (ii) Start Mortgages interest must be noted on the policy; and (iii) the renewal date should be recovered to enable follow up at the renewal time.

Loan to Value

- (a) The LTV is calculated by dividing the gross principal amount committed at completion of the loans, by the valuation of the property which is received during the application process. In all cases, the lower of the valuation and the sale price is used; and
- (b) Properties within the Dublin postal district and County Dublin require a minimum property valuation of €125,000. Properties outside these areas require a minimum valuation of €75,000.

Valuations

- (a) In order for a valuation report to be accepted, the following requirements must be met: (i) it must be in the format prescribed by Start; (ii) it cannot be issued from valuers operating from shared premises or co-owned by the instructing mortgage broker; (iii) the recency of the valuation report must be within two months of the date of the mortgage offer; and (iv) the costs associated with obtaining a valuation report are incurred by the customers; and
- (b) where a specialist valuation report is required (for example where the valuer has indicated that the surrounding area has been affected by, *inter alia*, subsidence and a full structural engineers report is required), a copy of such report should be forward to the original valuer. Borrowers may be required to ensure any necessary works are completed.

Loan amount

The minimum loan is €30,000 and the maximum loan size on a single advance basis is €750,000.

Mortgage Term

- (a) For Owner Occupied Mortgage Loans, on full repayment or interest only:
 - (i) the minimum term is 5 years; and
 - (ii) the maximum term is 40 years with the proviso that the maturity of the mortgages occurs by any borrowers' 70th birthday and/or the maximum age of any borrower at origination is 55.
- (b) For Buy to Let Mortgage Loans, on full repayment or interest only:
 - (i) the minimum term is 5 years; and
 - (ii) the maximum term is 30 years with the proviso that the maturity of the mortgages occurs by any borrowers' 70th birthday and/or the maximum age of any borrower at origination is 55.

Interest on the Mortgage Loan

Mortgage Loans are either Interest Only Mortgage Loans or Repayment Mortgage Loans. Interest Only Mortgage Loans are only available for Buy to Let Mortgage Loans and are available for the full term of the mortgage.

Borrowers

- (a) A minimum of one and a maximum of four borrowers are allowed to be party to the Mortgage Loan. Borrowers must be Irish Nationals resident in Ireland with a minimum of 6 months continuous employment with their current employer and 12 months continuous employment generally. Exceptions can be approved by a member of the Start Risk Management Team;
- (b) Mortgage Loans will not be granted to, *inter alia*, disqualified company directors or applicants with criminal convictions;
- (c) guarantors are not accepted – they are required to go enter into the Mortgage Loan as joint applicants;
- (d) there is a minimum age requirement of 18 years of age prior to completion of the Mortgage Loan. While the maximum age at origination is 55 years old, the maximum age at maturity of a mortgage term is 70 years old;
- (e) the borrower's credit and employment history will have been assessed with the aid of the following:
 - (i) certified records of employment signed by the relevant employer, a P60 form covering the last fiscal year or two of the most recent monthly payslips;
 - (ii) a credit search on the Irish Credit Bureau for a period of 18 months prior to the date of the application;
 - (iii) bank statements in certain circumstances;
 - (iv) references from current and/or previous landlords in the preceding 12 months;
 - (v) credit card performance checks;
 - (vi) a comprehensive written explanation for mortgage arrears if the arrears are recent and significant. The relevant underwriters must have been satisfied that the problems that caused the arrears are unlikely to recur following the completion of the Mortgage Loan;
- (f) judgements against the borrower will not present as an adverse credit, **provided that** they were registered more than 24 months prior to the application or were for an amount equal to or less than €100; and
- (g) all Borrowers must have a suitable life insurance cover for the full amount of the loan advance, for the full term of the mortgage. The mortgage must be repaid in full upon the first death of any party to the mortgage.

Income and Repayment Capacity

- (a) In order to be considered for a mortgage, single applicants must have a minimum income of €20,000 and joint applicants a combined minimum income of €30,000. Income must be confirmed either through PAYE or through a self-employed income confirmation mechanism;
- (b) State and window pensions are allowable for income calculations up to a maximum of 50% of the total application income. No other social welfare income is accepted;
- (c) having established the income source and weighting that constitutes the level of income attributable to each applicant, regular and ongoing financial commitments over and above normal household expenditure will be annualised and deducted from this figure to determine the net disposable income used in the repayment capacity calculation. Such deduction include, *inter alia*, personal loans, child support payments and maintenance payments;

- (d) repayment capacity is calculated using the Debt Service Ratio (the "**DSR**"), being the deductions from income divided by total net acceptable income expressed as a percentage;
- (e) repayment capacity is set at tiered limits where advances are limited to a maximum DSR of:
 - (i) 35% for total income up to €69,999, subject to a maximum DSR of 40%; and
 - (ii) 40% for a total income of €70,000 and above, subject to a maximum DSR of 45%.

Solicitors

Any firm of solicitors acting on behalf of the borrower must be registered with the Law Society.

The following lending criteria (the "**Paris Lending Criteria**") were applied in respect of those Mortgage Loans comprising part of the Mortgage Portfolio that were originated by Bank of Scotland (Ireland) ("**BoS**").

Key Features of BoS Lending Criteria (Buy to Let Mortgage Loans)

- (a) Each Mortgage Loan must be secured by a first ranking legal mortgage over either (a) a freehold property or (b) a leaseholder property with a minimum of 30 years on the life of the lease from Mortgage Approval Date;
- (b) the customer must be at least 25 years old at the time of advance; and
- (c) a valuer from the bank's panel of professional qualified valuers must carry out professional valuations, which should be undertaken to RICS/IAVI/IPAV/IAPA guidelines.

Security

- (a) In order to qualify for a BoS Mortgage Loan, the property must be:
 - (i) freehold or leasehold, with a minimum of 30 years on the life on the leasehold from the Mortgage Approval Date and be nominal/peppercorn rent;
 - (ii) located in the Republic of Ireland and the borrower must own their principal primary residence and the buy to let property must have a minimum valuation of at least €135,000;
 - (iii) in a portfolio with at least one other buy to let property;
 - (iv) have proper bathroom facilities, sewerage, water, ESB and defined access. It must be good or fair saleability at the valuation figure within a reasonable time period; and
 - (v) fully insurable for all perils and must be free from the risks of flooding and subsidence (as confirmed by way of a valuation report).
- (b) The following are examples of types of property which are deemed acceptable as security:
 - (i) second house/apartment for renting purposes;
 - (ii) section properties;
 - (iii) one property with multiple residential lettings;
 - (iv) freehold residential property and leasehold residential properties, with the latter subject to an un-expired term of not less than 30 years remaining on the lease after the mortgage is paid;
 - (v) holiday homes will be considered on a case-by-case basis as part of a larger portfolio offered to the bank provided it's within the portfolio restrictions and guidelines outlined below;
- (c) the following are examples of types of property which are deemed unacceptable as security:

- (i) in secondary letting locations where subsequent resale could prove difficult;
 - (ii) where continuity of rental income is in doubt;
 - (iii) agricultural properties;
 - (iv) business premises;
 - (v) speculative investment purposes;
 - (vi) emergency or refugee accommodation;
 - (vii) site purchase or sites with direct labour involved;
 - (viii) flats (on any level) in multi-story type property exceeding five stories, unless the property is predominately in private ownership;
 - (ix) a transaction prohibited by law or used for tax evasion; and
- (d) all property held as security must be kept continuously and comprehensively insured by the customer against normal risks until the security has been discharged.

Loan to Value

A maximum LTV of 75% applies to Mortgage Loans originated under this policy.

Discounted Property

Where a property is being sold at a reduced price, the Mortgage Loan should never exceed 100% of the contract price of the property and the overall LTV should never exceed 75% of the market value.

Other Funds

All borrowers must have sufficient funds to close a property purchase in the case of a transaction including a property purchase.

Loan amount

The minimum loan is €100,000 and the maximum loan size on a single advance basis is €2,000,000. An aggregate exposure in excess of €3,500,000 is the upper limit for an individual Borrower.

Mortgage Term

- (a) The minimum term is 5 years; and
- (b) the maximum term is 20 years, subject to the age criteria determined at (b) above.

Interest on the Mortgage Loan

Mortgage Loans are either Interest Only Mortgage Loans or Repayment Mortgage Loans.

Borrowers

- (a) Each applicant must be a private individual applying in a personal capacity;
- (b) Mortgage Loans will not be granted to, *inter alia*, disqualified company directors or applicants with criminal convictions;
- (c) the borrower's credit and employment history will have been assessed with the aid of the following:
 - (i) certified records of employment or self-employment confirming that the Borrower has been in employment for a minimum of 2 years;
 - (ii) a credit search on the Irish Credit Bureau;

- (iii) for a new Borrower (among others), levels of rental income being generated must be validated via 3 months bank statements which should also confirm a satisfactory account operation;

Income and Affordability

- (a) The following affordability criteria must be considered:
 - (i) the rental income on the property and portfolio being mortgages with BoS must cover the interest only repayment at the normal rate attaching to the mortgage 1.4 times;
 - (ii) a lower repayment cover threshold of 1.25 times applies to Buy to Let Mortgage Loans where LTV does not exceed 60%;
 - (iii) where insufficient rental income exists other unencumbered income is not considered;
- (b) rental income must be confirmed by a valuer, who also confirms that the tenants have already committed to renting the property; and
- (c) having established the income source and weighting that constitutes the level of income attributable to each applicant, regular and ongoing financial commitments over and above normal household expenditure will be annualised and deducted from this figure to determine the net disposable income used in the repayment capacity calculation. Such deductions include, *inter alia*, personal loans, child support payments and maintenance payments.

Key Features of BoS Lending Criteria (First Time Buyer Mortgage Loans)

- (a) Each Mortgage Loan must be secured by a first ranking legal mortgage (a "**Mortgage**") over either (a) a freehold property or (b) a leaseholder property with a minimum of 30 years on the life of the lease from the Mortgage Approval Date;
- (b) the customer must be at least 21 years old at the time of advance; and
- (c) aa valuer from the bank's panel of professional qualified valuers must carry out Professional Valuations, which should be undertaken to RICS/IAVI/IPAV/IAPA guidelines.

Security

- (a) In order to qualify for a BoS First Time Buyer Mortgage Loan, the property must be:
 - (i) freehold or leasehold, with a minimum of 30 years on the life on the Leasehold from the Mortgage Approval Date and be nominal/peppercorn rent;
 - (ii) located in the Republic of Ireland and the borrower must own their principal primary residence and the buy to let property must have a minimum valuation of at least €75,000;
 - (iii) in possession of proper bathroom facilities, sewerage, water, ESB, toilet, kitchen and access;
 - (iv) fully insurable for all perils and free from the risks of flooding and subsidence;
 - (v) if a new property, it must have been built under the supervision of a suitably qualified architect or surveyor who confirms structural soundness and compliance with planning and building regulations;
 - (vi) in compliance with all necessary planning/bye law approvals and building regulations;
 - (vii) not subject to unduly restrictive rights of residence or access or covenants;
- (b) The following are examples of types of property which are deemed acceptable as security:
 - (i) timber frame and steel frame housing **provided that** (a) the outer leaf of the house is block or block and plaster finish, (b) if timber frame, that the property is covered under the

Homebond/Premier Guarantee Scheme or the timber frame is supplied by a firm on the bank's approval list of suppliers and (c) if steel frame, the property is covered by the Homebond/Premier Guarantee Scheme and the supplier is certified by the Irish Agreement Board.

- (ii) residential property surrounded by land which is used for farming purposes, **provided that** the residential property is on a separate folio;
 - (iii) a granny flat/bungalow, **provided that** a dependant or dependant relative has completed a deed of postponement and has received independent legal advice;
 - (iv) properties with agricultural restrictions or subject to agricultural usage or planning restrictions;
 - (v) properties determined as unacceptable security;
 - (vi) properties not wholly owned by the borrower – specifically shared ownership schemes;
 - (vii) multi-unit properties for principal primary residences;
 - (viii) prefabricated re-enforced concrete (repaired or not);
 - (ix) flats above commercial premises;
 - (x) leasehold houses with less than 70 years remaining on the lease at the Mortgage Approval Date;
 - (xi) non-standard dwellings (included prefabricated timber construction and steel framed buildings) – typically commercial type buildings;
- (c) The following are examples of types of property which are deemed unacceptable as security:
- (i) in secondary letting locations where subsequent resale could prove difficult;
 - (ii) where continuity of rental income is in doubt;
 - (iii) agricultural properties;
 - (iv) business premises;
 - (v) speculative investment purposes;
 - (vi) emergency or refugee accommodation;
 - (vii) site purchase or sites with direct labour involved;
 - (viii) flats (on any level) in multi-story type property exceeding five stories, unless the property is predominately in private ownership;
 - (ix) a transaction prohibited by law or used for tax evasion;
- (d) borrowers may be supported by additional parties on the mortgage deed but with no claim to title, subject to their being a clear basis for their being included; and
- (e) all property held as security must be kept continuously and comprehensively insured by the customer against normal risks until the security has been discharged.

Loan to Value

The maximum LTV for houses is 100% and for apartments is 90% (other than for apartments located outside of main cities and towns, in which case the LTV is 85%).

Discounted Property

Where a property is being sold at a reduced price, the Mortgage Loan should never exceed 100% of the contract price of the property and the overall LTV should never exceed 95% of the market value.

Loan amount

The minimum loan is €75,000 and the maximum loan size on a single advance basis is, for Properties located (i) in Dublin, €500,000 or (ii) outside Dublin, €400,000.

Other Funds

All borrowers must have sufficient funds to close a property purchase in the case of a transaction including a property purchase.

Mortgage Term

- (a) The minimum term is 5 years; and
- (b) the maximum term is 40 years, subject to the age criteria determined at (v).

Interest on the Mortgage Loan

Repayments will be made in equal monthly instalments to include capital and interest payments over the life of the Mortgage Loan.

Borrowers

- (a) The following type of borrower will not normally be eligible for a Mortgage Loan:
 - (i) where the applicant is currently more than 3 months in arrears or has been more than 3 months in arrears at any stage during the last 2 years the loan should be declined unless a satisfactory explanation is received;
 - (ii) where the bank or another financial institution has previously declined a Mortgage application and satisfactory grounds for the refusal cannot be established;
 - (iii) where a lender has previously repossessed property owned by the applicant or a court order (judgement) for recovery of debts has been granted against the applicant;
 - (iv) has been/is the subject of Legal action for debt recovery by the bank or another financial institution or has been involved in a previous settlement, which resulted in loss to the bank or another financial institution;
 - (v) is a declared bankrupt or currently subject to bankruptcy proceedings. If the proposed borrower has a discharged bankruptcy, it must be discharged 3 years or more;
 - (vi) where the intending borrower discloses any conviction, which may have a bearing on the proposed loan application (e.g. conviction or imprisonment for fraud).
- (b) The borrower's credit and employment history will have been assessed with the aid of the following:
 - (i) certified records of employment or self-employment confirming that the Borrower has been in employment for a minimum of 2 years;
 - (ii) a credit search on the Irish Credit Bureau;
 - (iii) if a Borrower for a First Time Buyer Mortgage Loan is found to be a party to an existing Mortgage Loan registered with the Irish Credit Bureau then they cannot qualify for this mortgage product;

- (iv) for a new Borrower (among others), levels of rental income being generated must be validated via 3 months bank statements which should also confirm a satisfactory account operation;
- (c) fully audited accounts should be available no later than 9 months after year-end, and are normally required where certificates indicate unusual losses or current assets less than liabilities;
- (d) an existing liability will not be regarded as a good payment history if the:
 - (i) Mortgage Loan has had 2 or more payments missed any time in the last two years or has had one payment missed in the last 6 months;
 - (ii) bank statements show any returned items in the 3 months being reviewed;
 - (iii) credit card has had the limit exceeded, and/or the minimum monthly payment was not made;
 - (iv) consistent evidence of referral fees on a current account;
 - (v) applicants have had a moratorium in repayments in the past;

Income and Affordability

Affordability is based on a tiered level DSR which follows the following thresholds:

- (i) maximum DSR of 40% (45% for professionals and civil servants) for a gross annual income of less than €75,000;
- (ii) maximum DSR of 45% (50% for professionals and civil servants) for a gross annual income between €75,000 and €125,000;
- (iii) maximum DSR of 55% (60% for professionals and civil servants) for a gross annual income between €125,000 and €150,000;
- (iv) maximum DSR of 65% (70% for professionals and civil servants) for a gross annual income of more than €150,000; and
- (v) restrictions apply to how certain categories of income calculate the DSR such as, *inter alia*, overtime, bonuses, commission, car allowance, rental income and tips.

Mortgage Protection Cover

- (a) The Consumer Credit Act 1995 requires mortgage protection for borrowers to be in place at the time of drawdown of a housing loan, except in the following limited circumstances;
 - (i) borrower(s) are over 50 years of age;
 - (ii) the mortgaged property is not the family home;
 - (iii) the borrower(s) are not acceptable to an insurer and a letter of deferral/referral is provided;
 - (iv) the insurer loads the premium charged, as the Borrower(s) is regarded as a higher risk than normal risk; and
- (b) in the above four instances a deed of waiver must be completed by the relevant applicants and submitted prior to requesting the loan cheque.

SALE OF THE MORTGAGE PORTFOLIO UNDER THE MORTGAGE SALE AGREEMENT

Mortgage Sale Agreement

The following section contains an overview of the material terms of the agreement entered into on or about the Closing Date between the Seller, the Issuer and the Trustee in relation to the sale of the Mortgage Portfolio to the Issuer (the "**Mortgage Sale Agreement**"). The overview does not purport to be complete and is subject to the provisions of the Mortgage Sale Agreement.

Sale of the Mortgage Portfolio

Pursuant to the terms of the Mortgage Sale Agreement, the Seller will sell its beneficial interest in the Mortgage Portfolio to the Issuer on the Closing Date. The Legal Title Holder will undertake to transfer legal title when required under the terms of such agreements, as described under "*Perfection Trigger Events*" below, and the Seller and the Legal Title Holder will provide certain further assurances to the Issuer and the Trustee.

The sale by the Seller to the Issuer of the Mortgage Portfolio (as defined below) will be given effect to by an assignment of beneficial ownership. The consideration due to the Seller in respect of the Mortgage Portfolio will be the Consideration (as defined below). Furthermore, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and the Class X Notes will be acquired by the Seller on the Closing Date as part of the disposal and acquisition mechanics and consideration for the Mortgage Portfolio.

Sale of Mortgage Assets

"**Consideration**" means in relation to the sale of the Mortgage Portfolio, the proceeds of the Notes.

Conditions to Sale

The sale of Mortgage Loans and their Related Security to the Issuer will be subject to various conditions being satisfied on the Closing Date.

Perfection Trigger Events

Under the Mortgage Sale Agreement, the Issuer and the Trustee will each be entitled (in the case of the Trustee, following delivery of an Enforcement Notice) to effect such registrations and give such notices as it considers necessary to protect and perfect its interests in the Mortgage Assets, and to require the Legal Title Holder to transfer by way of assignment of the legal title to the Mortgage Assets in favour of the Issuer (or its nominee), *inter alia*, where:

- (a) it is obliged to do so by law, by court order or by a mandatory requirement of any regulatory authority;
- (b) an Enforcement Notice has been given;
- (c) any Insolvency Event has occurred in relation to the Seller or the Legal Title Holder or any other entity in which legal title to any Mortgage Asset is vested; or
- (d) an Administrator Termination Event has occurred.

Following such legal assignment or transfer, the Issuer (and/or its nominee) (with the written consent of the Trustee) and the Trustee (or its nominee) (following delivery of an Enforcement Notice) will each be entitled to take all necessary steps and actions to protect and perfect legal title to its interests in the Mortgage Loans and Related Security, including the carrying out of any necessary registrations and notifications.

The above rights are supported by irrevocable powers of attorney (including the Seller Security Power of Attorney and the Legal Title Holder Power of Attorney) given, *inter alia*, by the Issuer, the Seller and the Legal Title Holder in favour of the Trustee.

For so long as neither the Issuer (or its nominee) nor the Trustee (or its nominee) have obtained legal title to the Mortgage Assets the Legal Title Holder will undertake in the Mortgage Sale Agreement for the benefit of the Issuer and the Trustee that it will join any legal proceedings to the extent necessary to protect, preserve and enforce the Issuer's title or interest in any Mortgage Asset.

The completion of the legal transfer or conveyance of the Mortgage Assets (and, where appropriate, their registration) to the Issuer is, save in the limited circumstances referred to in this section, deferred. Legal title to the Mortgage Assets therefore remains with the Legal Title Holder. Notice of the sale of the Mortgage Assets to the Issuer will not (except as stated herein) be given to any Borrower.

The title information documents and customer files relating to the Mortgage Portfolio are currently held by or to the order of the Legal Title Holder. The Legal Title Holder has undertaken that, until perfection of the assignments contemplated by the Mortgage Sale Agreement, all the title information documents and customer files relating to the Mortgage Portfolio which are at any time in its possession or under its control or held to its order will be held to the order of the Issuer or as the Issuer directs. The Administrator is required by the Administration Agreement to ensure the safe custody of the title deeds relating to the Mortgage Assets and to provide the Issuer and the Trustee with access to them at all reasonable times.

Save as described above, neither the Issuer nor the Trustee will initially effect any registration to perfect the sale of the Mortgage Assets to the Issuer or the granting of security over them by the Issuer in favour of the Trustee, nor will they initially acquire possession of the title deeds to the Properties securing the Mortgage Loans.

Notices of the sale to the Issuer and the granting of the Security in favour of the Trustee will not, save as mentioned above, be given to the Borrowers. Notice of the interest of the Issuer and the Trustee will be given in respect of the Insurance Policies (see "*The Mortgage Portfolio*" above) to the relevant insurance provider.

Neither the Trustee nor the Issuer has made or will make or has caused to be made or will cause to be made on its behalf any enquiries, searches or investigations in relation to the Mortgage Portfolio, but each is relying entirely on the representations and warranties to be given by the Seller contained in the relevant Mortgage Sale Agreement.

"Insolvency Event" means, in relation to the Issuer, the Seller, the Legal Title Holder, the Administrator, the Cash Manager, the Reference Agent, the Principal Paying Agent, the Registrar, the Account Bank and the Collection Account Bank (as applicable):

- (a) an order is made or an effective resolution passed for the winding up of the relevant entity, (except in the case of the Issuer, a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by an Extraordinary Resolution of the Most Senior Class of Notes); or
- (b) the relevant entity, otherwise than for the purposes of such amalgamation or reconstruction of the Issuer as is referred to in paragraph (a) above, ceases or through an authorised action of its board of directors, threatens to cease to carry on all or substantially all of its business or is deemed unable to pay its debts as and when they fall due within the meaning of Section 509(3) and/or Section 570 of the Companies Act 2014; or
- (c) the relevant entity is unable to pay its debts as they fall due or it is deemed under section 123 of the Insolvency Act 1986 to be unable to pay its debts or announces an intention to suspend making payments with respect to any class of undisputed debts; or
- (d) the appointment of an insolvency official in relation to the relevant entity or in relation to the whole or any part of the undertaking or assets of such relevant entity; or
- (e) proceedings shall be initiated against the relevant entity under any applicable liquidation, insolvency, bankruptcy, composition, administration, examination, court protection, reorganisation (other than a reorganisation where the relevant entity is solvent) or other similar laws and such proceedings are not being disputed in good faith with a reasonable prospect of success or an order appointing an examiner shall be granted or the appointment of an examiner or administrator takes effect or an examiner, administrator or other receiver, liquidator, trustee in sequestration or other similar official shall be appointed in relation to the relevant entity or in relation to the whole or any substantial part of the undertaking or assets of the relevant entity.

Warranties and Consequences of Breach of Warranty

The Mortgage Sale Agreement will contain certain representations and warranties given by the Seller and the Retention Holder to the Issuer and the Trustee in relation to the Mortgage Portfolio transferred or assigned to the Issuer pursuant to the Mortgage Sale Agreement.

No searches, enquiries or independent investigation of title of the type which a prudent purchaser or mortgagee would normally be expected to carry out have been or will be made by the Issuer or the Trustee, each of whom is relying entirely on the representations and warranties set out in the Mortgage Sale Agreements.

In the case of breach of any of the representations or warranties given by the Seller and the Retention Holder on the Closing Date which has or would have a material adverse effect on the relevant Mortgage Asset and which is not capable of remedy or is not remedied within 30 Business Days of being notified by the Issuer to the Seller and the Retention Holder, the Issuer's only remedy in respect of a breach of any Mortgage Loan Warranty will be to claim damages for breach of that Mortgage Loan Warranty. The Issuer shall first claim damages for breach of Mortgage Loan Warranty from the Seller, and if the Seller either (i) fails to pay such damages by the Claim Payment Date or (ii) pays such damages in part only, the Issuer shall claim such damages in whole or in part (as applicable) from the Retention Holder which shall pay such claim within a further 5 Business Days of the Claim Payment Date, subject to the liability cap described below. Neither the Seller or the Retention Holder will be required to repurchase or procure the repurchase of any Mortgage Loan which is the subject of any such breach. There can be no assurance that the Seller or the Retention Holder (as applicable) will have the financial resources to honour its obligations to pay any payment of damages in respect of a breach of warranty. This may affect the quality of the Mortgage Assets and accordingly the ability of the Issuer to make payments due on the Notes.

Further, if the Issuer wishes to make a claim in respect of that breach of any Mortgage Loan Warranty, the Issuer must at any time on or before the date falling two years after the Closing Date give notice of such breach to the Seller and Retention Holder.

The Seller's and Retention Holder's liability in respect of any breach of any Mortgage Loan Warranty shall be limited to not greater than ten per cent of the Current Balance of the relevant Mortgage Loan, **provided that** the Seller and the Retention Holder will have no liability to the Issuer in respect of a Mortgage Loan Warranty unless in each case the amount of damages to which the Issuer would be entitled as a result of that Warranty Claim but for such limit exceeds €5,000 per Mortgage Loan that is the subject of that Warranty Claim (unless there are Warranty Claims relating to breaches of the same Mortgage Loan Warranty arising from similar facts where the amount of such claim to which the Issuer would but for such limit be entitled as a result of those Warranty Claims exceeds €20,000 in aggregate).

If a Mortgage Loan has never existed, or has ceased to exist, the Seller and/or the Retention Holder (as applicable) shall indemnify the Issuer and the Trustee against any loss suffered by reason of any representation or warranty relating to or otherwise affecting that Mortgage Loan being untrue or incorrect by reference to the facts subsisting as at the date on which the relevant representation or warranty was given, **provided that** the amount of such indemnity shall not exceed the Current Balance of the Mortgage Loan which would have been payable by the Borrower in respect of such Mortgage Loan in relation to such Mortgage Loan had the Mortgage Loan existed and complied with each of the Mortgage Loan Warranties in relation to such Mortgage Loan on the Closing Date. The limitations of Seller and Retention Holder liability described above shall apply to any such indemnity payment.

Representations and Warranties

The representations and warranties of the Seller and the Retention Holder referred to above include, but are not limited to, statements to the following effect:

- (a) so far as the Seller and the Retention Holder are aware, each Mortgage Loan is secured by a valid, subsisting and first ranking or economically first ranking (being a lower ranking mortgage where all prior ranking mortgages are secured in favour of the same lender) legal mortgage over the relevant Property situated in Ireland (subject only to stamping at the Revenue Commissioners, where applicable, and to any registration which may be pending at the Land Registry or Registry of Deeds and (in those cases) there is nothing to prevent that registration or recording being effected);

- (b) neither the Seller, nor the Retention Holder has received any notice or claim in writing by any Borrower of any threat to take steps to assert any right of set-off, rescission or counter-claim under or in connection with any of the Mortgage Assets.
- (c) so far as the Seller and the Retention Holder are aware, in relation to each Mortgage Loan the Property is registerable in the Land Registry or Register of Deeds in Ireland and it has been registered;
- (d) in relation to each Mortgage Loan, the final repayment date will not fall beyond 3 years prior to the Final Maturity Date of the Notes;
- (e) each Mortgage Loan has been made on the terms, or on substantially similar terms, of the Standard Documentation (save to the extent as may be required to comply with any applicable law or regulation or to any changes that would have been acceptable to a Prudent Mortgage Lender);
- (f) all Mortgage Loans are denominated in euro;
- (g) so far as the Seller and the Retention Holder are aware, each Mortgage Loan was originated in accordance with all applicable laws at the time of origination;
- (h) all Mortgage Loans are secured over (i) residential property and (ii) in the case of the business properties, a residential and business property, in each case located in Ireland;
- (i) so far as the Seller and the Retention Holder are aware, all Mortgage Loans are made to a Borrower who is an individual and aged 18 years or older at the date of entering into the relevant Mortgage Loan and its Related Security;
- (j) as of the Cut-Off Date the details of the Mortgage Loans as set out in the "*Loan Balance*" field of the Data Tape were, to the Seller's and Retention Holder's knowledge, true and accurate and neither the Seller or the Retention Holder has received any notice in writing from any Borrower asserting otherwise;
- (k) as of the Cut-Off Date the details of the Mortgage Loans as set out in the (i) "*Loan Product*", (ii) "*Interest Rate Type*", (iii) "*Interest Rate*" and (iv) "*Original Maturity Date*" fields of the Data Tape were, to the Seller's and Retention Holder's knowledge, true and accurate in all material respects and neither the Seller or Retention Holder has received any notice in writing from any Borrower asserting otherwise;
- (l) the Seller is the beneficial owner of the Mortgage Assets and the Legal Title Holder is the legal owner of the Mortgage Assets free from Encumbrances and the Seller has not received any notice in writing from any Borrower asserting otherwise. The Seller has not made any prior sale, transfer, assignment, assignation, sub participation of or declared a trust over its rights and interest in the Mortgage Assets;
- (m) the Seller has not waived in writing any of its rights under the Mortgage Assets against any Borrower nor entered into any arrangements with any Borrower or any other person where that has materially restricted the Seller's ability to enforce the terms of any Mortgage Assets other than those prescribed by Applicable Law or Regulation;
- (n) so far as the Seller and Retention Holder are aware, the Legal Title Holder has kept or procured the keeping of full and proper accounts, books and records showing clearly all material transactions, payments, receipts, proceedings and notices relating to such Mortgage Loan and to the Seller's and Retention Holder's knowledge all such accounts, books and records are up to date and in the possession of the Administrator or held to its order;
- (o) to the Seller's and Retention Holder's knowledge, the Seller has no obligation to make any further advances to any Borrower pursuant to any of the Mortgage Loans and the Seller has not received any notice in writing from any Borrower asserting otherwise;
- (p) no fraud has been committed by the Seller or the Retention Holder in respect of the Mortgage Loan and the Related Security;

- (q) so far as the Seller and the Retention Holder are aware, each Mortgage Loan constitutes a valid and binding obligation of the Borrower enforceable in accordance with its terms and secures the repayment of all advances, interest, costs and expenses payable by the Borrower;
- (r) the Seller may freely assign or otherwise transfer its interests therein without breaching any term or conditions applying to any of them;
- (s) the Administrator has, to the best of the Seller's and Retention Holder's knowledge information and belief, from the date of acquisition of the Mortgage Assets, complied in all material respects with the requirements of the Consumer Protection Code, the Consumer Protection Act 2007, the Arrears Code, the CoB Requirements (as applicable) in relation to the Mortgage Assets, and (in respect of the commercial loans) the SME code up until 1 July 2016 and the SME Regulation thereafter; and
- (t) so far as the Seller and the Retention Holder are aware, none of the Mortgage Loans are loans made pursuant to Section 3(4) of the Housing (Miscellaneous) Provisions) Act 1992.
- (u) no Mortgage Loans which are Self-certified Loans were originated on or after 20 March 2014.

"Data Tape" means a CD-ROM containing the particulars of the Mortgage Assets in the Mortgage Portfolio.

"Prudent Mortgage Lender" means the manner of a reasonably prudent mortgage lender lending to borrowers in Ireland where the Mortgage Loan is secured over residential property.

"Repayment Mortgage Loans" are Mortgage Loans in relation to which monthly instalments normally cover both interest and principal, which are payable until the Mortgage Loan is fully repaid at its maturity.

"Standard Documentation" means the standard documentation of the relevant Originator, a list of which is set out in the Mortgage Sale Agreement.

"Tracker Mortgage Loans" are Mortgage Loans where the applicable rate of interest is calculated by reference to the ECB Rate plus a margin.

"Variable Rate Mortgage Loans" are Mortgage Loans which are subject to a variable rate of interest set by the Administrator from time to time.

Governing Law

The Mortgage Sale Agreement and any non-contractual obligations arising out of or in connection with the Mortgage Sale Agreement, will be governed by Irish law.

EARLY REDEMPTION OF THE NOTES PURSUANT TO THE CALL OPTION OR THE RISK RETENTION REGULATORY CHANGE OPTION

The Mortgage Portfolio may be sold by the Issuer (a) pursuant to the Call Option (as defined below) or (b) pursuant to the Risk Retention Regulatory Change Option (as defined below). The Issuer will undertake not to dispose of the Mortgage Portfolio in any other circumstances (other than in relation to an enforcement of the Security as contemplated pursuant to the terms of the Administration Agreement and the Asset Management Consulting Agreement).

Call Option

Pursuant to and subject to the terms of the Deed Poll, the Issuer will grant to the Option Holder the following rights (collectively, the "**Call Option**");

- (a) the right to require the Issuer to sell and transfer to the Option Holder or a Third Party Purchaser (as identified in the Exercise Notice, the "**Beneficial Title Transferee**") the beneficial title to all (but not some) of the Mortgage Assets comprising the Mortgage Portfolio (the "**Whole Beneficial Title**") in consideration for the payment of the Primary Call Option Purchase Price or the Eligible Bid, as applicable (each a "**Call Option Purchase Price**"); and
- (b) the right to require the Issuer to procure that the then Legal Title Holder to (if applicable) transfer the legal title to all (but not some) of the Mortgage Assets comprising the Mortgage Portfolio (the "**Whole Legal Title**"), or the right to require the Issuer to procure that the Legal Title Holder transfers legal title, to a nominee of the Option Holder specified as such in the Exercise Notice (as identified in the Exercise Notice, the "**Legal Title Transferee**").

Call Option bidding process for the period on or prior to the second Interest Payment Date falling after the Option Purchase Commencement Date

The then holder of more than 50 per cent. (such holder acting alone or together and collectively with one or more of its Affiliates, which are also holders of the Class Z1 Notes) of the Class Z1 Notes may (excluding for the purposes of such calculation the portion of the Class Z1 Notes held by the Retention Holder) (the "**Initial Option Holder**") at any time on or after the Option Purchase Commencement Date up to and including the second Interest Payment Date following the Option Purchase Commencement Date, by notice from the Initial Option Holder to the Issuer, with a copy to the Trustee, the Legal Title Holder, the Administrator, the Issuer Administration Consultant, the Cash Manager and each of the Rating Agencies, (such notice, an "**Exercise Notice**") that the Initial Option Holder wishes to exercise the Call Option, for effect on any Business Day following the service of the Exercise Notice (the Business Day identified as the date on which the purchase by the Beneficial Title Transferee of the Whole Beneficial Title is expected to be completed pursuant to the terms of the Deed Poll being the "**Option Purchase Completion Date**"). If the Whole Legal Title is required to be transferred to the Legal Title Transferee such transfer may occur subsequently on a date falling after the Option Purchase Completion Date.

If the sale of the Mortgage Portfolio has not been completed on the Option Purchase Completion Date (including due to: (i) the failure to pay the Primary Option Purchase Price and/or (ii) the failure of the Option Purchase Conditions to have been met by such time), that Exercise Notice shall be deemed to have been cancelled. Following such cancellation, the Call Option may be exercised at any time by the Initial Option Holder by serving another Exercise Notice, provided that such Exercise Notice is served no later than the second Interest Payment Date following the Option Purchase Commencement Date. See section entitled "*Call option bidding process*" below for the process of exercising the Call Option following such date.

On the Interest Payment Date falling on or immediately following the Option Purchase Completion Date, the Rated Notes, the Class RFN Notes and the Class Z1 Notes only, will be redeemed in full as more fully described in the section entitled "*Redemption of the Notes*" below.

Primary Option Purchase Price

The purchase price of the Mortgage Assets comprising in the Mortgage Portfolio pursuant to the Call Option (the "**Primary Option Purchase Price**") shall be an amount equal to (without double counting) as calculated by the Issuer (or the Cash Manager on its behalf):

- (a) the amount required by the Issuer to pay in full all amounts payable or that will become payable under items (a) to (e) (inclusive), items (h), (j), (l), (n), (p), (r), (cc) and (dd) (inclusive) and (on and from Interest Payment Date immediately following the Step-Up Date) items (w) to (aa) (inclusive) of the Pre-Enforcement Revenue Priority of Payments on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date; plus
- (b) the amount required by the Issuer to redeem all of the Rated Notes, the Class RFN Notes and the Class Z1 Notes then outstanding in full together with accrued and unpaid interest on such Rated Notes, Class RFN Notes and the Class Z1 Notes (including any unpaid and deferred Additional Note Payments) on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date; plus
- (c) the amount required to pay any costs and fees of the Issuer Administration Consultant in accordance with the Asset Management Consulting Agreement; plus
- (d) the Issuer's costs and expenses associated with transferring its interests in any Mortgage Assets to the Option Holder or its nominee (if any) and an amount agreed between the Issuer and the Option Holder in respect of winding up and ancillary costs anticipated to be incurred by the Issuer after the Option Purchase Completion Date; less
- (e) the balance standing to the credit of the Non-Liquidity Reserve Fund, the Liquidity Reserve Fund and the Additional Note Payment Reserve Fund; less
- (f) any Available Revenue Receipts and any Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date.

In connection with the exercise of the Call Option, the Beneficial Title Transferee will agree with the Issuer to (i) deposit an amount equal to the Call Option Purchase Price in either an escrow account in the name of the Beneficial Title Transferee or in any other account as may be agreed between the Issuer and the Beneficial Title Transferee; or (ii) provide irrevocable payment instructions for an amount equal to the Call Option Purchase Price for value on the Option Purchase Completion Date to the Transaction Account or such other account as may be agreed between the Issuer and Beneficial Title Transferee, **provided that** such deposit shall be made or irrevocable payment instructions shall be given no later than (x) the Option Purchase Completion Date or (y) such other date as the Issuer, at its sole discretion and the Beneficial Title Transferee may agree, **provided further that** the Call Option Purchase Price or irrevocable payment instructions (as applicable) must be received by the Issuer in sufficient time to enable the Issuer to provide notice of redemption of the Notes to the Noteholders pursuant to Conditions 9.3 (*Mandatory Redemption in full*) or 9.5 (*Mandatory Redemption for Taxation or Other Reasons*) (as applicable); and/or (iii) take any other action as may be agreed by the Beneficial Title Transferee and the Issuer (or the Cash Manager on the Issuer's behalf) in relation to the payment of the relevant Call Option Purchase Price.

At the cost of the Option Holder, the Issuer shall direct the Legal Title Holder to serve all relevant notices and take all steps (including carrying out requisite registrations and recordings) in order to effectively vest the Whole Legal Title in the Legal Title Transferee, in each case subject to the terms and conditions set out in the Deed Poll, such notices to be given promptly after the Option Purchase Completion Date.

Call Option bidding process for the period after (and excluding) the second Interest Payment Date falling after the Option Purchase Commencement Date up to (and including) the fifth Interest Payment Date falling after the Option Purchase Commencement Date

If the Initial Option Holder does not exercise its Call Option within two Interest Payment Dates of the Option Purchase Commencement Date, the Issuer (or the Cash Manager on its behalf) will at such time accept bids from all holders of the Class Z1 Notes, who can prove to the satisfaction of the Issuer (or the Cash Manager on its behalf) that they hold at least 5 per cent. of the Class Z1 Notes (including for these purposes the portion of the Class Z1 Notes held by the Retention Holder) (the "**Initial Eligible Bidders**") to a competitive bidding process, whereby such Initial Eligible Bidders may submit a bid to purchase the Mortgage Portfolio by 5 pm (London time) on the third Interest Payment Date following the Option Purchase Commencement Date (the "**First Bid End Date**") provided that (i) each such bid is at least the Minimum Call Option Price (as defined below), (ii) each such Initial Eligible Bidder has confirmed to the Issuer and the Cash Manager in writing it is not an Affiliate of any other holder of the Class Z1 Notes that

is also participating in such bid and (iii) that each such bid conforms with the requisite format of an "Eligible Bid" as described below (the "**Bid Conditions**"). The Issuer (or the Cash Manager on its behalf) will notify the highest Initial Eligible Bidder within 1 Business Day of the First Bid End Date (the "**First Winning Bidder**") and request a cash deposit to be submitted by the First Winning Bidder within 3 Business Days equal to 1.5 per cent. of the Current Balance of the Mortgage Loans on the immediately preceding Determination Date (the "**Cash Deposit**"). On submission of the Cash Deposit, the First Winning Bidder will acquire the right to purchase the Mortgage Portfolio on the fifth Interest Payment Date following the Option Redemption Date (the "**First Bid Purchase Date**"). If the First Winning Bidder pays the Cash Deposit but fails to exercise its right to purchase the Mortgage Portfolio on the First Bid Purchase Date, such bidder will lose its deposit and the deposit will be equally distributed between all parties that have submitted an Eligible Bid that also satisfies the Bid Conditions.

If the First Winning Bidder does not submit the Cash Deposit as described above, the Issuer (or the Cash Manager on its behalf) will notify the second highest bidder and request a Cash Deposit to be submitted by such bidder within 3 Business Days of such notification, provided that such bidder has confirmed to the Issuer and the Cash Manager in writing it is not an Affiliate of the First Winning Bidder (the "**Second Winning Bidder**"). On submission of the Cash Deposit, the Second Winning Bidder will acquire the right to purchase the Mortgage Portfolio on the First Bid Purchase Date. If the Second Winning Bidder pays the Cash Deposit but fails to exercise its right to purchase the Mortgage Portfolio on the First Bid Purchase Date, such bidder will lose its deposit and the deposit will be equally distributed between all parties that have submitted an Eligible Bid that also satisfies the Bid Conditions.

Call Option bidding process for the period after (and excluding) the fifth Interest Payment Date falling after the Option Purchase Commencement Date

If no Initial Eligible Bidder exercises the Call Option within five Interest Payment Dates of the Option Purchase Commencement Date, the Issuer (or the Cash Manager on its behalf) will only consider any further bids if (i) any holder of the Class Z1 Notes or (ii) any other party (each a "**Further Eligible Bidder**") submits a bid to purchase the Mortgage Portfolio to the Issuer (or the Cash Manager on its behalf). Such bid shall notify the Issuer (and the Cash Manager on its behalf) of the proposed date of purchase of the Mortgage Portfolio, which shall be on a subsequent Interest Payment Date falling on a date at least 60 calendar days, but no later than 120 calendar days, after the date of such bid notice (the "**Further Bid Purchase Date**").

Provided that any such bid (i) is at least the Minimum Call Option Price and (ii) conforms with the requisite format of an Eligible Bid (the "**Further Bid Conditions**"), the Issuer (or the Cash Manager on its behalf) shall request a Cash Deposit to be submitted by such Further Eligible Bidder within 3 Business Days of receipt of such Bid Notice.

On the receipt of the Cash Deposit from a Further Eligible Bidder, the Issuer (or the Cash Manager on its behalf) will notify the holders of the Class Z1 Notes by the publication of an RNS that an Eligible Bid has been submitted to purchase the Mortgage Portfolio (such notice also including the Further Bid Purchase Date) and invite any holder of the Class Z1 Notes to submit a counter bid that satisfies the Further Bid Conditions within 5 Business Days of the publication of such RNS.

Following the receipt of further bids (if any) within 5 Business Days of the publication of the RNS, the Issuer (or the Cash Manager on its behalf) will notify the highest bidder (such determination also taking into account the bid by the Further Eligible Bidder) within 1 Business Day (the "**Further Winning Bidder**").

If the Further Winning Bidder is not the Further Eligible Bidder, the Issuer (or the Cash Manager on its behalf) will request a Cash Deposit from the Further Winning Bidder to be submitted within 3 Business Days. On receipt of such Cash Deposit from the Further Winning Bidder, the Further Winning Bidder will acquire the right to purchase the Mortgage Portfolio on the Further Bid Purchase Date and the Issuer (or the Cash Manager on its behalf) will promptly return to the Further Eligible Bidder the Cash Deposit received from the Further Eligible Bidder as described above. If the Further Winning Bidder fails to pay the Cash Deposit within 3 Business Days as described above, the Further Eligible Bidder will acquire the right to purchase the Mortgage Portfolio on the Further Bid Purchase Date.

If the sale of the Mortgage Portfolio has not been completed on the relevant Further Bid Purchase Date (including due to the failure to pay the Eligible Bid and/or the failure of the Option Purchase Conditions to

have been met by such time), such bid will be deemed to have been cancelled and such bidder will lose its Cash Deposit and the Cash Deposit will be equally distributed between all parties that have submitted an Eligible Bid that also satisfies the Further Bid Conditions (excluding the Further Winning Bidder or the Further Eligible Bidder (as applicable) that failed to complete the purchase on the Further Bid Purchase Date). Any new bidding process as described above can thereafter commence again.

The Issuer (or the Cash Manager on its behalf) will calculate the Minimum Call Option Price and notify the relevant bidder no later than eight Business Days prior to the relevant redemption date.

In this Prospectus:

"Affiliate" means any entity that receives investment advisory services directly or indirectly from the same entity as another entity, or any direct or indirect affiliate of such entities.

"Deed Poll" means the deed poll dated on or about the Closing Date, executed by the Issuer, in favour of the Option Holder from time to time.

"Eligible Bid" means each bid that is submitted in the following format:

- Minimum Call Option Price; plus
- any amount above the Minimum Call Option Price that the relevant Initial Eligible Bidder, Further Eligible Bidder or Further Winning Bidder, as applicable (each an **"Eligible Bidder"**) has decided to pay.

"Option Holder" means:

- (a) the Initial Option Holder;
- (b) if the Initial Option Holder has not exercised the Call Option at any time on or after the Option Purchase Commencement Date up to and including the second Interest Payment Date following the Option Purchase Commencement Date, the First Winning Bidder;
- (c) if the First Winning Bidder does not (i) submit the Cash Deposit within 3 Business Days of the First Bid End Date or (ii) submits the Cash Deposit but fails to exercise its right to purchase the Mortgage Portfolio on the First Bid Purchase Date, the Second Winning Bidder; or
- (d) if the Second Winning Bidder does not, (i) submit the Cash Deposit within 3 Business Days of being notified by the Issuer (or the Cash Manager on its behalf) or (ii) submits the Cash Deposit but fails to exercise its right to purchase the Mortgage Portfolio on the First Bid Purchase Date, any Further Eligible Bidder or Further Winning Bidder (as applicable) which has won the bidding process, as notified by the Issuer (or the Cash Manager on its behalf), and subsequently acquires the Mortgage Portfolio on the subsequent Interest Payment Date pursuant to the terms of the Deed Poll.

"Minimum Call Option Price" shall be an amount equal to the Primary Option Purchase Price provided that item (b) of such calculation above shall be an amount required to redeem all the Notes other than the Class Z1 Notes, the Class Z2 Notes and the Class X Notes.

"Option Purchase Commencement Date" means the earlier of:

- (a) the Monthly Calculation Date immediately preceding the Option Redemption Date; or
- (b) any day on which aggregate Current Balance of the Mortgage Loans is equal to or less than 10 per cent. of the aggregate Current Balance of the Mortgage Loans on the Closing Date; or
- (c) any Business Day following the occurrence of a Redemption Event.

"Third Party Purchaser" means a third party purchaser (which for the avoidance of doubt shall include any entity affiliated with or connected to the Seller or the Retention Holder) of the beneficial title to the Mortgage Assets as nominated by the Option Holder in the Exercise Notice.

Option Purchase Conditions

The sale of the Whole Beneficial Title and (if applicable) the transfer of the Whole Legal Title pursuant to the Call Option shall also be subject to the following conditions (the "**Option Purchase Conditions**"):

- (a) either:
 - (i) the Beneficial Title Transferee and (if applicable) the Legal Title Transferee is a person who can avail of an exemption from withholding tax in accordance with Section 246(3) of the 1997 Act; or
 - (ii) the Issuer, having received tax advice from an appropriately qualified and experienced Irish tax adviser in the form and substance satisfactory to it (acting reasonably), or such other comfort as may reasonably be required by it (including, without limitation, any clearance or other confirmation granted by the Irish tax authorities) ("**Tax Advice**"), is satisfied that sale of the Whole Beneficial Title and (if applicable) transfer of the Whole Legal Title will not create or increase any liabilities of the Issuer to Irish tax or any tax imposed by the jurisdiction of the Beneficial Title Transferee and (if applicable) the Legal Title Transferee and that any such sale will not result in any materially adverse tax consequences for the Issuer and/or the Issuer's ability to repay the Notes in full. The costs relating to such Tax Advice shall be borne by the Option Holder;
- (b) either:
 - (i) the Legal Title Transferee has all the appropriate licences, approvals, authorisations, consents, permissions and registrations required to administer residential mortgage loans such as the Mortgage Assets comprising the Mortgage Portfolio (the "**Relevant Authorisations**"); or
 - (ii) the Beneficial Title Transferee has appointed a servicer who has the Relevant Authorisations and that the Legal Title Holder has confirmed in writing that it will hold legal title to the Mortgage Assets comprising the Mortgage Portfolio on trust for the Beneficial Title Transferee; and

the Beneficial Title Transferee shall not be permitted to transfer the beneficial interest in any of the Mortgage Assets comprising the Mortgage Portfolio to a further purchaser until the transfer of the Whole Legal Title is perfected unless such transfer of beneficial interest is made to a person who can avail of an exemption from withholding tax in accordance with Section 246(3) of the 1997 Act.

Redemption of the Notes following the exercise of the Call Option

On the Interest Payment Date falling on or immediately following the Option Purchase Completion Date, the relevant Call Option Purchase Price, together with all amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger, and together with any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date, will be used to redeem:

- (a) if the Primary Option Purchase Price is required to be paid following the exercise of the Call Option by the Initial Call Option Holder, the Rated Notes, the Class RFN Notes and the Class Z1 Notes only;
- (b) if an Eligible Bid being equal to the Minimum Call Option Price is required to be paid following the exercise of the Call Option following (and excluding) the second Interest Payment Date falling after the Option Purchase Commencement Date, the Rated Notes and the Class RFN Notes only; or
- (c) if an Eligible Bid that is above the Minimum Call Option Price is required to be paid following the exercise of the Call Option following (and excluding) the second Interest Payment Date falling after the Option Purchase Commencement Date, the Rated Notes, the Class RFN Notes first, and if any amounts are still available thereafter (following the redemption of the Rated Notes and the

Class RFN Notes) firstly towards the redemption of the Class Z1 Notes (in full or in part), secondly, towards the redemption of the Class Z2 Notes (in full or in part) and thirdly, towards the redemption of the Class X Notes (in full or in part),

at an amount equal to the Principal Amount Outstanding of the above relevant Notes to be redeemed together with accrued interest and Deferred Interest and any Additional Note Payments accrued (and unpaid) on such Notes up to, but excluding, such Interest Payment Date.

Any Principal Receipts and Revenue Receipts received on the Mortgage Loans or interest on the Issuer Accounts received by the Issuer from and including the Monthly Calculation Date immediately prior to the Option Purchase Completion Date together with amounts comprising the Minimum Retained Balance attributable to the Mortgage Portfolio in each of the Paris Collection Account and the Java Collection Accounts will be payable, to or for the account of the Beneficial Title Transferee and the Issuer shall transfer all such amounts to or for the account of the Beneficial Title Transferee as soon as reasonably practicable following the Option Purchase Completion Date.

Risk Retention Regulatory Change Option

Pursuant to the Risk Retention Letter, on any Interest Payment Date following the occurrence of a Risk Retention Regulatory Change Event (and subject to two directors of the Retention Holder certifying in writing to the Trustee that a Risk Retention Regulatory Change Event has occurred, upon which certificate the Trustee shall be entitled to rely absolutely without liability and without further enquiry to any person for so doing), the Retention Holder has the benefit of the Risk Retention Regulatory Change Option to require the Issuer to:

- (a) sell and transfer to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) the beneficial title to all Mortgage Assets in the Mortgage Portfolio;
- (b) transfer to the Retention Holder the right to have legal title to the Mortgage Loans and their Related Security; and
- (c) direct that the Legal Title Holder transfers legal title to the Mortgage Loans to the Retention Holder or its nominee (specified as such in the Risk Retention Regulatory Change Option Exercise Notice) on the Risk Retention Regulatory Change Completion Date,

in each case subject to the terms of the Risk Retention Letter (the "**Risk Retention Regulatory Change Option**").

On the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Completion Date, the Notes (other than the Class Z2 Notes and the Class X Notes) will be redeemed in full as more fully described in Condition 9.4 (*Mandatory Redemption in full pursuant to a Risk Retention Regulatory Change Option*).

Where the sale to the Retention Holder does not contemplate a transfer of the legal title to the Mortgage Assets, the exercise of the Risk Retention Regulatory Change Option shall be conditional on the consent of the Legal Title Holder to hold legal title on behalf of the Retention Holder or its nominee.

It will be a condition of the exercise of the Risk Retention Regulatory Change Option that (a) either (i) each of the purchasers of the legal (if applicable) and beneficial title in the Mortgage Assets confirms in writing that it is a person who can avail of an exemption from withholding tax in accordance with Section 246(3) of the 1997 Act, or (ii) the Issuer, having received Tax Advice, is satisfied that sale of legal (if applicable) and beneficial title in the relevant Mortgage Assets will not expose the Issuer to a risk of loss in consequence of Irish income tax being required to be withheld from amounts paid in respect of the Mortgage Assets (b) the Issuer has obtained Tax Advice and as a result is satisfied that any such sale will not result in any materially adverse tax consequences for the Issuer and/or on the Issuer's ability to repay the Notes in full, and (c) the Option Purchase Conditions have been satisfied.

The costs relating to such Tax Advice shall be borne by the Retention Holder.

The Risk Retention Regulatory Change Option may be exercised by the Retention Holder delivering a Risk Retention Regulatory Change Option Exercise Notice to the Issuer with a copy to the Trustee, the Seller,

the Administrator, the Legal Title Holder, the Cash Manager and each of the Rating Agencies at any time for effect on any Interest Payment Date following the occurrence of a Risk Retention Regulatory Change Event. Such notice shall be given not more than 15 nor less than 5 Business Days prior to the proposed Risk Retention Regulatory Change Completion Date.

The Retention Holder or its nominee will be required to deposit the full amount of the Risk Retention Regulatory Change Option Purchase Price in the Transaction Account or such other account agreed with the Issuer and the Trustee on or prior to the proposed Risk Retention Regulatory Change Completion Date or take such other action agreed with the Issuer and the Trustee.

Risk Retention Regulatory Change Option Purchase Price

The purchase price for the Mortgage Portfolio under the Risk Retention Regulatory Change Option shall be an amount (the "**Risk Retention Regulatory Change Option Purchase Price**") equal to (without double counting):

- (a) the amount required by the Issuer to pay in full all amounts payable or that will become payable under items (a) to (e) inclusive and items (h), (j), (l), (n), (p), (r), (cc) and (dd) (inclusive) and (on and from the Interest Payment Date immediately following the Step-Up Date) items (w) to (aa) (inclusive) of the Pre-Enforcement Revenue Priority of Payments on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Completion Date; plus
- (b) the amount required by the Issuer to redeem all of the Rated Notes, Class RFN Notes and Class Z1 Notes then outstanding in full together with accrued and unpaid interest on such Rated Notes on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Completion Date; plus
- (c) the Issuer's costs and expenses associated with transferring its interests in any Mortgage Loan and its Related Security to the Retention Holder or its nominee (if any) and an amount agreed between the Issuer and the Retention Holder in respect of costs anticipated to be incurred by the Issuer after the Risk Retention Regulatory Change Completion Date; less
- (d) the balance standing to the credit of the Non-Liquidity Reserve Fund, the Liquidity Reserve Fund and the Additional Note Payment Reserve Fund; less
- (e) any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Completion Date.

"Risk Retention Regulatory Change Option Exercise Notice" means a written notice to be delivered by the Retention Holder to the Issuer with a copy to the Trustee, the Seller, the Administrator, the Legal Title Holder, the Cash Manager and the Rating Agencies to exercise the Risk Retention Regulatory Change Option specifying (a) the proposed Risk Retention Regulatory Change Completion Date, (b) specifying whether the Retention Holder itself or a nominee will be acquiring the beneficial title to the Mortgage Assets and (c) specifying whether the transfer of legal title from the Legal Title Holder to the Mortgage Assets is contemplated.

"Risk Retention Regulatory Change Completion Date" means the date on which all conditions to completion of the sale and transfer of the Mortgage Assets pursuant to the Risk Retention Regulatory Change Option have been satisfied.

"Risk Retention Regulatory Change Event" means any change in or the adoption of any new law, rule, direction, guidance or regulation which requires the manner in which the Minimum Required Interest is held by the Retention Holder to be restructured after the Closing Date or which would otherwise result in the manner in which the Minimum Required Interest is held by the Retention Holder to become non-compliant in relation to a Noteholder.

Redemption of the Notes

On the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Completion Date, the full amount of the Risk Retention Regulatory Change Option Purchase Price, together with all amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve

Fund Ledger and the Additional Note Payment Reserve Fund Ledger, and together with all Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date, will be used to redeem the Notes at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued interest and Deferred Interest and any Additional Note Payments accrued (and unpaid) up to, but excluding, such Interest Payment Date.

Any Revenue Receipts and Principal Receipts received on the Mortgage Loans or interest on the Issuer Accounts received by the Issuer from but excluding the Monthly Calculation Date immediately prior to the Risk Retention Regulatory Change Completion Date to and including Risk Retention Regulatory Change Completion Date, together with amounts comprising the Minimum Retained Balance attributable to the Mortgage Portfolio in each of the Paris Collection Account or the Java Collection Accounts will be payable to or for the account of the Beneficial Title Transferee as soon as reasonably practicable following the Risk Retention Regulatory Change Completion Date.

STATISTICAL INFORMATION ON THE PROVISIONAL MORTGAGE PORTFOLIO

The statistical and other information contained in this section has been compiled by reference to the Provisional Mortgage Portfolio of €619,927,173 as at 31 December 2018 (the "**Provisional Cut-off Date**").

The Mortgage Portfolio of €616,730,597.24 as at the Cut-off Date was determined on or prior to such date by the Seller in accordance with the procedures as described in "*The Mortgage Portfolio*" above.

The information contained in this section has not been updated to reflect any decrease in the size of the Mortgage Portfolio from that of the Provisional Mortgage Portfolio. The composition of the Mortgage Portfolio may differ from that of the Provisional Mortgage Portfolio on account of the exclusion of Mortgage Loans which have been redeemed in full in the period from the Provisional Cut-Off Date to the Cut-Off Date.

Except as otherwise indicated, these tables have been prepared using the Current Balance as at the Provisional Cut-off Date. Columns may not add up to the total due to rounding. As of the Provisional Cut-off Date, the Provisional Mortgage Portfolio had the following characteristics:

Overview

Total Current Balance	€ 619,927,173
Total No. Mortgage Loans	2,682

Overview Loans

Average Mortgage Loan Balance	€ 231,144
Min Loan Balance	€ 4
Max Loan Balance	€ 2,563,972
WA Original LTV	72.20%
WA Indexed CLTV	72.35%
WA Seasoning (in years)	12.26
WA Remaining Term (in years)	16.20
Weighted Average Coupon	2.11%
Interest Only Mortgage Loans	45.76%
Buy to Let Mortgage Loans	4.65%
MIA>3	7.62%
MIA>1	11.09%

1. Originators of Mortgage Loans

The following table shows the outstanding Current Balances of Mortgage Loans in the Provisional Mortgage Portfolio originated by each of the relevant Originators as at the Provisional Cut-Off Date.

Originator	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Nua	23,266,792	3.8 %	123	4.6 %
Start	180,830,425	29.2 %	954	35.6 %
Bank of Scotland	415,829,957	67.1 %	1,605	59.8 %
Total	619,927,173	100 %	2,682	100 %

2. Current Balances of Mortgage Loans

The following table shows the range of outstanding Current Balances of Mortgage Loans in the Provisional Mortgage Portfolio as at the Provisional Cut-Off Date.

As at the Provisional Cut-Off Date, in relation to the Mortgage Loans in the Provisional Mortgage Portfolio, the minimum current mortgage loan balance was €4; the maximum current mortgage loan balance was €2,563,972 and the average current mortgage loan balance was €231,144.

Current Balance (€)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=100,000	31,172,152	5.0 %	499	18.6 %
>100,000 to <=200,000	148,232,067	23.9 %	981	36.6 %

Current Balance (€)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
>200,000 to <=300,000	169,264,207	27.3 %	696	26.0 %
>300,000 to <=400,000	86,774,304	14.0 %	253	9.4 %
>400,000 to <=500,000	40,878,166	6.6 %	92	3.4 %
>500,000 to <=600,000	26,189,448	4.2 %	48	1.8 %
>600,000 to <=700,000	18,583,298	3.0 %	29	1.1 %
>700,000 to <=800,000	14,275,544	2.3 %	19	0.7 %
>800,000 to <=900,000	10,098,820	1.6 %	12	0.4 %
>900,000 to <=1,000,000	7,584,786	1.2 %	8	0.3 %
>1,000,000 to <=2,000,000	54,677,172	8.8 %	40	1.5 %
>2,000,000 to <=3,000,000	12,197,210	2.0 %	5	0.2 %
Total:	619,927,173	100 %	2,682	100 %

3. Original LTV

The following table shows the range of original LTV ratios, which are calculated by dividing the Current Balance of a Mortgage Loan as at the relevant date of origination by the original valuation of the Property relating to such Mortgage Loan as at the same date. The figures in the following table have been calculated on the basis of the number of Mortgage Loans in the Provisional Mortgage Portfolio.

Original LTV	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=20.00%	3,739,324	0.6 %	43	1.6 %
>20.00% to <=40.00%	42,062,225	6.8 %	304	11.3 %
>40.00% to <=60.00%	137,724,876	22.2 %	678	25.3 %
>60.00% to <=80.00%	224,164,115	36.2 %	876	32.7 %
>80.00% to <=100.00%	177,106,375	28.6 %	689	25.7 %
>100.00% to <=120.00%	18,139,400	2.9 %	60	2.2 %
>120.00%	16,990,859	2.7 %	32	1.2 %
Total:	619,927,173	100 %	2,682	100 %

4. Current LTV (Indexed)

The following table shows the range of indexed current LTV ratios, which are calculated by dividing the Current Balance of a Mortgage Loan as at the Provisional Cut-off Date by the indexed original valuation of the Property relating to such Mortgage Loan as at the same date. The figures in the following table have been calculated on the basis of the number of Mortgage Loans in the Provisional Mortgage Portfolio.

Current LTV (Indexed)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=20.00%	15,525,693	2.5 %	231	8.6 %
>20.00% to <=40.00%	50,815,027	8.2 %	405	15.1 %
>40.00% to <=60.00%	112,922,349	18.2 %	531	19.8 %
>60.00% to <=80.00%	198,941,312	32.1 %	668	24.9 %
>80.00% to <=100.00%	168,005,967	27.1 %	620	23.1 %
>100.00% to <=120.00%	61,154,152	9.9 %	198	7.4 %
>120.00%	12,562,673	2.0 %	29	1.1 %
Total:	619,927,173	100 %	2,682	100 %

5. Property Original Valuation - Allocated Real Estate values

The following table shows the range of original valuations of the Properties in the Provisional Mortgage Portfolio as at the date of origination of the relevant Mortgage Loan.

Original Value - Allocated RE (€)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=100,000	355,207	0.1 %	6	0.2 %
>100,000 to <=200,000	30,792,343	5.0 %	320	11.9 %
>200,000 to <=300,000	105,755,509	17.1 %	702	26.2 %
>300,000 to <=400,000	149,923,111	24.2 %	762	28.4 %

Original Value - Allocated RE (€)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
>400,000 to <=500,000	83,706,981	13.5 %	362	13.5 %
>500,000 to <=600,000	46,050,300	7.4 %	150	5.6 %
>600,000 to <=700,000	36,985,683	6.0 %	113	4.2 %
>700,000 to <=800,000	27,270,984	4.4 %	67	2.5 %
>800,000 to <=900,000	23,390,061	3.8 %	60	2.2 %
>900,000 to <=1,000,000	21,509,385	3.5 %	43	1.6 %
>1,000,000 to <=2,000,000	59,257,202	9.6 %	71	2.6 %
>2,000,000 to <=3,000,000	21,413,929	3.5 %	18	0.7 %
>3,000,000 to <=4,000,000	9,332,011	1.5 %	6	0.2 %
>4,000,000 to <=5,000,000	-	0.0 %	-	0.0 %
>5,000,000	4,184,468	0.7 %	2	0.1 %
Total:	619,927,173	100 %	2,682	100 %

6. Property Indexed Valuation - Allocated Real Estate values

The following table shows the range of indexed valuations of the Properties in the Provisional Mortgage Portfolio as at the Provisional Cut-Off Date.

Indexed Value – Allocated RE (€)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=100,000	903,458	0.1 %	11	0.4 %
>100,000 to <=200,000	54,938,414	8.9 %	440	16.4 %
>200,000 to <=300,000	149,180,790	24.1 %	881	32.8 %
>300,000 to <=400,000	121,625,241	19.6 %	608	22.7 %
>400,000 to <=500,000	58,891,127	9.5 %	250	9.3 %
>500,000 to <=600,000	46,279,246	7.5 %	162	6.0 %
>600,000 to <=700,000	31,216,598	5.0 %	93	3.5 %
>700,000 to <=800,000	27,571,113	4.4 %	71	2.6 %
>800,000 to <=900,000	15,939,564	2.6 %	34	1.3 %
>900,000 to <=1,000,000	15,542,519	2.5 %	29	1.1 %
>1,000,000 to <=2,000,000	60,915,346	9.8 %	76	2.8 %
>2,000,000 to <=3,000,000	15,864,720	2.6 %	16	0.6 %
>3,000,000 to <=4,000,000	14,409,324	2.3 %	8	0.3 %
>4,000,000 to <=5,000,000	5,029,217	0.8 %	2	0.1 %
>5,000,000	1,620,496	0.3 %	1	0.0 %
Total:	619,927,173	100 %	2,682	100 %

7. Repayment Terms

The following table shows the repayment terms for the Mortgage Loans in the Provisional Mortgage Portfolio as at the Provisional Cut-off Date. For a description of the various repayment terms the Seller offer, see "*The Mortgage Loans - Characteristics of the Provisional Mortgage Portfolio*". The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Repayment Method	Total Current Balance (€)	% Total Current Balance	Number of % Loans	Number of Loans
Annuity	336,257,446	54.2 %	1,908	71.1 %
Interest Only	281,384,967	45.4 %	770	28.7 %
Part and Part	2,284,761	0.4 %	4	0.1 %
Total:	619,927,173	100 %	2,682	100 %

8. Interest Rate Type

The following table shows the interest rate type of Mortgage Loans in the Provisional Mortgage Portfolio as at the Provisional Cut-off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Interest Rate Index	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Fixed Rate	1,450,380	0.2 %	3	0.1 %

Interest Rate Index	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Variable Rate.....	203,682,334	32.9 %	1,075	40.1 %
Tracker.....	414,794,459	66.9 %	1,604	59.8 %
Total:	619,927,173	100 %	2,682	100 %

9. Seasoning of Mortgage Loans

The following table shows the number of months since the date of origination of the Mortgage Loans in the Provisional Mortgage Portfolio as at the Provisional Cut-off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Seasoning (in years)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
>7.00 to <=8.00.....	60,695	0.0 %	1	0.0 %
>8.00 to <=9.00.....	428,747	0.1 %	3	0.1 %
>9.00 to <=10.00.....	15,737,302	2.5 %	81	3.0 %
>10.00 to <=11.00.....	117,224,961	18.9 %	504	18.8 %
>11.00 to <=12.00.....	234,732,928	37.9 %	1,098	40.9 %
>12.00 to <=13.00.....	90,117,553	14.5 %	359	13.4 %
>13.00 to <=14.00.....	57,649,135	9.3 %	227	8.5 %
>14.00 to <=15.00.....	49,797,262	8.0 %	154	5.7 %
>15.00 to <=16.00.....	30,389,880	4.9 %	112	4.2 %
>16.00 to <=17.00.....	15,564,530	2.5 %	70	2.6 %
>17.00.....	8,224,180	1.3 %	73	2.7 %
Total:	619,927,173	100 %	2,682	100 %

In relation to the Mortgage Loans in the Provisional Mortgage Portfolio, the weighted average seasoning was 12.26 years.

10. Years to Maturity

The following table shows the number of years until the maturity of the Mortgage Loans in the Provisional Mortgage Portfolio. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Years to Maturity	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=2.00.....	24,300,143	3.9 %	71	2.6 %
>2.00 to <=4.00.....	21,536,619	3.5 %	101	3.8 %
>4.00 to <=6.00.....	34,694,253	5.6 %	148	5.5 %
>6.00 to <=8.00.....	44,384,307	7.2 %	198	7.4 %
>8.00 to <=10.00.....	47,634,183	7.7 %	217	8.1 %
>10.00 to <=12.00.....	38,396,241	6.2 %	177	6.6 %
>12.00 to <=14.00.....	48,704,666	7.9 %	212	7.9 %
>14.00 to <=16.00.....	44,363,669	7.2 %	201	7.5 %
>16.00 to <=18.00.....	44,318,838	7.1 %	176	6.6 %
>18.00 to <=20.00.....	58,653,599	9.5 %	256	9.5 %
>20.00 to <=22.00.....	32,570,675	5.3 %	142	5.3 %
>22.00 to <=24.00.....	51,437,169	8.3 %	223	8.3 %
>24.00 to <=26.00.....	37,722,660	6.1 %	156	5.8 %
>26.00 to <=28.00.....	20,491,937	3.3 %	89	3.3 %
>28.00 to <=30.00.....	67,286,329	10.9 %	301	11.2 %
>30.00 to <=32.00.....	2,511,499	0.4 %	10	0.4 %
>32.00 to <=34.00.....	297,105	0.0 %	1	0.0 %
>34.00 to <=36.00.....	623,283	0.1 %	3	0.1 %
Total:	619,927,173	100 %	2,682	100 %

11. Current Interest Rate

The following table shows the current interest rate in respect of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Current Interest Rate	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
0.00%	1,450,380	0.2 %	3	0.1 %
>0.00% to <=1.00%	182,775,057	29.5 %	706	26.3 %
>1.00% to <=1.50%	220,631,995	35.6 %	848	31.6 %
>1.50% to <=2.00%	5,355,171	0.9 %	24	0.9 %
>2.00% to <=2.50%	4,258,571	0.7 %	18	0.7 %
>2.50% to <=3.00%	45,466,301	7.3 %	231	8.6 %
>3.00% to <=3.50%	24,591,294	4.0 %	115	4.3 %
>3.50% to <=4.00%	43,406,419	7.0 %	225	8.4 %
>4.00% to <=4.50%	34,237,679	5.5 %	198	7.4 %
>4.50% to <=5.00%	28,292,127	4.6 %	160	6.0 %
>5.00% to <=5.50%	13,644,239	2.2 %	74	2.8 %
>5.50% to <=6.00%	10,880,445	1.8 %	54	2.0 %
>6.00%	4,937,497	0.8 %	26	1.0 %
Total:	619,927,173	100 %	2,682	100 %

12. Arrears Status

The following table shows the number of months for which the Mortgage Loans in the Provisional Mortgage Portfolio have been in arrears as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Months in arrears	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=0.00	498,411,596	80.4 %	2,136	79.6 %
>0.00 to <=1.00	52,784,222	8.5 %	229	8.5 %
>1.00 to <=2.00	13,330,919	2.2 %	61	2.3 %
>2.00 to <=3.00	8,188,801	1.3 %	44	1.6 %
>3.00	47,211,635	7.6 %	212	7.9 %
Total:	619,927,173	100 %	2,682	100 %

13. Occupancy Type

The following table shows the distribution of Owner Occupied Mortgage Loans and Buy to Let Mortgage Loans as at the relevant date of origination in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Occupancy Type	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Buy to Let	28,832,558	4.7 %	126	4.7 %
Owner Occupied	591,094,615	95.3 %	2,556	95.3 %
Total:	619,927,173	100 %	2,682	100 %

14. Mortgage Type

The following table shows the distribution of purchase Mortgage Loans and remortgage Mortgage Loans as at the relevant date of origination in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Mortgage Type	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Purchase	280,032,787	45.2 %	1,146	42.7 %

Mortgage Type	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Remortgage	339,894,387	54.8 %	1,536	57.3 %
Total:	619,927,173	100 %	2,682	100 %

15. First Time Buyer

The following table shows the distribution of first time buyers as at origination among the Borrowers of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

First Time Buyer	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
N	597,587,909	96.4 %	2,563	95.6 %
Y	22,339,264	3.6 %	119	4.4 %
Total:	619,927,173	100 %	2,682	100 %

16. Employment Status

The following table shows the employment status of the Borrowers as at origination of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Employment Status	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Employed	84,535,281	13.6 %	495	18.5 %
Self Employed	114,878,503	18.5 %	551	20.5 %
Pensioner	122,896	0.0 %	1	0.0 %
Unknown	420,390,493	67.8 %	1,635	61.0 %
Total:	619,927,173	100 %	2,682	100 %

17. Pay Rate (Six Month Average Pay Rate)

The following table shows the Six Month Average Pay Rate in respect of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Six Month Average Pay Rate	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
0.00%	6,943,260	1.1 %	28	1.0 %
>0.00% to <20.00%	6,173,234	1.0 %	26	1.0 %
>20.00% to <40.00%	8,319,992	1.3 %	34	1.3 %
>40.00% to <60.00%	11,023,205	1.8 %	54	2.0 %
>60.00% to <80.00%	13,629,233	2.2 %	71	2.6 %
>80.00% to <100.00%	380,108,079	61.3 %	1,577	58.8 %
>100.00% to <120.00%	158,941,828	25.6 %	750	28.0 %
>120.00% to <140.00%	17,468,291	2.8 %	76	2.8 %
>140.00% to <160.00%	5,151,420	0.8 %	21	0.8 %
>160.00% to <180.00%	1,716,300	0.3 %	8	0.3 %
>180.00% to <=200.00%	10,452,331	1.7 %	37	1.4 %
Total:	619,927,173	100 %	2,682	100 %

18. Latest Restructure Type

The following table shows the various restructuring actions taken in respect of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Latest Restructure Type	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Arrears Capitalisation	286,750,854	46.3 %	1,109	41.3 %
Full And Part Payment	30,339,807	4.9 %	148	5.5 %
Interest Only	6,768,876	1.1 %	33	1.2 %
IORR	1,553,681	0.3 %	10	0.4 %
Permanent IO	5,126,485	0.8 %	28	1.0 %
Rate Restructure	54,203,598	8.7 %	264	9.8 %
Reduced Payment Arrangement	18,590,853	3.0 %	109	4.1 %
Term / Rate Restructure	9,349,082	1.5 %	59	2.2 %
Term Extension	57,401,895	9.3 %	310	11.6 %
Unknown	431,041	0.1 %	1	0.0 %
Not Restructured	149,411,000	24.1 %	611	22.8 %
Total:	619,927,173	100 %	2,682	100 %

19. Latest Restructure Year

The following table shows the latest year in which a restructuring action has been taken in respect of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Provisional Cut-off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Latest Restructure Year	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
2007 to 2009	4,478,422	0.7 %	23	0.9 %
2010 to 2012	13,376,953	2.2 %	64	2.4 %
2013 to 2015	188,850,689	30.5 %	751	28.0 %
2016 to 2017	235,394,243	38.0 %	1,103	41.1 %
2018	28,415,868	4.6 %	130	4.8 %
No Restructure	149,411,000	24.1 %	611	22.8 %
Total:	619,927,173	100 %	2,682	100 %

20. Geographical Distribution of Properties

The following table shows the distribution of Properties securing the Mortgage Loans in the Provisional Mortgage Portfolio as at the Provisional Cut-off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Region	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Carlow	6,585,831	1.1 %	43	1.6 %
Cavan	7,701,959	1.2 %	41	1.5 %
Clare	11,830,686	1.9 %	62	2.3 %
Cork	39,600,803	6.4 %	200	7.5 %
Donegal	8,768,419	1.4 %	56	2.1 %
Dublin	249,522,435	40.3 %	836	31.2 %
Galway	29,924,700	4.8 %	132	4.9 %
Kerry	6,503,878	1.0 %	29	1.1 %
Kildare	42,486,867	6.9 %	173	6.5 %
Kilkenny	11,670,654	1.9 %	56	2.1 %
Laois	10,500,100	1.7 %	55	2.1 %
Leitrim	2,127,877	0.3 %	10	0.4 %
Limerick	13,055,880	2.1 %	87	3.2 %
Longford	3,244,828	0.5 %	23	0.9 %
Louth	12,605,366	2.0 %	67	2.5 %
Mayo	8,525,537	1.4 %	52	1.9 %
Meath	40,387,022	6.5 %	168	6.3 %
Monaghan	4,885,659	0.8 %	25	0.9 %
Offaly	11,319,212	1.8 %	66	2.5 %
Roscommon	5,199,736	0.8 %	31	1.2 %
Sligo	3,106,218	0.5 %	18	0.7 %
Tipperary	15,560,749	2.5 %	98	3.7 %
Waterford	10,023,710	1.6 %	55	2.1 %
Westmeath	8,242,834	1.3 %	51	1.9 %
Wexford	26,161,961	4.2 %	134	5.0 %
Wicklow	26,379,982	4.3 %	94	3.5 %

Region	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Unknown	4,004,271	0.6 %	20	0.7 %
Total:	619,927,173	100 %	2,682	100 %

21. Type of Properties

The following table show information in relation to the type of Properties securing the Mortgage Loans in the Provisional Mortgage Portfolio as at the Provisional Cut-off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Type of Property	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Detached / Semi Detached	442,740,262	71.4 %	1,790	66.7 %
Flat	24,563,733	4.0 %	96	3.6 %
Bungalow.....	50,993,112	8.2 %	283	10.6 %
Terraced.....	96,542,192	15.6 %	494	18.4 %
Commercial	2,111,631	0.3 %	7	0.3 %
Other	1,032,974	0.2 %	6	0.2 %
Unknown	1,943,269	0.3 %	6	0.2 %
Total:	619,927,173	100 %	2,682	100 %

22. Months Current

The following table shows the number of months since the Mortgage Loans in the Provisional Mortgage Portfolio have fallen in arrears as at the Provisional Cut-off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Months Current	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=0.00.....	78,351,922	12.6 %	355	13.2 %
>0.00 to <=3.00.....	25,214,634	4.1 %	100	3.7 %
>3.00 to <=6.00.....	11,691,803	1.9 %	57	2.1 %
>6.00 to <=12.00.....	28,830,201	4.7 %	130	4.8 %
>12.00 to <24.00.....	65,262,556	10.5 %	324	12.1 %
>24.00.....	360,960,374	58.2 %	1,459	54.4 %
Never in arrears since September 2011	49,615,682	8.0 %	257	9.6 %
Total:	619,927,173	100 %	2,682	100 %

23. Income Verification

The following table shows the number Self-Certified Loans and Verified Loans as at origination in the Provisional Mortgage Portfolio as at the Provisional Cut-off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Income Verification for Primary Income	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Verified.....	528,877,772	85.3 %	2,253	84.0 %
Self-Certified.....	91,049,401	14.7 %	429	16.0 %
Total:	619,927,173	100 %	2,682	100 %

THE ADMINISTRATION AGREEMENT

Introduction

The Issuer, the Legal Title Holder, the Trustee, the Administrator and the Issuer Administration Consultant will enter into the administration agreement on or about the Closing Date (the "**Administration Agreement**").

Appointment of the Administrator

On the Closing Date, Start Mortgages DAC (in such capacity, the "**Administrator**") will be appointed by the Issuer and the Legal Title Holder under the Administration Agreement as its agent to administer the Mortgage Assets. Pursuant to the Administration Agreement, the Administrator will undertake to manage, administer, collect and recover, in the name and on behalf of the Issuer, the Mortgage Assets in accordance with:

- (a) the standards of a Prudent Mortgage Administrator;
- (b) the terms and conditions of the Administration Agreement (including the Schedules);
- (c) the relevant Service Specification;
- (d) Applicable Law or Regulation;
- (e) the CoB Requirements;
- (f) Good Industry Practice;
- (g) any Alternative Resolution strategies taken in relation to any particular Mortgage Assets; and
- (h) subject to the Administration Agreement, the outcome of any consultation with the Issuer Administration Consultant.

Following the service of an Enforcement Notice by the Trustee, the Administrator will, instead of complying the instructions of the Issuer, will comply with the instructions given by the Trustee.

"**Alternative Resolution**" means a resolution, following consultation with the Issuer Administration Consultant, in respect of an Asset or a Property (as the case may be) pursuant to:

- (a) a Mortgage-to-Rent Arrangement;
- (b) an Assisted Voluntary Sale;
- (c) a Voluntary Surrender;
- (d) the identification and execution of any other approved asset resolution strategy in consultation with the Issuer Administration Consultant (which for the avoidance of doubt may include a partial write-off or suspension of amounts payable under the relevant Mortgage Loan);

"**Assisted Voluntary Sale**" means the sale of a Property by a Borrower with the assistance of the Administrator, acting following consultation with the Issuer Administration Consultant whereby after such sale, the Borrower may remain liable to the Issuer for any amounts outstanding pursuant to their Mortgage Loan(s);

"**Mortgage-to-Rent Arrangement**" means an arrangement whereby a Borrower voluntarily surrenders possession of a Property to the Legal Title Holder and the Property is sold by the Administrator (in consultation with the Issuer Administration Consultant) to a third party, following which the Borrower will become a tenant of the third party, with any shortfall in respect of the Borrower's Mortgage Loan(s) after that sale either being written off or remaining outstanding on new terms following consultation between the Administrator and the Issuer Administration Consultant;

"Voluntary Surrender" means where a Borrower voluntarily surrenders its Property to the Legal Title Holder (which may be assisted by the Administrator, following consultation with the Issuer Administration Consultant;

Interaction of the Administrator with the Issuer Administration Consultant

The Issuer has appointed the Issuer Administration Consultant to provide consulting services in respect of the Mortgage Portfolio pursuant to the Asset Management Consulting Agreement and the Issuer Administration Consultant, acting as consultant to the Issuer, shall be the primary contact for the Administrator. Until receipt by the Administrator of written notice from the Issuer to the contrary and other than as to the specified circumstances set out in the Administration Agreement, the Administrator shall in respect of certain actions under the Administration Agreement be required to consult with the Issuer Administration Consultant prior to taking such action.

The Administrator shall meet with the Issuer Administration Consultant monthly at which time the Administrator will report to the Issuer Administration Consultant on the performance of its duties under the Administration Agreement (the **"Administration Meetings"**).

The Administrator acknowledges and agrees that the Servicing Advisor will also attend the Administrator Meeting quarterly at which time the Administrator will also report to the Servicing Advisor on the performance of its duties under the Administration Agreement.

Further information on the Asset Management Consulting Agreement are set out in the section headed *"The Issuer Administration Consultant"* below.

Services to be performed in respect of Mortgage Assets

Management, administration and enforcement of mortgages

- (a) The Administrator will provide to and for the Issuer, in respect of the Mortgage Portfolio, Services subject to and in accordance with the provisions of the Administration Agreement.
- (b) In performing its obligations under the Administration Agreement and in managing or administering the Mortgage Portfolio, the Administrator will observe and meet the requirements of Applicable Law or Regulation, the CoB Requirements, Good Industry Practice and the standards of a Prudent Mortgage Administrator.
- (c) The Administrator will, from time to time, at its own cost make such modifications to the Services necessary to comply with mandatory legislative or regulatory requirements. The Administrator will effect the necessary modifications to the Services and will consult with the Issuer Administration Consultant as soon as reasonably practicable but in any event in time to comply with any statutory or regulatory timings.
- (d) Subject to the Administration Agreement, the Administrator will, in relation to any default by a relevant Borrower under or in connection with a Mortgage Asset, comply with the Service Specifications.
- (e) The Issuer will acknowledge and agree that, subject to the terms of the Administration Agreement, the Administrator shall only comply with or take action under the Service Specifications, in each case in respect of activities comprised with or forming part of special management servicing, after it has become aware of a default by a Borrower under or in connection with a Mortgage Asset.
- (f) The Administrator, the Legal Title Holder and the Issuer have agreed in the Administration Agreement that:
 - (i) the Administrator will service the Mortgage Loans in accordance with the Service Specifications, **provided that** if an Alternative Resolution is being taken in relation to any Mortgage Loan, the Administrator will, following consultation with the Issuer Administration Consultant propose, negotiate and, where possible, execute such Alternative Resolution with the relevant Borrower; and

- (ii) the Administrator shall act in accordance with the standards of a Prudent Mortgage Administrator.
- (g) The Administrator shall not take any Consulting Action without having first consulted with the Issuer Administration Consultant. The Administrator shall give the Issuer Administration Consultant seven (7) days' prior notice (in writing or by e-mail) of all anticipated Consulting Actions for the week commencing seven (7) days after receipt of such notice (the "**Weekly Consulting Notice**"). Each Weekly Consulting Notice shall include:
 - (i) sufficient information to provide the Issuer Administration Consultant with sufficient factual background to such Consulting Action; and
 - (ii) a recommendation from the Administrator in relation to such action.

Following a consultation with the Issuer Administration Consultant, the Administrator will not be required to take any action which would require the Administrator to act other than in accordance with Good Industry Practice or the standards of a Prudent Mortgage Administrator.

Setting of Discretionary Rates on Mortgage Loans

Under the Administration Agreement the Administrator has been granted full right, liberty and authority from time to time, in accordance with the relevant Mortgage Conditions and on behalf of the Legal Title Holder and following consultation with the Issuer Administration Consultant to determine and set, in relation to the Mortgage Loans, the variable rates and any other discretionary rates or margins applicable in relation to the Mortgage Loans, **provided that**, subject to the relevant Mortgage Conditions, Applicable Law or Regulation and any agreement or compromise between the Administrator and a relevant Borrower as further described in the paragraph below, such variable rate will be set at a rate at least equal to the one month EURIBOR rate at that interest determination date plus 2.50 per cent ("**Variable Rate Floor**").

The Administrator shall not change the relevant variable rate nor any other discretionary rate or otherwise introduce a new additional variable rate in relation to any Mortgage Loans in the Mortgage Portfolio save in accordance with the Mortgage Conditions and Applicable Law or Regulation and further shall not reduce the variable rates or any other discretionary rates or margins applicable in relation to the Mortgage Loans without first consulting with the Issuer Administration Consultant and the Legal Title Holder. Any introduction of a new variable rate or any variation in the variable rate or any other discretionary rate or margin from time to time, shall not limit or affect any agreement or compromise that has been agreed between the Administrator and a relevant Borrower in relation to the management of arrears or enforcement in relation to a Mortgage Loan (including but not limited to any restructuring in relation to such Mortgage Loan) and shall not affect any agreement with a Borrower in relation to the amount to be paid in respect of past or future interest.

The Administrator will take the steps rendered necessary by the relevant Mortgage Conditions and Applicable Law or Regulation to bring any change in the variable rate or other discretionary rate or rates of interest to the attention of the relevant Borrowers, whether such change results from a change in the variable rate or relevant discretionary rate in relation to a Mortgage Loan, the introduction of any new variable rate or other discretionary rate or any other provisions of the Mortgage Conditions. Any change in the variable rate or other discretionary rate or the introduction of any new discretionary rate in relation to a Mortgage Loan shall be notified by the Administrator in writing to the Issuer and the Legal Title Holder as soon as reasonably practicable and the Legal Title Holder shall, as soon as reasonably practicable thereafter, notify the relevant Borrowers of any changes in the amount which the relevant Mortgage Conditions require a Borrower to pay on each Monthly Payment Date in respect of that Borrower's Mortgage Loan ("**Monthly Payments**") in relation to the relevant Mortgage Loans. The Administrator shall bear and be responsible for all costs arising in relation to such a notification of a change in such rate or rates of interest or in such margin or Monthly Payments in relation to the relevant Mortgage Loans.

"**ASU Policy & Procedures**" means the Arrears Support Unit Procedures of Start Mortgages DAC, a copy of which as of the Closing Date is set out in Schedule 1 of the Administration Agreement (as updated from time to time).

"CoB Requirements" means:

- (a) the Code of Conduct on Mortgage Arrears 2013, the Consumer Protection Code 2012 and the Central Bank (Supervision and Enforcement Act 2015) (Section 118) and the Lending to Small and Medium-Sized Enterprises Regulations 2015;
- (b) the Consumer Credit Act 1995 (as amended) of Ireland;
- (c) the Central Bank Act 1997 (as amended); and
- (d) any other statutes, statutory instruments, orders, rules, regulations, common law or law of equity, court orders, judgments or decrees, codes of practice, regulatory policies and guidelines (whether or not having the force of law) of general application, and in force from time to time, in Ireland,

as the same may be amended, replaced or supplemented from time to time, to the extent, in each case, as would apply in relation to the Mortgage Loans or, in accordance with market practice, typically be observed in relation to the Mortgage Loans by a Prudent Mortgage Administrator if the Legal Title Holder or the Issuer, as applicable, was a regulated financial services provider or otherwise subject to regulation under, and the terms of, such requirements, regardless of whether or not the Legal Title Holder and/or the Issuer, as applicable, is in fact so subject, but for the avoidance of doubt, in the case of any such potential observation in respect of the Issuer, only as to such requirements that could or can be applied to or in respect of an entity that is not a regulated financial services provider or otherwise so subject to regulation;

"Consulting Action" means any action to be taken by the Administrator, or any obligation to be incurred by the Administrator, on the Issuer's and/or the Legal Title Holder's behalf (including but not limited to additional costs and expenses), which:

- (a) requires the Administrator to consult with the Issuer Administration Consultant prior to taking such action pursuant to the Administration Agreement or the Service Specification; or
- (b) is not set out in the Service Specification.

"Mortgage Conditions" means the mortgage and lending conditions forming part of the Standard Documentation, applicable from time to time.

"Mortgage Documents" means the applicable loan agreements, mortgage deeds and other agreements and documents evidencing each of the Mortgage Assets.

"Monthly Administrator Report" means the report to be delivered by the Administrator to the Cash Manager substantially in the form scheduled to the Administration Agreement and which will contain sufficient information to enable the Cash Manager to prepare the Monthly Investor Report.

"Services" means the management servicing services provided pursuant to the Service Specification.

"Service Specification" means the specifications of services set out in the ASU Policy & Procedures.

Records

The Administrator shall keep and maintain Records, on a Mortgage Loan by Mortgage Loan basis, on a computer system (where electronically available), for the purposes of identifying amounts paid by each Borrower, any amount due by a Borrower, and the balance from time to time outstanding on a Borrower's account, and such other records as are required by the Service Specification, **provided that**, at all times the Administrator shall keep and identify separately all Records and amounts, including:

- (a) all monies received or paid by the Administrator in respect of the Assets or otherwise on behalf of the Issuer into the relevant Collection Accounts;
- (b) all Title Deeds;
- (c) all Mortgage Documents; and
- (d) any other Records whatever, including information stored electronically, in respect of the Mortgage Assets.

"Legal Title Holder Account Bank" means Allied Irish Bank (in relation to the Paris Collection Account and the Java Collection Accounts) or such other bank account provider as may be agreed between the Legal Title Holder and the Administrator.

"Records" means books of account, statements, transaction slips and vouchers, file notes, commentaries, financial and management reports and files related to the Mortgage Loans or relating to the Services to be kept by the Administrator whether electronically (and in such case in machine-readable form and format) or otherwise.

"Title Deeds" means the deeds of title and ancillary documents relating to the Mortgage Loans.

Operation of Accounts

The Administrator shall procure that all amounts recovered under or in connection with the Mortgage Assets (other than amounts paid directly into the Paris Collection Account or the Java Collection Accounts by direct debit) shall promptly upon receipt be paid into the Paris Collection Account or the Java Collection Accounts, as applicable.

The Issuer Administration Consultant (on behalf of the Legal Title Holder) shall procure that the Issuer's Collection Portion represented by an aggregate daily amount equal to the Daily Euro Mortgage Loan Amount is credited to the Transaction Account on the Business Day following the Business Day on which such amounts are received in the Paris Collection Account or the Java Collection Accounts.

Compliance with Securitisation Regulations

The Issuer has been appointed as the designated entity under Article 7(2) of the Securitisation Regulation. Further to the Issuer's obligations under Article 7 of the Securitisation Regulation, the Issuer has appointed the Administrator to deliver certain information to the Cash Manager which will assist in the Issuer's compliance of such obligations.

Further to the Administrator's obligations described above, the Administrator shall deliver to the Cash Manager by no later than 10.00 a.m. on the sixth Business Day immediately preceding each Quarterly Reporting Date loan-by-loan information in a Quarterly Administrator Data Tape in relation to the Mortgage Portfolio in respect of each Quarterly Calculation Period.

The Issuer Administration Consultant will monitor if ESMA or any relevant regulatory or competent authority publishes or amends any required reporting templates under the Securitisation Regulation and will notify the Administrator and the Issuer if any such change occurs. Upon such notification, the Administrator will consult with the Cash Manager and the Administrator will use all reasonable endeavours to amend the format of the Quarterly Administrator Data Tape and thereafter include such additional and/or amended information as required to enable the Cash Manager to make available and publish the relevant reports under the Cash Management Agreement. The Issuer will reimburse the Administrator for any reasonably incurred costs by the Administrator, in amending the format of any reports it is required to provide to the Cash Manager and in fulfilling any additional reporting obligations arising as a result.

"Quarterly Administrator Data Tape" means a report prepared by the Administrator substantially in the form scheduled to the Administration Agreement.

Sub-contracting and Delegation

Subject to certain conditions, the Administrator may, with the prior written consent of the Legal Title Holder and the Issuer Administration Consultant sub-contract or delegate the performance of all or any of its powers and obligations under the Administration Agreement. The acts and omissions of any such sub-contractor shall be treated as the acts and omission of the Administrator for the purposes of the Administration Agreement and the Administrator shall remain liable for the acts and omissions of such subcontractor. An obligation on the Administrator to do, or to refrain from doing, any act or thing shall include an obligation upon the Administrator to procure that its employees, staff, agents and any such sub-contractor's employees, staff and agents also do, or refrain from doing, such act or thing. None of the Legal Title Holder, the Issuer or the Trustee shall have any obligation in respect of any fees or expenses payable to such subcontractor or arising from the entering into, the amendment or the termination of any arrangement with such sub-contractor. Notwithstanding any sub-contract or delegation the Administrator shall not be released or discharged from any duty, obligation, or liability under the Administration

Agreement and shall remain responsible for the performance of the Services. Subject to satisfying the requirements set out in this paragraph, any sub-contract or delegation entered into by the Administrator and any appointment of Third Party Providers by the Legal Title Holder on or before the Closing Date is expressly permitted.

Remuneration of the Administrator

The Issuer shall pay to the Administrator for the Services a fee, which shall be calculated in relation to each Monthly Calculation Period, equal to 0.30 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period, the Base Fee.

The Base Fee will, immediately following the third anniversary of the Closing Date and on an annual basis thereafter, be subject to an increase in an amount equal to the amount by which the CPI has increased since the previous anniversary of the Closing Date subject to a cap of 2% per annum, the Administrator Indexed Fee.

The Administration Fee shall be calculated, in relation to each relevant Monthly Calculation Period, on the basis of the number of days elapsed in that Monthly Calculation Period and a three hundred and sixty-five (365) day year.

In addition to the Administration Fee, if, following a sale of the Mortgage Loans in the Mortgage Portfolio as a result of the exercise of the Call Option or the Risk Retention Regulatory Change Option the Administrator will cease to provide the Services with respect to such Mortgage Loans, the Exit Fee shall be payable to the Administrator on the Option Purchase Completion Date or the Risk Retention Regulatory Change Completion Date, as applicable.

"**Exit Fee**" means an amount equal to 0.1% of the Current Balance of the Mortgage Loans (as at the Monthly Calculation Date immediately prior to the Option Purchase Completion Date or the Risk Retention Regulatory Change Completion Date, as applicable) in respect of which the Administrator will cease to provide the Services following the Option Purchase Completion Date or the Risk Retention Regulatory Change Completion Date, as applicable.

Limit on Liability of the Administrator

Subject to the terms of the Administration Agreement and except in respect of:

- (a) the Administrator's fraud, Gross Negligence, or wilful misconduct in the performance of its obligations under the Administration Agreement; or
- (b) as to any sum for which the Administrator fails to account to the Issuer or the Legal Title Holder for which it holds or should hold on trust for the Issuer or the Legal Title Holder,

the liability of the Administrator arising out of or in connection with the Administration Agreement and/or any other Transaction Document, whether arising in contract, tort (including negligence) or otherwise shall be limited to the Administration Fee payable in respect of the Monthly Calculation Period in which the first claim giving rise to any such liability of the Administrator arose multiplied by 24 in aggregate.

"**Applicable Law or Regulation**" means all applicable statutes, statutory instruments, orders, rules, regulations, common law or law of equity, court orders, judgments or decrees, codes of practice, regulatory policies and guidelines (whether or not having the force of law) in force from time to time but, for the avoidance of doubt, in reference to the obligations of the Administrator under the Administration Agreement, shall not include any such items of or arising from any jurisdictions other than Ireland which may apply by virtue of the nature or structure of the Issuer, its direct or indirect equity holders or controllers, its holdings, management structure or similar items;

"**Good Industry Practice**" means generally accepted good practices in the residential mortgage administration industry (as applicable), using that degree of skill, care, diligence, prudence, foresight, efficiency and practice which would be expected from a leading service provider within that industry (as applicable).

"Gross Negligence" means any act, omission or other conduct of a party (the **"Defaulting Party"**) which falls below the level of care and skill that could reasonably be expected of a Prudent Mortgage Administrator, in circumstances where that act, conduct or omission (as applicable) also shows a voluntary, deliberate and / or manifestly careless or reckless disregard by the Defaulting Party of the interests of another Party (the **"Non-Defaulting Party"**) and could reasonably be expected to cause significant prejudice to the interests of the Non-Defaulting Party.

"Prudent Mortgage Administrator" means a prudent mortgage administration servicer that manages, administers and services mortgage loans in Ireland, in accordance with Applicable Law or Regulation, the CoB Requirements and Good Industry Practice;

"Third Party Provider" means any person (other than the Administrator and any sub-contractor of the Administrator) appointed by or on behalf of the Issuer and/or the Legal Title Holder, as applicable, from time to time at its sole discretion to perform services or undertake other activities in relation to the Administration Agreement or the Assets.

Split Mortgage Loans

Start Mortgages DAC does not offer Split Mortgage Loans except when required to do so under arrears management procedures.

One of the arrears management procedures that Start Mortgages DAC has established is a facility whereby, if directed by a Personal Insolvency Arrangement, a Borrower in arrears may be entitled to split their Mortgage Loan (any such Mortgage Loan, a **"Split Mortgage Loan"**). A Split Mortgage Loan is divided into two accounts with a view to reducing the relevant Borrower's monthly repayments. The relevant Mortgage Loan is split into (i) a portion of the principal balance on which interest continues to accrue and be charged to the relevant Borrower (the **"Main Mortgage Account"**) and (ii) a portion of the principal balance which is warehoused until the scheduled final repayment date of the relevant Mortgage Loan (the **"Warehoused Mortgage Account"**). Under a Split Mortgage Loan, the relevant Borrower is not required to repay the balance of the Warehoused Mortgage Account until the end of the mortgage term. This means that, with effect from the date that a Mortgage Loan becomes a Split Mortgage Loan, the relevant Borrower's monthly payments will be lower than they were prior to the split (and in line with what the Borrower can afford to pay over time). At the end of the mortgage term, the Borrower will owe the full outstanding balance of the Split Mortgage Loan (including the relevant Warehoused Mortgage Account).

The arrears management procedures permit discretion to be exercised by the appropriate officers of the Administrator in many circumstances. These same procedures (and if different, any arrears management procedures which may be required by a relevant mortgage indemnity insurer), as from time to time varied in accordance with the policies of a Prudent Mortgage Administrator, are required to be used by the Administrator in respect of arrears arising on the Mortgage Loans.

Amendment to the Administration Agreement

No amendment shall be made to the Administration Agreement unless the Servicing Advisor has given its written consent to the Issuer in relation to any proposed amendment (provided that the Servicing Advisor will not withhold consent where such modification is being made for the purposes of complying with the CSA 2018).

Termination of the appointment of the Administrator

Termination by Issuer or the Trustee

- (a) Either the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee or its nominee (after the delivery of an Enforcement Notice) may at once or at any time thereafter while any breach or event referred to below is continuing (each an **"Administrator Termination Event"**), by notice in writing to the Administrator, terminate the Administration Agreement with effect from the date (no earlier than the date of that notice) specified in that notice in the following circumstances:
 - (i) if the Administrator breaches an obligation under the Administration Agreement to pay any amount due to the Issuer and such breach continues unremedied for a period of twenty one Business Days after the date of receipt by the Administrator of written notice from the Issuer requiring the same to be remedied;

- (ii) if the Administrator breaches any other material covenant, obligation, representation or warranty under the Administration Agreement and the Administrator does not remedy that breach, if capable of remedy, within twenty Business Days after the date of receipt by the Administrator of written notice from the Issuer requiring the Administrator's non-compliance to be remedied;
- (iii) on the occurrence of an Insolvency Event in relation to the Administrator;
- (iv) on the occurrence of a Perfection Trigger Event;
- (v) if the Administrator ceases to carry on, or resolves to cease to carry on, the business of administering mortgage loans or ceases a substantial portion of such business;
- (vi) subject to the terms of the Administration Agreement, in the event of a loss by the Administrator of any regulatory licence or authorisation necessary for it to perform all or a material part of the Services in accordance with the Administration Agreement;
- (vii) subject to the terms of the Administration Agreement, any restriction is applied by a Regulator which would prevent the Administrator from complying with any of its material obligations under the Administration Agreement;
- (viii) if the Administrator commits any act or omission in the performance of the Services that constitutes fraud, wilful misconduct or Gross Negligence or the Administrator is found guilty of a criminal offence;
- (ix) if the Administrator fails to deliver a Monthly Administrator Report or a Quarterly Administrator Data Tape on three or more consecutive occasions; or
- (x) in the event of an Administrator Material Adverse Effect.

The Administrator shall promptly notify the Legal Title Holder, the Issuer, the Issuer Administration Consultant, the Servicing Advisor and Trustee in writing of the occurrence of an Insolvency Event in respect of the Administrator, the occurrence of an Administrator Termination Event or any event which had or could reasonably be expected to have an Administrator Material Adverse Effect.

Termination by the Administrator

Subject to the terms of the Administration Agreement, the Administration Agreement may be terminated by the Administrator upon the written notice of termination given by the Administrator to the Issuer, the Issuer Administration Consultant and the Servicing Advisor (with a copy to the Trustee) upon the occurrence of the following (each an "**Administrator Resignation Event**") at once or at any time thereafter:

- (a) a default is made by the Issuer in the payment of fees or any amounts owing to the Administrator under the Administration Agreement and such default continues unremedied by the Issuer for one month;
- (b) if the Issuer breaches any other material covenant or obligation under the Administration Agreement and either the Issuer does not remedy that breach, if capable of remedy, within twenty Business Days after the date of receipt by the Issuer of written notice from the Administrator requiring the Issuer's non-compliance to be remedied; or
- (c) the occurrence of an Insolvency Event in respect of the Issuer,

with effect from a date which shall be the later of (i) the date specified in the termination notice and (ii) the earlier of (x) the expiry of 120 days from the date on notice of termination has been given to the Issuer and the Trustee by the Administrator and (y) the appointment by the Issuer of a successor administrator.

Mutual termination

Illegality, licences and authorisation

The Administration Agreement may be terminated by any of the parties thereto upon giving 120 days' written notice to the other parties if reasonably practicable in the circumstances given the effective or

occurrence date of the event, and otherwise on such shorter notice period that is reasonably practicable under the circumstances, without further liability arising between the parties if a change of Applicable Law or Regulation or any CoB Requirements or other event outside the control of the parties has occurred which:

- (a) renders the performance of Administration Agreement or the Services (or any part thereof but only **provided that** such part of the Services is material to providing the Services) illegal;
- (b) causes the loss of all or any necessary regulatory authorisations, approvals, licences, consents and permissions necessary for the provision of the Services; or
- (c) requires the obtaining by any party to the Administration Agreement of new or additional regulatory authorisations, approvals, licences, consents and permissions or necessitates material alterations to the Services or the loan administration system of the Administrator, which requirement or necessity imposes a material financial and/or administrative burden on any such party,

and, as to any such items, the parties to the Administration Agreement, using reasonable commercial efforts, are unable to agree mutually acceptable terms in light of any such illegality or loss of licences or authorisations or any mutually acceptable resolution, accommodation, modification or work-around, in any case to avoid or address any such illegality or loss of licences or authorisations.

Requirement to appoint a successor administrator following termination

No termination of the appointment of the Administrator by the Issuer under the Administration Agreement will be effective until a successor administrator has been appointed in accordance with the terms of the Administration Agreement.

"Administrator Group" means the Administrator and its affiliates.

"Administrator Material Adverse Effect" means any event or circumstance (or series of events or circumstances) which arises or occurs and gives rise to a material adverse effect on:

- (a) the ability of the Administrator to perform and comply with its material obligations under the Administration Agreement (including, without limitation, payment obligations);
- (b) the business, operations or condition (financial or otherwise) of the Administrator;
- (c) the validity or enforceability of the material obligations of the Administrator under the Administration Agreement or the rights or remedies of the Issuer under the Administration Agreement; or
- (d) the ability of the Administrator to maintain the Dedicated Team and the staffing of it with sufficient personnel with the appropriate qualifications, skills and ability to deal with and perform the Services and proper training to conduct all activities in connection with the Services in compliance with the Administration Agreement, Applicable Law or Regulation, the CoB Requirements and Good Industry Practice.

"Affiliate" means in relation to any entity, any other entity directly or indirectly Controlling, Controlled by or under common Control with such entity.

"Control" means the ability to direct the affairs of a company and/or control the composition of the board of directors or equivalent body of that company and **"Controlling"** and **"Controlled"** shall be interpreted accordingly.

"Dedicated Team" means those employees of the Administrator assigned by it from time to time on a substantially full-time basis to provide the Services (including, for the avoidance of doubt, the team manager and any managers of, or comprised among, those employees).

Delegation to a Third Party Purchaser

In the event of a transfer of legal title in the Mortgage Loans to a third party purchaser (whether on the occurrence of a Perfection Trigger Event (other than a Perfection Trigger Event caused by the occurrence

of an Insolvency Event in relation to the Legal Title Holder), the exercise of the Call Option or the Risk Retention Regulatory Change Option or otherwise) the Administrator shall, in relation to any Mortgage Loan under which the relevant Mortgage Conditions require the continued involvement of Start Mortgages DAC as an administrator of such Mortgage Loan:

- (a) enter into such documentation as is necessary to delegate the exercise of all its powers, duties and discretions as administrator under the relevant Mortgage Loan (including, without limitation, those relating to the setting of interest rates and the handling of arrears in respect of such Mortgage Loans) to such third party purchaser;
- (b) procure in such documentation that such third party purchaser acknowledges the policies of Start Mortgages DAC in relation to arrears handling and interest rate setting; and
- (c) grant a power of attorney to such third party purchaser enabling such third party purchaser to exercise the powers which have been delegated to it.

The obligation of the Administrator to act as above will survive the termination of the Administration Agreement.

Governing law

The Administration Agreement and any non-contractual obligations arising out of or in connection with the Administration Agreement are governed by, and construed in accordance with Irish law.

THE ASSET MANAGEMENT CONSULTING AGREEMENT

The Issuer, the Legal Title Holder, the Trustee, the Issuer Administration Consultant and the Servicing Advisor will enter into the Asset Management Consulting Agreement on or about the Closing Date (the "**Asset Management Consulting Agreement**").

Appointment of the Issuer Administration Consultant

On the Closing Date, Hudson Advisors Ireland DAC (in such capacity, the "**Issuer Administration Consultant**") will be appointed by the Issuer under the Asset Management Consulting Agreement as its agent to provide certain consulting services in relation to the Mortgage Assets.

The Issuer Administration Consultant has authority in accordance with the provisions of the Asset Management Consulting Agreement to provide asset management consulting services (to include consulting with the Administrator) with respect to the Mortgage Assets (the "**Consulting Services**") (but see further the section entitled "*The Issuer Administration Consultant*"). The Issuer Administration Consultant will provide the Consulting Services on the terms, and subject to the conditions, of the Asset Management Consulting Agreement and in accordance with the Consulting Standard.

The Issuer Administration Consultant shall consult with the Administrator generally in relation to the services provided by the Administrator and in relation to the specific matters set out in the Administration Agreement in relation to which the Administrator is required to consult with the Issuer Administration Consultant.

"**Consulting Standard**" means the commercially reasonable care, skill and diligence with which prudent institutional commercial providers perform consulting services for assets comparable to the Mortgage Assets within a scope of services comparable to the Consulting Services.

Services of the Issuer Administration Consultant

The services to be provided by the Issuer Administration Consultant will include, without limitation:

- (a) acting as the primary contact for the Administrator under the Administration Agreement;
- (b) consulting with the Administrator generally in relation to the servicing of the portfolio and more specifically in relation to the Consulting Actions;
- (c) meeting the Administrator monthly (or at such other frequency as the Issuer Administration Consultant or any Sub-Consultant appointed pursuant to the Asset Management Consulting Agreement may reasonably request of the Administrator from time to time) to review the Administrator's delivery of the Services under the Administration Agreement;
- (d) meeting with the Administrator and the Servicing Advisor quarterly (or at such other frequency as the Servicing Advisor may reasonably request of the Issuer Administration Consultant from time to time) to review the Administrator's delivery of the Services under the Administration Agreement;
- (e) promptly inform the Servicing Advisor of any matters that are affecting or may affect the Administrator's performance of its obligations under the Administration Agreement in a material way, (including, insofar as it is actually aware of some, any such matter which is or it believes is likely to lead to an Administrator Termination Event);
- (f) at the discretion of the Issuer Administration Consultant (or as requested by the Servicing Advisor), requesting that the Administrator provides the Issuer, the Issuer Administration Consultant and any Sub-Consultant appointed pursuant to the Asset Management Consulting Agreement with further information regarding the Administrator and its operations reasonably required to confirm the ability of the Administrator to perform its obligations under the Administration Agreement and promptly forward any information received to the Servicing Advisor;
- (g) promptly forward to the Servicing Advisor any reports or information received (in writing) from the Administrator in relation to the Administrator's performance of its obligations under the Administration Agreement which the Issuer Administration Consultant believes to be material in the overall context of the servicing of the Mortgage Portfolio; and

- (h) deliver to the Cash Manager, to the extent it becomes aware, any information falling under Article 7(1)(f) or (g) of the Securitisation Regulation provided that the Issuer Administration Consultant will not be under any obligation to conduct any enquiries or investigations at any time to ascertain any such information nor to determine whether any information in its possession at any time falls under such Articles, nor to monitor the price at which any Class of Notes trades at any time.

The Issuer Administration Consultant shall on or promptly after the date of any Asset Management Sub Consulting Agreement inform the Administrator and the Servicing Advisor that it has, pursuant to such Asset Management Sub-Consulting Agreement, engaged, and duly authorised, a sub-monitor to act for it and on its behalf in respect of the Services (including, for the avoidance of doubt and without limitation, in respect of each of the actions referred to in paragraphs (a) to (d) above).

"Asset Management Sub-Consulting Agreement" means any asset management sub-consulting agreement (as amended and modified from time to time) entered into between the Issuer Administration Consultant and a Sub-Consultant.

"Sub-Consultant" means any sub-consultant appointed by the Issuer Administration Consultant pursuant to any Asset Management Sub-Consulting Agreement.

Remuneration of the Issuer Administration Consultant

The Issuer shall pay the Issuer Administration Consultant fees in respect of the performance of the Consulting Services in an amount of (i) 0.02 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period (the **"Senior Consulting Fee Amount"**) and (ii) 0.02 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period (the **"Junior Consulting Fee Amount"**), payable monthly in arrears on each Interest Payment Date in accordance with the applicable Priority of Payments.

Amendments to the Asset Management Consulting Agreement

No amendments shall be made to the Asset Management Consulting Agreement unless the Servicing Advisor has given written consent to the Issuer in relation to the proposed amendment (provided that the Servicing Advisor will not withhold consent where such modification is being made for the purposes of complying with the CSA 2018).

Termination of the Asset Management Consulting Agreement

Termination by the Issuer

The Issuer may terminate the Asset Management Consulting Agreement effective immediately if an Issuer Administration Consultant Termination Event has occurred and is continuing and the Issuer has delivered a written notice to the Issuer Administration Consultant specifically identifying the nature of the Issuer Administration Consultant Termination Event and setting forth the proposed date of termination (the **"Issuer Termination Effective Date"**). The Issuer Administration Consultant shall notify the Issuer and the Servicing Advisor promptly upon becoming aware of the occurrence of an Issuer Administration Consultant Termination Event.

Role of the Servicing Advisor following an Issuer Administration Consultant Termination Event

If the Servicing Advisor becomes aware of an Issuer Administration Consultant Termination Event, it shall inform the Issuer of such Issuer Administration Consultant Termination Event and shall have the right to make suggestions to the Issuer as to its preferred resolution of such Issuer Administration Consultant Termination Event.

Termination by the Issuer Administration Consultant

The Issuer Administration Consultant may terminate its appointment under the Asset Management Consulting Agreement by giving not less than 30 days' written notice to the Legal Title Holder, the Issuer, the Servicing Advisor and the Trustee or such shorter period as may be necessary to enable the Issuer Administration Consultant to comply with any applicable law or regulation.

The Issuer Administration Consultant may terminate the Asset Management Consulting Agreement effective immediately if an Issuer Termination Event has occurred and is continuing and the Issuer Administration Consultant has delivered a written notice to the Issuer and the Servicing Advisor specifically identifying the nature of the Issuer Termination Event and setting forth the proposed date of termination (the "**Issuer Administration Consultant Termination Effective Date**"). The Issuer shall notify the Issuer Administration Consultant promptly upon becoming aware of the occurrence of an Issuer Administration Consultant Termination Event.

"Issuer Administration Consultant Material Adverse Effect" means the occurrence of any circumstances pursuant to which the commercial or financial condition of the Issuer Administration Consultant has substantially deteriorated and which materially and adversely affects the ability of the Issuer Administration Consultant to perform its obligations under the Asset Management Consulting Agreement or any sub -consulting agreement

"Issuer Administration Consultant Termination Event" means any of the following events:

- (a) a default by the Issuer Administration Consultant with respect to the performance or observance of any of its material covenants or other obligations under the Asset Management Consulting Agreement, if such breach continues unremedied (if capable of being remedied) up to and including the date falling twenty (20) days after written notice of such breach is received by the Issuer Administration Consultant in accordance with the terms of the Asset Management Consulting Agreement;
- (b) any of the representations or warranties given by the Issuer Administration Consultant in the Asset Management Consulting Agreement is untrue and that misrepresentation or the matter to which that misrepresentation relates has had an Issuer Administration Consultant Material Adverse Effect and such default continues unremedied for a period of twenty (20) days after receipt by the Issuer Administration Consultant of written notice from the Issuer requiring the same to be remedied;
- (c) the Issuer Administration Consultant ceases or threatens to cease to carry on a substantial part of the present business operations which it now conducts, including the performance of the Consulting Services under the Asset Management Consulting Agreement (other than as set out in the Asset Management Consulting Agreement);
- (d) the occurrence of an Insolvency Event in respect of the Issuer Administration Consultant; or
- (e) the Issuer Administration Consultant commits any act or omission in the performance of the Consulting Services that constitutes fraud, wilful misconduct or gross negligence or the Issuer Administration Consultant is found guilty of a criminal offence is rendered against the Issuer Administration Consultant or any director or officer of the Issuer Administration Consultant in connection with the performance of the Consulting Services under the Asset Management Consulting Agreement.

"Issuer Material Adverse Effect" means the occurrence of any circumstances pursuant to which the commercial or financial condition of the Issuer has substantially deteriorated and which materially and adversely affects the ability of the Issuer to perform its obligations under the Asset Management Consulting Agreement or Servicing Advisory Agreement, as relevant.

"Issuer Termination Event" means any of the following events:

- (a) Any default (other than non-payment) by the Issuer with respect to the performance or observance of any of its material covenants or other obligations under the Asset Management Consulting Agreement or Servicing Advisory Agreement, as relevant, if such breach continues unremedied (if capable of being remedied) up to and including the date falling twenty (20) days after written notice of such breach is received by the Issuer in accordance with the terms of the Asset Management Consulting Agreement or Servicing Advisory Agreement, as relevant.
- (b) Any default in the payment when due of any amount owing under the Asset Management Consulting Agreement or Servicing Advisory Agreement, as relevant, in the time provided under the Asset Management Consulting Agreement (**provided that** such default shall be capable of being remedied if the relevant amount due is paid within ten (10) days of the date on which the relevant payment was payable to the Issuer Administration Consultant or Servicing Advisor).

- (c) Any of the representations or warranties given by the Issuer is untrue and that misrepresentation or the matter to which that misrepresentation relates has had an Issuer Material Adverse Effect and such default continues unremedied for a period of twenty (20) days after receipt by the Issuer of written notice from the Issuer Administration Consultant or Servicing Advisor requiring the same to be remedied.
- (d) The Issuer ceases or threatens to cease to carry on a substantial part of the present business operations which it now conducts, and such cessation or threat causes or would cause an Issuer Material Adverse Effect.
- (e) The occurrence of an Insolvency Event in respect of the Issuer.
- (f) The Issuer commits any act or omission in the performance of its obligations under the Asset Management Consulting Agreement or Servicing Advisory Agreement, as relevant, that constitutes fraud, wilful misconduct or gross negligence or the Issuer is found guilty of a criminal offence or any director or officer of the Issuer in connection with the performance of its obligations under the Asset Management Consulting Agreement or Servicing Advisory Agreement, as relevant.

Requirement to appoint a successor issuer administration consultant

No termination of the appointment of the Issuer Administration Consultant under the Asset Management Consulting Agreement will be effective until a successor issuer administration consultant has been appointed in accordance with the terms of the Asset Management Consulting Agreement unless the continuation of such appointment would constitute a breach of any laws or regulation.

Appointment of Successor Issuer Administration Consultant

If the Issuer Administration Consultant's appointment is terminated pursuant to the Asset Management Consulting Agreement as described above, the Servicing Advisor shall provide the Issuer with further information in relation to the potential successor issuer administration consultants (which is an entity which is regulated to service the Mortgage Loans, an "**Eligible Consultant**"), consult with the Issuer in relation to the Eligible Consultant and assist in the facilitation of the negotiations with any Eligible Consultant (on behalf of the Issuer and the Seller). The Issuer shall appoint the successor issuer administration consultant.

Governing Law

The Asset Management Consulting Agreement and any non-contractual obligations arising out of or in connection with it are governed by Irish law.

THE SERVICING ADVISORY AGREEMENT

The Issuer, the Trustee and the Servicing Advisor will enter into the Servicing Advisory Agreement on or about the Closing Date (the "**Servicing Advisory Agreement**").

Appointment of the Servicing Advisor

On the Closing Date, the Servicing Advisor will be appointed by the Issuer under the Servicing Advisory Agreement as its agent to provide certain monitoring services in relation to the administration of the Mortgage Assets.

The Servicing Advisor has authority in accordance with the provisions of the Servicing Advisory Agreement to provide asset and cash management monitoring services (to include consulting with the Administrator and the Issuer Administration Consultant) with respect to (i) the Mortgage Assets, (ii) monitoring the performance of the Administrator's obligations under the Administration Agreement and (ii) monitoring the performance of the Issuer Administration Consultant's obligations under the Asset Management Consulting Agreement (the "**Servicing Advisory Services**") and to monitor the performance of the Cash Manager's obligations under the Cash Management Agreement (the "**Cash Management Advisory Services**", together with the Servicing Advisory Services, the "**Advisory Services**"). The Servicing Advisor will provide the Advisory Services on the terms, and subject to the conditions, of the Servicing Advisory Agreement and in accordance with the Consulting Standard.

The Servicing Advisor shall consult with the Issuer Administration Consultant generally in relation to the services provided by the Administrator and in relation to the specific matters set out in the Asset Management Consulting Agreement in relation to which the Administrator is required to consult with the Issuer Administration Consultant.

The Servicing Advisor shall monitor the performance of the Cash Manager's obligations generally in relation to the services provided by the Cash Manager in relation to specific matters set out in the Cash Management Agreement in relation to which the Cash Manager is required to consult with the Servicing Advisor (as described below).

The Issuer will, in the event that it becomes aware of an Administrator Termination Event, an Issuer Administration Consultant Termination Event, a Cash Manager Termination Event or a Perfection Trigger Event, inform the Servicing Advisor of the occurrence of such an event.

"**Consulting Standard**" means the commercially reasonable care, skill and diligence with which prudent institutional commercial providers perform consulting services for assets comparable to the Mortgage Assets within a scope of services comparable to the Servicing Advisory Services.

Services of the Servicing Advisor

The services to be provided by the Servicing Advisor will include, without limitation:

- (a) consulting with the Issuer Administration Consultant generally in relation to the servicing of the portfolio;
- (b) meeting the Administrator and the Issuer Administration Consultant quarterly (or at such other frequency as the Servicing Advisor may reasonably request of the Administrator and the Issuer Administration Consultant from time to time) to review the Administrator's delivery of the Services under the Administration Agreement;
- (c) at the sole discretion of the Servicing Advisor, requesting that the Issuer Administration Consultant provides the Issuer and the Servicing Advisor with further information regarding the Administrator and its operations reasonably required to confirm the ability of the Administrator to perform its obligations under the Administration Agreement;
- (d) monitoring the Cash Manager's performance under the Cash Management Agreement;
- (e) at the sole discretion of the Servicing Advisor, requesting that the Cash Manager provides the Issuer, the Servicing Advisor with further information regarding the Cash Manager and its

operations reasonably required to confirm the ability of the Cash Manager to perform its obligations under the Cash Management Agreement;

- (f) should the Collection Account Bank cease to have the required Collection Account Bank Rating, use reasonable endeavours to assist the Issuer to:
 - (i) appoint a replacement financial institution with the Collection Account Bank Rating to act as replacement collection account bank or replacement sterling collection account bank (as applicable) within 30 calendar days from the date of such breach;
 - (ii) procure that all amounts held on trust for the Issuer standing to the credit of the Collection Account (as applicable) are transferred to the relevant replacement account at such replacement institution within 30 calendar days from the date of such breach; and
 - (iii) procure that a declaration of trust is declared over any such replacement account and that such trust is acknowledged by the replacement collection account bank,
- (g) to provide the Cash Manager with all information that it may reasonably require in order to apply amounts standing to the credit of the IRC Collateral Account in accordance with the IRC Collateral Account Priority of Payments and the Cash Management Agreement;
- (h) in the event that the Servicing Advisor becomes aware of an Administrator Termination Event, inform the Issuer of the occurrence of such Administrator Termination Event and shall have the right to make suggestions to the Issuer as to its preferred resolution to such Administrator Termination Event;
- (i) in the event that the Servicing Advisor becomes aware of an Issuer Administration Consultation Termination Event, inform the Issuer of the occurrence of such Issuer Administration Consultation Termination Event and shall have the right to make suggestions to the Issuer as to its preferred resolution to such Issuer Administration Consultation Termination Event;
- (j) in the event that the Servicing Advisor becomes aware of a Perfection Trigger Event, the Servicing Advisor shall have the right to make suggestions to the Issuer as to an appropriate nominee of the Issuer for legal title in the Mortgage Loans to be transferred to in accordance with the Mortgage Sale Agreement with the final decision in relation to any such nominee being taken by the Issuer;
- (k) in the event that the Servicing Advisor becomes aware of a Cash Manager Termination Event, inform the Issuer of the occurrence of such Cash Manager Termination Event and shall have the right to make suggestions to the Issuer as to its preferred resolution to such Cash Manager Termination Event;
- (l) in the event that the Administrator's appointment is terminated pursuant to the Administration Agreement, the Servicing Advisor shall provide the Issuer with further information in relation to any Eligible Administrators and make certain suggestions in relation to such Eligible Administrators and assist in the facilitation of the negotiations with any Eligible Administrator (on behalf of the Issuer and the Seller) with such final appointment being undertaken by the Issuer;
- (m) in the event that the Issuer Administration Consultant's appointment is terminated pursuant to the Asset Management Consulting Agreement, the Servicing Advisor shall provide the Issuer with further information in relation to any replacement issuer administration consultants and make certain suggestions in relation to such replacement issuer administration consultants and assist in the facilitation of the negotiations with any replacement issuer administration consultants (on behalf of the Issuer and the Seller) with such final appointment being undertaken by the Issuer;
- (n) in the event that the Cash Manager's appointment is terminated pursuant to the Cash Management Agreement, the Servicing Advisor shall provide the Issuer with further information in relation to any potential successor cash manager, consult with the Issuer in relation to such potential successor cash manager and assist in the facilitation of the negotiations with any potential successor cash manager (on behalf of the Issuer and the Seller). The Issuer shall appoint the replacement cash manager, in agreement with the Trustee,

provided that, in the case of (e) to (k) (inclusive) above, in no circumstance shall the Servicing Advisor incur any liability in connection with assisting or failing to assist the Issuer in relation to the making of any such determination.

Remuneration of the Servicing Advisor

The Issuer shall pay the Servicing Advisor fees in respect of the performance of the Servicing Advisory Services in an amount of 0.08 per cent. per annum (exclusive of VAT) of the aggregate Current Balance of the Mortgage Loans as at the start of the immediately preceding Monthly Calculation Period payable monthly in arrears on each Interest Payment Date.

Termination of the Servicing Advisory Agreement

Termination by the Issuer

The Issuer may terminate the Servicing Advisory Agreement effective immediately if an Servicing Advisory Termination Event has occurred and is continuing and the Issuer has delivered a written notice to the Servicing Advisor specifically identifying the nature of the Servicing Advisory Termination Event and setting forth the proposed date of termination (the **Issuer Termination Effective Date**). The Servicing Advisor shall notify the Issuer promptly upon becoming aware of the occurrence of a Servicing Advisory Termination Event.

Termination by the Servicing Advisor

The Servicing Advisor may terminate its appointment under the Servicing Advisory Agreement by giving not less than 30 days' written notice to the Legal Title Holder, the Issuer and the Trustee.

The Servicing Advisor may terminate the Servicing Advisory Agreement effective immediately if an Issuer Termination Event has occurred and is continuing and the Servicing Advisor has delivered a written notice to the Issuer specifically identifying the nature of the Issuer Termination Event and setting forth the proposed date of termination (the **"Servicing Advisor Termination Effective Date"**). The Issuer shall notify the Servicing Advisor promptly upon becoming aware of the occurrence of a Servicing Advisory Termination Event.

"Servicing Advisor Material Adverse Effect" means the occurrence of any circumstances pursuant to which the commercial or financial condition of the Servicing Advisor has substantially deteriorated and which materially and adversely affects the ability of the Servicing Advisor to perform its obligations under the Servicing Advisory Agreement

"Servicing Advisory Termination Event" means any of the following events:

- (a) a default by the Servicing Advisor with respect to the performance or observance of any of its material covenants or other obligations under the Servicing Advisory Agreement, if such breach continues unremedied (if capable of being remedied) up to and including the date falling twenty (20) days after written notice of such breach is received by the Servicing Advisor in accordance with the terms of the Servicing Advisory Agreement;
- (b) any of the representations or warranties given by the Servicing Advisor in the Servicing Advisory Agreement is untrue and that misrepresentation or the matter to which that misrepresentation relates has had a Servicing Advisor Material Adverse Effect and such default continues unremedied for a period of twenty (20) days after receipt by the Servicing Advisor of written notice from the Issuer requiring the same to be remedied;
- (c) the Servicing Advisor ceases or threatens to cease to carry on a substantial part of the present business operations which it now conducts, including the performance of the Servicing Advisory Services under the Servicing Advisory Agreement (other than as set out in the Servicing Advisory Agreement);
- (d) the occurrence of an Insolvency Event in respect of the Servicing Advisor; or
- (e) the Servicing Advisor commits any act or omission in the performance of the Servicing Advisor Services that constitutes fraud, wilful misconduct or gross negligence or the Servicing Advisor is

found guilty of a criminal offence is rendered against the Servicing Advisor or any director or officer of the Servicing Advisor in connection with the performance of the Servicing Advisory Services under the Servicing Advisory Agreement.

Requirement to appoint a successor servicing advisor

No termination of the appointment of the Servicing Advisor under the Servicing Advisory Agreement will be effective until a successor servicing advisor has been appointed in accordance with the terms of the Servicing Advisory Agreement.

Governing Law

The Servicing Advisory Agreement and any non-contractual obligations arising out of or in connection with it are governed by Irish law.

THE ACCOUNT BANK AGREEMENT

Pursuant to an agreement dated on or about the Closing Date between the Issuer, the Cash Manager, the Account Bank and the Trustee (the "**Account Bank Agreement**"), Elavon Financial Services DAC, U.K. Branch in its capacity as Account Bank, has agreed to maintain the Transaction Account and the IRC Collateral Account (such account, together with any other additional or replacement account in the name of the Issuer opened in accordance with the Transaction Documents, the "**Issuer Accounts**") on behalf of the Issuer.

THE INTEREST RATE CAP AGREEMENT

On or before the Closing Date, the Issuer will enter an ISDA 2002 Master Agreement (together with the Schedule and Credit Support Annex thereto and Confirmation thereunder) with the Interest Rate Cap Provider (the "**Interest Rate Cap Agreement**") to provide hedging against interest rate fluctuations (the "**Interest Rate Cap**"). The Interest Rate Cap Agreement is effective from and including the Closing Date up to and including 24 March 2026 (or, if earlier, the Final Rated Note Redemption Date). Pursuant to the Interest Rate Cap Agreement, the Interest Rate Cap Provider, against payment by the Issuer of the Interest Rate Cap Fees on the Closing Date, shall make payments to the Issuer on each Interest Payment Date if and to the extent one month EURIBOR for the relevant Interest Period exceeds the Cap Strike Rate.

The notional balance of the Interest Rate Cap will be in accordance with a notional amount payment schedule as set out in the Interest Rate Cap Agreement (the "**Notional Amount**").

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

The Interest Rate Cap Agreement may also be terminated in certain other circumstances that may include, without limitation, the following: (i) a Final Rated Note Redemption Date occurs; (ii) if certain insolvency events occur or (iii) if a change in law results in the obligations of one of the parties becoming illegal.

"**Cap Strike Rate**" means 2.0 per cent.

"**Cap Required Ratings**" means, with respect to the Interest Rate Cap Provider or a replacement or guarantor in respect thereof, the minimum relevant rating(s) required by each Rating Agency as more particularly described in the "*Transaction Overview - Triggers Tables - Rating Triggers Table*" section above.

"**Interest Rate Cap Fees**" means €1,890,000.00, payable from the proceeds of the Notes.

"**Final Rated Note Redemption Date**" means the date as of which all amounts due under the Rated Notes have been repaid and/or redeemed in full or no amounts remain to be paid under the Rated Notes pursuant to Condition 10 (*Limited Recourse*).

KEY STRUCTURAL FEATURES

CREDIT ENHANCEMENT AND LIQUIDITY SUPPORT

The Notes are obligations of the Issuer only and will not be the obligations of, or the responsibility of, or guaranteed by, any other party. However, there are a number of features of the transaction which enhance the likelihood of timely receipt of payments by the Noteholders, as follows:

- (a) Available Revenue Receipts are expected to exceed interest due and payable on the Rated Notes and Senior Expenses of the Issuer (including €1,000 per annum payable in an amount of €250 on each Interest Payment Date falling in March, June, September and December of each year to be credited to the Issuer Profit Account and to be retained by the Issuer as profit in respect of the business of the Issuer (the "**Issuer Profit Amount**").
- (b) Any Revenue Shortfall will be cured by applying, *first*, any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger; *second*, any amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger; *third*, with respect to a Revenue Shortfall in respect of items (a) to (e) only of the Pre-Enforcement Revenue Priority of Payments, any amounts standing to the credit of the Liquidity Reserve Fund Ledger and *fourth*, with respect to a Revenue Shortfall in respect of items (a) to (d) only of the Pre-Enforcement Revenue Priority of Payments and to pay any outstanding interest amounts on the then Most Senior Class of Notes, Principal Receipts in accordance with the Pre-Enforcement Principal Priority of Payments.
- (c) Any Additional Note Payment Shortfall on any Interest Payment Date may be funded by applying amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger.
- (d) Prior to the delivery of an Enforcement Notice, Available Revenue Receipts will be applied, in accordance with the Pre-Enforcement Revenue Priority of Payments and Available Principal Receipts will be applied in accordance with the Pre-Enforcement Principal Priority of Payments. Following the delivery of an Enforcement Notice, Available Revenue Receipts and Available Principal Receipts will be applied in accordance with the Post-Enforcement Priority of Payments.
- (e) At all times:
 - (i) payments of principal on the Class A Notes will be made in priority to payments of principal on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes;
 - (ii) payments of principal on the Class B Notes will be made in priority to payments of principal on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes;
 - (iii) payments of principal on the Class C Notes will be made in priority to payments of principal on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes;
 - (iv) payments of principal on the Class D Notes will be made in priority to payments of principal on the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes;
 - (v) payments of principal on the Class E Notes will be made in priority to payments of principal on the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes;
 - (vi) payments of principal on the Class F Notes will be made in priority to payments of principal on the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes;
 - (vii) payments of principal on the Class G Notes will be made in priority to payments of principal on the Class RFN Notes, Class Z1 Notes and the Class Z2 Notes;

- (viii) payments of principal on the Class RFN Notes will be made in priority to payments of principal on the Class Z1 Notes and the Class Z2 Notes; and
 - (ix) payments of principal on the Class Z1 Notes will be made in priority to payments of principal on the Class Z2 Notes.
- (f) Prior to the service of an Enforcement Notice by the Trustee on the Issuer, payments of principal on the Class X Notes will be made in accordance with the Pre-Enforcement Revenue Priority of Payments: (i) while any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes or the Class Z2 Notes are outstanding, until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000; and (ii) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, until the Class X Notes are redeemed to €1. Following the service of an Enforcement Notice by the Trustee on the Issuer, the Class X Notes will be redeemed in accordance with the Post-Enforcement Priority of Payments after the redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes.
- (g) At all times:
- (i) payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (ii) payments of interest on the Class B Notes will be made in priority to payments of interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (iii) payments of interest on the Class C Notes will be made in priority to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (iv) payments of interest on the Class D Notes will be made in priority to payments of interest on the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (v) payments of interest on the Class E Notes will be made in priority to payments interest on the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (vi) payments of interest on the Class F Notes will be made in priority to payments interest on the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (vii) payments of interest on the Class G Notes will be made in priority to payments interest on the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (viii) payments of interest on the Class RFN Notes will be made in priority to payments interest on the Class Z1 Notes and the Class Z2 Notes and payments of principal and interest on the Class X Notes;
 - (ix) payments of interest on the Class Z1 Notes will be made in priority to payments interest on the Class Z2 Notes and payments of principal and interest on the Class X Notes; and

- (x) payments of interest on the Class Z2 Notes will be made in priority to payments of principal and interest on the Class X Notes;
- (h) Amounts credited to the Transaction Account may be invested in Authorised Investments.

For the purposes of this paragraph and where used elsewhere in this Prospectus:

"Authorised Investments" means investments of the funds standing to the credit of the Transaction Account which are:

- (a) money market funds that hold AAA-mf money market fund ratings from S&P;
- (b) euro denominated securities; or
- (c) euro demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper),

provided that such investments have a maturity date of 90 days or less and mature before the next following Interest Determination Date and **provided further that** with respect to securities and deposit investments specified under paragraphs (b) and (c) above:

- (i) with respect to investments with a maturity date of less than 30 days, the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) has (A) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 by S&P or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A by S&P, (B) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least R-1(low) by DBRS or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A by DBRS, or such other ratings that are consistent with the then published criteria of the relevant Rating Agency; and
- (ii) with respect to investments with a maturity date of greater than or equal to 30 days but less than 60 days, the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) has (A) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 by S&P or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A by S&P, (B) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least R-1(medium) by DBRS or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least AA(low) by DBRS, or such other ratings that are consistent with the then published criteria of the relevant Rating Agency; and
- (iii) with respect to investments with a maturity date of greater than or equal to 60 days but less than three months, the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) has (A) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 by S&P or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A by S&P, (B) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least R-1(medium) by DBRS or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least AA(low) by DBRS, or such other ratings that are consistent with the then published criteria of the relevant Rating Agency; or
- (iv) in each case, which are otherwise acceptable to the rating agencies to maintain the then current ratings of the Notes,

save that where such investments would result in the re-characterisation of the Notes or any transaction under the Transaction Documents as a "re-securitisation" or a "synthetic securitisation" as defined in Articles 4(63) and 242(11), respectively, of Regulation (EU) No 575/2013 (as amended and/or supplemented from time to time), such investments shall not qualify as Authorised Investments.

"First Interest Payment Date" means the Interest Payment Date falling in April 2019.

"Senior Expenses" means any senior expenses of the Issuer which rank in priority to the Class A Notes in the relevant Priority of Payments.

Each of these factors is considered in more detail below.

Credit Support for the Notes provided by Available Revenue Receipts

Available Revenue Receipts may be applied (after making payments or provisions ranking higher in the Pre-Enforcement Revenue Priority of Payments) on each Interest Payment Date towards reducing any Principal Deficiency Ledger entries. See *"Key Structural Features" - The Principal Deficiency Ledger*.

To the extent that the amount of Available Revenue Receipts on each Interest Payment Date exceeds the aggregate of the payments and provisions required to be met in priority to item (g) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to replenish and increase the Liquidity Reserve Fund up to an amount equal to the Liquidity Reserve Fund Required Amount.

To the extent that the amount of Available Revenue Receipts on each Interest Payment Date exceeds the aggregate of the payments and provisions required to be met in priority to item (t) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to replenish and increase the Non-Liquidity Reserve Fund up to an amount equal to the Non-Liquidity Reserve Fund Required Amount.

Liquidity support provided by use of Principal Receipts, Additional Note Payment Reserve Fund, Liquidity Reserve Fund and Non-Liquidity Reserve Fund to fund Revenue Shortfall

On each Determination Date, the Cash Manager shall determine the amount of Revenue Shortfall, if any. To the extent that there is a Revenue Shortfall, the Cash Manager on behalf of the Issuer shall, on the relevant Interest Payment Date, pay or provide for such Revenue Shortfall in relation to the Rated Notes by applying, *first*, any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger; *second*, any amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger; *third*, with respect to a Revenue Shortfall in respect of items (a) to (e) only of the Pre-Enforcement Revenue Priority of Payments, any amounts standing to the credit of the Liquidity Reserve Fund Ledger and *fourth*, with respect to a Revenue Shortfall in respect of items (a) to (d) only of the Pre-Enforcement Revenue Priority of Payments and to pay any outstanding interest amounts on the then Most Senior Class of Notes, Principal Receipts in accordance with the Pre-Enforcement Principal Priority of Payments. See section entitled *"Cashflows and Cash Management - Application of Principal Receipts and Liquidity Reserve Fund to cure Revenue Shortfall"*.

Liquidity support provided by use of Additional Note Payment Reserve Fund to fund Additional Note Payment Shortfall

On each Determination Date following the Step-Up Date, the Cash Manager shall determine the amount of Additional Note Payment Shortfall, if any. To the extent that there is an Additional Note Payment Shortfall, the Cash Manager on behalf of the Issuer shall, on the relevant Interest Payment Date, pay or provide for such Additional Note Payment Shortfall by applying amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger. See section entitled *"Cashflows and Cash Management – Application of Additional Note Payment Reserve Fund to cure Additional Note Payment Shortfall"*.

Payment of the Notes in sequential order and deferral of payments on the Notes

Payments of interest and principal on the Classes of Notes will be paid in accordance with the relevant Priority of Payments.

Subject to certain conditions under Condition 8.12 (*Deferral of Interest and Additional Note Payments*), any shortfall in payments of interest on Notes (other than in respect of the Class A Notes) will be deferred until the next Interest Payment Date and this will not constitute an Event of Default. On the next Interest Payment Date, the amount of interest scheduled to be paid on the relevant Class of Notes will be increased to take account of any deferral of such amounts for the relevant Class of Notes. The deferral process will continue until the Final Maturity Date of the Notes, at which point, all such deferred amounts (including interest thereon) will become due and payable. However, if there is insufficient money available to the Issuer to pay interest on any Class of Notes, then the relevant Noteholders may not receive all interest amounts.

Similarly, any shortfall in payments of Additional Note Payments on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes will be deferred until the next Interest Payment Date and this will not constitute an Event of Default. On the next Interest Payment Date, the relevant Additional Note Payments will be made (including interest (if any) accrued but unpaid and/or deferred and accrued interest thereon). The deferral process will continue until the Final Maturity Date of the Notes, at which point, all such deferred amounts (including interest thereon) will become due and payable. However, if there is insufficient money available to the Issuer to pay Additional Note Payments on any Class of Notes, then the relevant Noteholders may not receive all Additional Note Payments.

It is not intended that any surplus will be accumulated in the Issuer, other than, for the avoidance of doubt, the Issuer Profit Amount and amounts standing to the credit of the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger.

The Principal Deficiency Ledger

On each Determination Date, the Cash Manager will determine (based on information provided by the Administrator with respect to the Mortgage Portfolio):

- (i) any Losses on the Mortgage Loans in the Mortgage Portfolio;
- (ii) any Mortgage Loans that have become Split Mortgage Loans;

In the case of a Mortgage Loan that becomes a Split Mortgage Loan, for the purposes of determining the interest amount payable in respect of such Mortgage Loan, the Current Balance of such Mortgage Loan will be deemed to be reduced by the principal balance of the related Warehoused Mortgage Account. For the avoidance of doubt, the Legal Title Holder does not have a policy of offering Split Mortgage Loans, but may be required to offer Split Mortgage Loans to certain defaulting Borrowers in connection with arrears management procedures.

A Principal Deficiency Ledger, comprising nine sub-ledgers (one relating to each class of Notes (other than the Class RFN Notes and the Class X Notes)), will be established on the Closing Date. The Principal Deficiency Ledger will record as debit items any losses or deemed principal losses in respect of the Mortgage Portfolio, including the following:

- (i) any Losses on the Mortgage Loans in the Mortgage Portfolio;
- (ii) in the case of any Split Mortgage Loans, an amount equal to the then current principal balance of the related Warehoused Mortgage Account **provided that** if an amount is moved from the Warehoused Mortgage Account to the Main Mortgage Account, the Principal Deficiency Ledger shall be credited by such amount;
- (iii) in the case of a Mortgage Loan in arrears by 180 days or more and in respect of which amounts have not been recorded in items (i) and (ii) above, an amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage, **provided that**, for the avoidance of doubt, if: (a) the number of days by which such Mortgage Loan is in arrears increases such that the corresponding Arrears Percentage increases, the debit entry on the Principal Deficiency Ledger shall be increased to an amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage; (b) the number of days by which such Mortgage Loan is in arrears decreases such that the corresponding Arrears Percentage decreases, the difference between the previous debit entry on the Principal Deficiency Ledger and the amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage shall be credited to the Principal Deficiency Ledger; and (c) if such Mortgage Loan no longer falls under items (a), (b) or (c) of the definition of Arrears Percentage, the amount previously debited to the Principal Deficiency Ledger is instead credited to the Principal Deficiency Ledger;
- (iv) the application of any Principal Receipts to meet any Revenue Shortfall;
- (v) the application of any Principal Receipts to replenish the Liquidity Reserve Fund pursuant to item (a) of the Pre-Enforcement Principal Priority of Payments; and
- (vi) the application of any Principal Deficiency Excess Revenue Amount.

Debits recorded on the Class A Principal Deficiency Sub-Ledger shall be recorded in respect of the Class A Notes. Debits recorded on the Class B Principal Deficiency Sub-Ledger shall be recorded in respect of the Class B Notes. Debits recorded on the Class C Principal Deficiency Sub-Ledger shall be recorded in respect of the Class C Notes. Debits recorded on the Class D Principal Deficiency Sub-Ledger shall be recorded in respect of the Class D Notes. Debits recorded on the Class E Principal Deficiency Sub-Ledger shall be recorded in respect of the Class E Notes. Debits recorded on the Class F Principal Deficiency Sub-Ledger shall be recorded in respect of the Class F Notes. Debits recorded in the Class G Principal Deficiency Sub-Ledger shall be recorded in respect of the Class G Notes. Debits recorded in the Class Z1 Principal Deficiency Sub-Ledger shall be recorded in respect of the Class Z1 Notes. Debits recorded on the Class Z2 Principal Deficiency Sub-Ledger shall be recorded in respect of the Class Z2 Notes.

Any amounts recorded as debit entries to the Principal Deficiency Ledger shall be debited in the following order:

- (a) *first*, to the Class Z2 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z2 Notes;
- (b) *second*, to the Class Z1 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z1 Notes;
- (c) *third*, to the Class G Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class G Notes;
- (d) *fourth*, to the Class F Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class F Notes;
- (e) *fifth*, to the Class E Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class E Notes; and
- (f) *sixth*, to the Class D Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class D Notes;
- (g) *seventh*, to the Class C Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class C Notes;
- (h) *eighth*, to the Class B Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class B Notes; and
- (i) *ninth*, to the Class A Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class A Notes.

Amounts allocated to the Principal Deficiency Ledger shall be reduced to the extent of Available Revenue Receipts available for such purpose on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments as follows:

- (i) *first*, to the Class A Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (ii) *second*, to the Class B Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (iii) *third*, to the Class C Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (iv) *fourth*, to the Class D Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (v) *fifth*, to the Class E Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (vi) *sixth*, to the Class F Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (vii) *seventh*, to the Class G Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (viii) *eighth*, to the Class Z1 Principal Deficiency Sub-Ledger to reduce the debit balance to zero; and
- (ix) *ninth*, to the Class Z2 Principal Deficiency Sub-Ledger to reduce the debit balance to zero.

On each Determination Date, the Cash Manager will calculate the then current balance of the Principal Deficiency Ledger and will, on the immediately succeeding Interest Payment Date, apply excess Available Revenue Receipts to cure any debit entries. In the event that it is subsequently determined that the balance of the Principal Deficiency Ledger was calculated as being higher than was subsequently found to be the case (as a result of Mortgage Loans in arrears being subsequently found to have been fully or partially cured), it may be the case that, on any Interest Payment Date, the Available Revenue Receipts that are applied to cure a debit entry on the Principal Deficiency Ledger will be excessive for such purpose. In such circumstances, following the application of Available Revenue Receipts the Principal Deficiency Ledger will have a negative balance, the Principal Deficiency Excess. Any amounts equal to the balance of such Principal Deficiency Excess shall form part of the Available Revenue Receipts on the next following Interest Payment Date, such amounts being Principal Deficiency Excess Revenue Amounts.

"Class A Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

"Class B Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

"Class C Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes.

"Class D Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes.

"Class E Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class E Notes.

"Class F Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class F Notes.

"Class G Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class G Notes.

"Class Z1 Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class Z1 Notes.

"Class Z2 Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class Z2 Notes.

"Arrears Percentage" means:

- (a) for Mortgage Loans between 180 days and 269 days in arrears, 20 per cent.;
- (b) for Mortgage Loans between 270 days and 359 days in arrears, 35 per cent.; and
- (c) for Mortgage Loans more than 359 days in arrears, 50 per cent.

"Losses" means any losses as determined by the Administrator in accordance with its then current procedures including, to the extent relevant, its ASU Policy & Procedures, arising in relation to a Mortgage Loan in the Mortgage Portfolio which causes a shortfall in the amount available to pay principal on the Notes (including, without limitation, any write downs under the Personal Insolvency Act or any loss as a result of an exercise of any set-off by any Borrower in respect of its Mortgage Loan) or otherwise;

"Main Mortgage Account" means, in relation to a Split Mortgage Loan, that portion of the principal balance on which interest continues to be charged.

"Principal Deficiency Ledger" means the Principal Deficiency Ledger **"comprising"** the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger, the Class F Principal Deficiency Sub-Ledger, the Class G Principal Deficiency Sub-Ledger, the Class Z1 Principal Deficiency Sub-Ledger and the Class Z2 Principal Deficiency Sub-Ledger maintained by the Cash Manager on behalf of the Issuer.

"Split Mortgage Loan" means any Mortgage Loan that has been split into a Main Mortgage Account and a Warehoused Mortgage Account (and, for the avoidance of doubt, the Main Mortgage Account and the Warehoused Mortgage Account do not constitute separate or new Mortgage Loans) as part of the Seller's arrears management procedures, with interest payable only in respect of the Main Mortgage Account.

"Warehoused Mortgage Account" means, in respect of a Split Mortgage Loan, the portion of the principal balance that is warehoused until the final redemption date of the Mortgage Loan with the principal balance being payable on such final redemption date.

Transaction Account

All monies held by the Issuer will be deposited in the Transaction Account in the first instance. The Transaction Account is maintained with the Account Bank. At the direction of the Issuer, the Cash Manager may on behalf of and in the name of the Issuer invest sums standing to the credit of the Transaction Account in Authorised Investments.

Cash Manager

The Issuer has appointed the Cash Manager pursuant to an agreement entered into on or about the Closing Date between the Cash Manager, the Issuer and the Trustee (the **"Cash Management Agreement"**). Pursuant to the Cash Management Agreement, the Cash Manager will agree to provide certain cash management and other services to the Issuer. The Cash Manager's principal functions will be effecting payments to and from the Transaction Account and the IRC Collateral Account and making corresponding calculations and determinations on behalf of the Issuer and assisting the Issuer in relation to certain bidding processes pursuant to the terms of the Deed Poll. See further the section entitled *"Cashflows and Cash Management"* and *"Early Redemption Of The Notes Pursuant To The Call Option Or The Risk Retention Regulatory Change Option"*.

The Issuer has been appointed as the designated entity under Article 7(2) of the Securitisation Regulation. The Issuer has also appointed the Cash Manager to assist in the Issuer in the performance of certain of its obligations pursuant to Article 7 of the Securitisation Regulation by publishing certain information, as documented in the Cash Management Agreement. The Cash Manager will use all reasonable efforts to provide the information to the Central Bank, to Noteholders and (upon request) to potential investors in the Notes in accordance with the Cash Management Agreement.

The Cash Manager will:

- (a) provide the Issuer, the Issuer Administration Consultant, the Servicing Advisor and the Trustee the Monthly Investor Reports by not later than 5.00pm on each Monthly Reporting Date, **provided that** the Administrator shall have delivered the Monthly Administrator Report by no later than 10.00 a.m. on the sixth Business Day immediately preceding that Monthly Reporting Date, such obligation to provide the Monthly Investor Report will be deemed to be discharged if the Cash Manager publishes the Monthly Investor Report on pivot.usbank.com by 5.00 p.m. on each Monthly Reporting Date;
- (b) subject to the receipt of the Quarterly Administrator Data Tape by not later than 10.00 a.m. on the sixth Business Day immediately preceding each Quarterly Reporting Date, publish:
 - (i) the Quarterly Investor Report; and
 - (ii) the Quarterly Investor Data Tape,

in respect of the immediately preceding Quarterly Calculation Period on the Reporting Website no later than 5 p.m. on the Quarterly Reporting Date and the Cash Manager will, provided that no SR Repository has been appointed, provide access to such website to the Issuer, the Trustee, the Ratings Agencies, the Noteholders, the Central Bank and, upon request, to potential investors in the Notes in accordance with the Cash Management Agreement. Following the appointment by the Issuer of the SR Repository, such Quarterly Investor Reports and the Quarterly Investor Data Tape shall be made available by the Cash Manager through such SR Repository no later than 5 p.m. on the Quarterly Reporting Date (in determining whether a person is a Noteholder or potential investor in the Notes, the Cash Manager is entitled to rely, without liability, on the certification by such person that they are a Noteholder or a potential investor in the Notes);

- (c) publish on the Reporting Website or the SR Repository (as applicable) any event-based disclosure as required by Article 7 of the Securitisation Regulation in each case as determined and provided by the Issuer (or on its behalf) in a format acceptable to the Cash Manager; and
- (d) publish on the Reporting Website or to the SR Repository (as applicable), the relevant Transaction Documents required to be disclosed pursuant to Article 7 of the Securitisation Regulation and the Prospectus in final form not later than 5 (five) Business Days following the issuance of the Notes (and provide access to such website to the Issuer, the Trustee, the Rating Agencies, the Noteholders, the Central Bank and, upon request, to potential investors in the Notes) provided that the Cash Manager is provided with PDF copies of such documents by the Issuer on the date of the issuance of the Notes.

The Issuer Administration Consultant will also monitor if ESMA or any relevant regulatory or competent authority publishes or amends any required reporting templates under the Securitisation Regulation and will notify the Cash Manager if any such change occurs. Upon such notification, the Cash Manager will consult with the Administrator, the Issuer Administration Consultant and the Issuer and will use all reasonable endeavours to amend the format of the relevant reports and thereafter include such additional and/or amended information as required (provided it received such required information from the Administrator) so as to enable the Cash Manager to make available and publish the relevant reports.

"Monthly Reporting Date" means the Business Day after each Interest Payment Date.

"Quarterly Calculation Date" means the Monthly Calculation Date which falls in February, May, July and November in each calendar year.

"Quarterly Calculation Period" means the period from (but excluding) a Quarterly Calculation Date (or in respect of the first Quarterly Calculation Period, from and including the Cut-off Date) to (and excluding) the next (or first) Quarterly Calculation Date and, in relation to the provision of quarterly Investor Reports, the "related Quarterly Calculation Period" means, unless the context otherwise required, the Quarterly Calculation Period ending immediately before the relevant Quarterly Reporting Date.

"Quarterly Reporting Date" means the Monthly Reporting Date which falls in March, June, September and December in each calendar year.

The Cash Management Agreement and any non-contractual obligations arising out of or in connection with the Cash Management Agreement will be governed by English law.

CASHFLOWS AND CASH MANAGEMENT

APPLICATION OF REVENUE RECEIPTS PRIOR TO SERVICE OF AN ENFORCEMENT NOTICE

Definition of Revenue Receipts

Revenue Receipts received by the Issuer in any Monthly Calculation Period shall be credited by the Cash Manager to the ledger created for such purpose (the "**Revenue Ledger**") on the Transaction Account.

"**Revenue Receipts**" means payments received by the Issuer directly or from the Seller representing:

- (a) payments of interest (including Arrears of Interest and Accrued Interest but excluding Capitalised Arrears) and fees due from time to time under the Mortgage Loans;
- (b) recoveries of interest and outstanding fees (excluding Capitalised Arrears, if any) from defaulting Borrowers under Mortgage Loans being enforced;
- (c) recoveries of interest from defaulting Borrowers under Mortgage Loans in respect of which enforcement procedures have been completed;
- (d) the proceeds of any indemnity payment in relation to any Mortgage Loan by the Seller; and
- (e) any early repayment charges which have been paid by the Borrower in respect of the Mortgage Loans.

"**Accrued Interest**" means as at any date (the "determination date") on or after the Closing Date, and in relation to any Mortgage Loan, interest on such Mortgage Loan (not being interest which is currently payable on the determination date) which has accrued (but is not yet due and payable) from and including the Monthly Payment Date immediately prior to the determination date to and including the determination date.

"**Arrears of Interest**" means as at any date (the "determination date") on or after the Closing Date, and in relation to any Mortgage Loan, interest (which has not been capitalised) on such Mortgage Loan which is currently due, payable and unpaid.

"**Capitalised Arrears**" means, in relation to a Mortgage Loan, on any date, amounts (excluding Arrears of Interest) which are overdue in respect of that Mortgage Loan and which as at that date have been added to the Capital Balance of such Mortgage Loan in accordance with the Mortgage Conditions or with the Borrower's consent or in accordance with the Seller's normal charging practices and any applicable regulatory obligations.

"**Capital Balance**" means in respect of a Mortgage Loan at any date the principal balance of that Mortgage Loan.

"**Monthly Payment Date**" means the date on which interest (and principal in relation to a Repayment Mortgage Loan) is due to be paid by a Borrower on a Mortgage Loan or, if any such day is not a Business Day, the next following Business Day except where such next following Business Day falls in a different month in which case, the preceding Business Day.

Definition of Available Revenue Receipts

"**Available Revenue Receipts**" means, for each Interest Payment Date, an amount equal to the aggregate of (without double-counting):

- (a) the Revenue Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Monthly Calculation Period;
- (b) interest payable to the Issuer on the Transaction Account and income from any Authorised Investments in each case received during the immediately preceding Monthly Calculation Period;
- (c) the proceeds of any Authorised Investments received during the immediately preceding Monthly Calculation Period;

- (d) any Principal Receipts applied as Principal Deficiency Excess Revenue Amounts;
- (e) any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger;
- (f) other than on or following the Liquidity Excess Principal Release Date, any amounts standing to the credit of the Liquidity Reserve Fund Ledger in excess of the Liquidity Reserve Fund Required Amount and after following the application of any Liquidity Reserve Release Amount from the Liquidity Reserve Fund Ledger;
- (g) any amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger in the event of either a Revenue Shortfall or an Additional Note Payment Shortfall following the application of any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger;
- (h) the then Liquidity Reserve Release Amount standing to the credit of the Liquidity Reserve Fund Ledger in the event of a Revenue Shortfall in respect of the Class A Notes or any shortfall of Senior Expenses due and payable (and after following the application of any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger);
- (i) in the event of a Revenue Shortfall in relation to the Most Senior Class of Notes, following the application of any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger, an amount of Available Principal Receipts (which is only available to pay any shortfall of interest due and payable on items (a) to (d) of the Pre-Enforcement Revenue Priority of Payments and on the Most Senior Class in accordance with Pre-Enforcement Revenue Priority of Payments);
- (j) amounts received or to be received by the Issuer under or in connection with the Interest Rate Cap Agreement (other than (i) any early termination amount received by the Issuer under the Interest Rate Cap Agreement, (ii) IRC Collateral, (iii) any Replacement IRC Amount paid to the Issuer, and (iv) amounts in respect of IRC Tax Credits on such Interest Payment Date other than, in each case, any IRC Collateral Account Surplus which is to be applied as Available Revenue Receipts in accordance with the IRC Collateral Account Priority of Payments); and
- (k) other amounts the Issuer received during the immediately preceding Monthly Calculation Period in accordance with the terms of the Transaction Documents (other than as classified as Principal Receipts) (including with respect to any sale of Mortgage Loans and/or any indemnity payment made to the Issuer pursuant to the Mortgage Sale Agreement); and
- (l) Available Principal Receipts applied as Available Revenue Receipts in accordance with item (v) of the Pre-Enforcement Principal Priority of Payments.

"Monthly Calculation Date" means the last day in the calendar month immediately preceding an Interest Payment Date.

"Monthly Calculation Period" means the period from (but excluding) a Monthly Calculation Date (or in respect of the first Monthly Calculation Period, from and including the Cut-off Date) to (and including) the next (or first) Monthly Calculation Date and, in relation to an Interest Payment Date, the "related Monthly Calculation Period" means, unless the context otherwise requires, the Monthly Calculation Period ending immediately before such Interest Payment Date.

"Determination Date" means the day that is 2 Business Days before an Interest Payment Date.

Reserve Funds

On the Closing Date, the Reserve Fund will be established by way of the proceeds from the issuance of the Class RFN Notes on the Closing Date, up to an amount equal to 2.0 per cent. of the aggregate Principal Amount Outstanding of the Notes (other than the Class RFN Notes and the Class X Notes) on the Closing Date. The Reserve Fund Required Amount will be split between the Non-Liquidity Reserve Fund and the Liquidity Reserve Fund.

On each Interest Payment Date, the Reserve Fund will be replenished up to an amount equal to 2.0 per cent. of the aggregate Principal Amount Outstanding of the Notes (other than the Class RFN Notes and the Class X Notes) on the Closing Date, less the Reserve Fund Required Amount.

Non-Liquidity Reserve Fund

The Cash Manager will maintain a ledger on the Transaction Account pursuant to the Cash Management Agreement to record the balance from time to time of the Non-Liquidity Reserve Fund (the "**Non-Liquidity Reserve Fund Ledger**").

On each Interest Payment Date, the Non-Liquidity Reserve Fund will be replenished up to an amount equal to the Non-Liquidity Reserve Fund Required Amount. The Non-Liquidity Reserve Fund Required Amount will be credited to the Transaction Account (with a corresponding credit to the Non-Liquidity Reserve Fund Ledger). After the Closing Date, the Non-Liquidity Reserve Fund will be replenished from Available Revenue Receipts in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments up to the Non-Liquidity Reserve Fund Required Amount. On each Interest Payment Date, amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger will be applied as Available Revenue Receipts in accordance with the relevant Priority of Payments.

Liquidity Reserve Fund

The Cash Manager will maintain a ledger on the Transaction Account pursuant to the Cash Management Agreement to record the balance from time to time of the Liquidity Reserve Fund (the "**Liquidity Reserve Fund Ledger**").

On each Interest Payment Date, the Liquidity Reserve Fund will be replenished up to an amount equal to:

- on any Interest Payment Date up to (but excluding) the date that the Class A Notes are redeemed in full, an amount equal to the greater of:
 - the product of (A) 2.00%; and (B) Principal Amount Outstanding on the Class A Notes on the relevant Interest Payment Date; and
 - ii. the product of (A) 1.00%; and (B) the aggregate Principal Amount Outstanding of the Class A Notes on the Closing Date; and
- thereafter, zero

(the "**Liquidity Reserve Fund Required Amount**")

The Liquidity Reserve Fund Required Amount will be credited to the Transaction Account (with a corresponding credit to the Liquidity Reserve Fund Ledger). After the Closing Date, the Liquidity Reserve Fund will be replenished from Available Revenue Receipts in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments up to the Liquidity Reserve Fund Required Amount. On each Interest Payment Date, other than on a Liquidity Excess Principal Release Date, amounts standing to the credit of the Liquidity Reserve Fund Ledger will be applied as Available Revenue Receipts in accordance with the relevant Priority of Payments. On the Interest Payment Date on or following a Liquidity Excess Principal Release Date the amounts standing to the credit of the Liquidity Reserve Fund Ledger will be applied as Available Principal Receipts in accordance with the relevant Priority of Payments.

Additional Note Payment Reserve Fund

The Cash Manager will maintain a ledger on the Transaction Account pursuant to the Cash Management Agreement to record the balance from time to time of the Additional Note Payment Reserve Fund (the "**Additional Note Payment Reserve Fund Ledger**").

On each Interest Payment Date, the Additional Note Payment Reserve Fund Payment Amount will be paid to the additional note payment reserve fund (the "**Additional Note Payment Reserve Fund**") in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments.

"Additional Note Payment Reserve Fund Payment Amount" means, on any Interest Payment Date until all the Rated Notes have been redeemed in full, 50% of the Available Revenue Receipts remaining after paying items (a) to (aa) of the Pre-Enforcement Revenue Priority of Payments.

Application of Principal Receipts, Non-Liquidity Reserve Fund, Additional Note Payment Reserve Fund and Liquidity Reserve Fund to cure Revenue Shortfall

On each Determination Date, the Cash Manager shall calculate the amount of Revenue Shortfall, if any.

If the Cash Manager determines that there would be a Revenue Shortfall on an Interest Payment Date to pay those items, then the Issuer shall pay or provide for that Revenue Shortfall by applying *first*, any amounts outstanding to the credit of the Non-Liquidity Reserve Fund Ledger, *second*, any amounts to the credit of the Additional Note Payment Reserve Fund Ledger, *third*, any amounts standing to the credit of the Liquidity Reserve Fund Ledger and *fourth*, in relation to the Most Senior Class of Notes, Principal Receipts.

"Liquidity Reserve Release Amount" means, on any Interest Payment Date, the lesser of:

- (a) the amount standing to the credit of the Liquidity Reserve Fund Ledger on such Interest Payment Date; and
- (b) the amount of the remainder of the Revenue Shortfall in respect of the Class A Notes or any shortfall in respect to any amounts due under items (a) to (e) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date after the application of the any amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger to cure the Revenue Shortfall.

"Revenue Shortfall" means the amount calculated by the Cash Manager on each Determination Date being the amount by which Available Revenue Receipts (excluding limb (f) of the definition of Available Revenue Receipts) are insufficient to pay or provide for payment of items (a) to (e), (h), (j), (l), (n), (p) and (r) of the Pre-Enforcement Revenue Priority of Payments.

Application of Additional Note Payment Reserve Fund to cure Additional Note Payment Shortfall

On each Determination Date, the Cash Manager shall calculate the amount of Additional Note Payment Shortfall, if any.

If the Cash Manager determines that there would be an Additional Note Payment Shortfall on an Interest Payment Date, then the Cash Manager on behalf of the Issuer shall on the relevant Interest Payment Date pay or provide for that Additional Note Payment Shortfall by applying the amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger in meeting such Additional Note Payment Shortfall against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments.

On the Final Rated Note Redemption Date any Additional Note Payment Reserve Fund Ledger Residual Amount shall be applied as Available Revenue Receipts.

"Additional Note Payment Reserve Fund Ledger Residual Amount" means, with respect to any Interest Payment Date, the amount standing to the credit of the Additional Note Payment Reserve Fund Ledger after first having applied the amounts standing to the credit of the Additional Note Payment Reserve Fund Ledger towards (i) any Revenue Shortfall and (ii) any Additional Note Payment Shortfall.

"Additional Note Payment Shortfall" means the amount calculated by the Cash Manager on each Determination Date being the amount by which Available Revenue Receipts are insufficient to pay or provide for payment of items (w) to (aa) (inclusive) of the Pre-Enforcement Revenue Priority of Payments.

Use of the Non-Liquidity Reserve Fund Ledger Residual Amount, the Liquidity Reserve Fund Ledger Residual Amount and the Additional Note Payment Reserve Fund Ledger Residual Amount to redeem the Notes on the Final Rated Note Redemption Date

On the Final Rated Note Redemption Date, all amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger

Residual Amount will be applied as Available Principal Receipts and used to redeem the Notes on such Interest Payment Date.

"Non-Liquidity Reserve Fund Ledger Residual Amount" means, with respect to any Interest Payment Date, the amount standing to the credit of the Non-Liquidity Reserve Fund Ledger after first having applied the amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger as Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments and after amounts have been credited to the Non-Liquidity Reserve Fund Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments.

"Liquidity Reserve Fund Ledger Residual Amount" means, with respect to any Interest Payment Date, the amount standing to the credit of the Liquidity Reserve Fund Ledger after first having applied any Liquidity Reserve Release Amount to cure any Revenue Shortfall and after amounts have been credited to the Liquidity Reserve Fund Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments.

Application of Available Revenue Receipts prior to the service of an Enforcement Notice by the Trustee on the Issuer

On each Interest Payment Date (or in respect of items (a) and (b) below, on any date) prior to the service of an Enforcement Notice by the Trustee on the Issuer, the Cash Manager (on behalf of the Issuer) shall apply or provide for the Available Revenue Receipts (not including any amount standing to the credit of the IRC Collateral Account (other than any IRC Collateral Account Surplus)) together with (in the case of any Revenue Shortfall) Principal Receipts and/or Liquidity Reserve Release Amount in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the **"Pre-Enforcement Revenue Priority of Payments"**):

- (a) *first*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any fees, costs, charges, liabilities, expenses and all other amounts then due and payable or to become due and payable in the immediately succeeding Interest Period to the Trustee or any delegate, agent, nominee, custodian, attorney or manager appointed by the Trustee pursuant to the provisions of the Trust Deed and the other Transaction Documents (an **"Appointee"**) together with (if payable) VAT thereon as provided therein;
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any amounts then due and payable to the Reference Agent, the Registrar and the Principal Paying Agent, together with any successor or additional paying agents appointed from time to time in connection with the Notes under the Agency Agreement (the **"Paying Agents"**) and any costs, charges, liabilities and expenses then due or to become due and payable in the immediately succeeding Interest Period to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;
 - (ii) any amounts then due and payable to the Account Bank under the Account Bank Agreement and any costs, charges, liabilities and expenses then due or to become due and payable in the immediately succeeding Interest Period to it under the provisions of the Account Bank Agreement, together with (if payable) VAT thereon as provided therein;
 - (iii) any amounts then due and payable to any custodian or any replacement or additional account bank and any costs, charges, liabilities and expenses then due or to become due and payable in the immediately succeeding Interest Period to it under the provisions of the Transaction Documents, together with (if payable) VAT thereon as provided therein;
 - (iv) any amounts due and payable to the Administrator and any costs, charges, liabilities and expenses then due and payable to the Administrator or any such amount to become due and payable to the Administrator in the immediately succeeding Interest Period under the provisions of the Administration Agreement, together with (if payable) VAT thereon as provided therein;
 - (v) any amounts then due and payable to the Cash Manager and any costs, charges, liabilities and expenses then due and payable to the Cash Manager or any such amount to become due and payable to the Cash Manager in the immediately succeeding Interest Period under

- the provisions of the Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
- (vi) any amounts then due and payable to the Corporate Services Provider and any costs, charges, liabilities and expenses then due and payable or to become due and payable in the immediately succeeding Interest Period to the Corporate Services Provider under the provisions of the Corporate Services Agreement, together with (if payable) VAT thereon as provided therein;
 - (vii) any amounts then due and payable to the Issuer Administration Consultant (in relation to its fees only, up to the Senior Consulting Fee Amount and on any Interest Payment Date that the relevant Notes are redeemed in full pursuant to the Call Option or the Risk Retention Regulatory Change Option only, up to the Junior Consulting Fee Amount) in the immediately succeeding Interest Period under the provisions of the Asset Management Consulting Agreement;
 - (viii) any amounts then due and payable to the Servicing Advisor in the immediately succeeding Interest Period under the provisions of the Servicing Advisory Agreement;
 - (ix) any amounts then due and payable to the Legal Title Holder and any costs, charges, liabilities and expenses then due and payable to the Legal Title Holder or any such amount to become due and payable to the Legal Title Holder in the immediately succeeding Interest Period, together with (if payable) VAT thereon; and
 - (x) any amounts to pay any Insurance Policy premium payments or to reimburse the Issuer Administration Consultant to the extent it has paid such amounts on behalf of the Issuer.
- (c) *third*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
- (i) any amounts due and payable by the Issuer to third parties and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) in respect of amounts necessary to provide for any such amounts expected to become due and payable by the Issuer in the immediately succeeding Interest Period including, but not limited to, audit fees, legal fees, tax compliance fees and anticipated wind-up costs of the Issuer and any amounts required to pay or discharge any liability of the Issuer to VAT or corporation tax or other tax; and
 - (ii) any Replacement IRC Amount payable to a replacement interest rate cap provider to the extent the available amounts standing to the credit of the IRC Collateral Account are insufficient to cover such Replacement IRC Amount in accordance with the IRC Collateral Account Priority of Payments;
- (d) *fourth*, on each Interest Payment Date falling in March, June, September and December of each year, the Issuer Profit Amount;
- (e) *fifth*, in or towards payment of amounts of interest due and payable on the Class A Notes to the holders of the Class A Notes;
- (f) *sixth*, to credit the Class A Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (g) *seventh*, (so long as the Class A Notes remain outstanding following such Interest Payment Date) an amount to be credited to the Liquidity Reserve Fund Ledger up to the Liquidity Reserve Fund Required Amount;
- (h) *eighth*, in or towards payment of amounts of interest due and payable on the Class B Notes to the holders of the Class B Notes (including any Deferred Interest and Additional Interest thereon);
- (i) *ninth*, to credit the Class B Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;

- (j) *tenth*, in or towards payment of amounts of interest due and payable on the Class C Notes to the holders of the Class C Notes (including any Deferred Interest and Additional Interest thereon);
- (k) *eleventh*, to credit the Class C Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (l) *twelfth*, in or towards payment of amounts of interest due and payable on the Class D Notes to the holders of the Class D Notes (including any Deferred Interest and Additional Interest thereon);
- (m) *thirteenth*, to credit the Class D Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (n) *fourteenth*, in or towards payment of amounts of interest due and payable on the Class E Notes to the holders of the Class E Notes (including any Deferred Interest and Additional Interest thereon);
- (o) *fifteenth*, to credit the Class E Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (p) *sixteenth*, in or towards payment of amounts of interest due and payable on the Class F Notes to the holders of the Class F Notes (including any Deferred Interest and Additional Interest thereon);
- (q) *seventeenth*, to credit the Class F Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (r) *eighteenth*, in or towards payment of amounts of interest due and payable on the Class G Notes to the holders of the Class G Notes (including any Deferred Interest and Additional Interest thereon);
- (s) *nineteenth*, to credit the Class G Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (t) *twentieth*, an amount to be credited to the Non-Liquidity Reserve Fund Ledger up to the Non-Liquidity Reserve Fund Required Amount;
- (u) *twenty first*, to credit the Class Z1 Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (v) *twenty second*, provided such amount has not already been paid under item (b)(vii), any costs and fees of the Issuer Administration Consultant up to the Junior Consulting Fee Amount;
- (w) *twenty third*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class C Additional Note Payment to the holders of the Class C Notes;
- (x) *twenty fourth*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class D Additional Note Payment to the holders of the Class D Notes;
- (y) *twenty fifth*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class E Additional Note Payment to the holders of the Class E Notes;
- (z) *twenty sixth*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class F Additional Note Payment to the holders of the Class F Notes;
- (aa) *twenty seventh*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class G Additional Note Payment to the holders of the Class G Notes;
- (bb) *twenty eighth*, to credit to the Additional Note Payment Reserve Fund with the Additional Note Payment Reserve Fund Payment Amount;

- (cc) *twenty ninth*, in or towards payment of amounts of interest due and payable on the Class RFN Notes to the holders of the Class RFN Notes;
- (dd) *thirtieth*, in or towards payment of amounts of interest due and payable on the Class Z1 Notes to the holders of the Class Z1 Notes;
- (ee) *thirty first*, to credit the Class Z2 Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (ff) *thirty second*, in or towards payment of amounts of interest due and payable on the Class Z2 Notes to the holders of the Class Z2 Notes (including any Deferred Interest and Additional Interest thereon);
- (gg) *thirty third*, while any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes or the Class Z2 Notes are outstanding, to pay principal amounts due on the Class X Notes until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000, and following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, until the Class X Notes are redeemed to €1; and
- (hh) *thirty fourth*, in or towards payment of amounts of interest due and payable on the Class X Notes to the holders of the Class X Notes.

APPLICATION OF PRINCIPAL RECEIPTS PRIOR TO SERVICE OF AN ENFORCEMENT NOTICE

Definition of Principal Receipts

Principal Receipts received by the Issuer in any Monthly Calculation Period shall be credited by the Cash Manager to the ledger created for such purpose (the "**Principal Ledger**") on the Transaction Account.

"**Principal Receipts**" means payments received by the Issuer representing:

- (a) any payment in respect of principal received in respect of any Mortgage Loan (including Capitalised Arrears and Capitalised Expenses but excluding Accrued Interest and Arrears of Interest);
- (b) recoveries of principal from defaulting Borrowers on enforcement of any Mortgage Loan (including the proceeds of sale of the relevant Property);
- (c) any payment pursuant to any Insurance Policy in respect of a Property in connection with a Mortgage Loan in the Mortgage Portfolio;
- (d) recoveries of principal on redemption (including partial redemption) of any Mortgage Loan; and
- (e) any other payments received which are not classified as Revenue Receipts.

"**Capitalised Expenses**" means for any Mortgage Loan at any date, expenses which have become overdue in respect of that Mortgage Loan and which as at that date have been added to the Capital Balance of that Mortgage Loan in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower.

Definition of Available Principal Receipts

"**Available Principal Receipts**" means for any Interest Payment Date (without double counting):

- (a) all Principal Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Monthly Calculation Period;
- (b) on the Liquidity Excess Principal Release Date, any amounts standing to the credit of the Liquidity Reserve Fund Ledger having first applied any such amount to repay the Class A Notes in full;

- (c) the amounts (if any) to be credited to the Principal Deficiency Ledger pursuant to items (f), (i), (k), (m) (o), (q), (s), (u) and/or (ee) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date;
 - (d) on the Final Rated Note Redemption Date, the Non-Liquidity Reserve Fund Ledger Residual Amount, the Liquidity Reserve Fund Ledger Residual Amount and the Additional Note Payment Reserve Fund Ledger Residual Amount;
 - (e) other amounts received by the Issuer during the immediately preceding Monthly Calculation Period in accordance with the terms of the Transaction Documents and which is of a principal nature,
- less:
- (i) the amount of Principal Receipts received by the Issuer during the immediately preceding Monthly Calculation Period which are to be applied to cure any Revenue Shortfall in relation to the Most Senior Class of Notes on such Interest Payment Date; and
 - (ii) the amount of Principal Receipts applied as Principal Deficiency Excess Revenue Amounts pursuant to item (d) of the definition of Available Revenue Receipts.

The Issuer shall pay or provide for amounts due under the Pre-Enforcement Revenue Priority of Payments before paying amounts due under the Pre-Enforcement Principal Priority of Payments.

Application of Available Principal Receipts prior to the service of an Enforcement Notice by the Trustee on the Issuer

On each Interest Payment Date prior to the service of an Enforcement Notice on the Issuer by the Trustee, the Cash Manager (on behalf of the Issuer) shall apply Available Principal Receipts in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Pre-Enforcement Principal Priority of Payments**"):

- (a) *first*, (other than on the Final Rated Note Redemption Date and any Interest Payment Date thereafter) if (taking into account amounts applied pursuant to item (g) of the Pre-Enforcement Revenue Priority of Payments) the balance of the Liquidity Reserve Fund is less than the Liquidity Reserve Fund Required Amount, towards a credit to the Liquidity Reserve Fund up to the Liquidity Reserve Fund Required Amount;
- (b) *second*, to redeem the Class A Notes until the Class A Notes are redeemed to €1;
- (c) *third*, any Deferred Interest due and payable to the holders of the Class B Notes;
- (d) *fourth*, to redeem the Class A Notes until the Class A Notes have been redeemed in full;
- (e) *fifth*, to redeem the Class B Notes until the Class B Notes have been redeemed in full;
- (f) *sixth*, to redeem the Class C Notes until the Class C Notes have been redeemed in full;
- (g) *seventh*, to redeem the Class D Notes until the Class D Notes have been redeemed in full;
- (h) *eighth*, to redeem the Class E Notes until the Class E Notes have been redeemed in full;
- (i) *ninth*, to redeem the Class F Notes until the Class F Notes have been redeemed in full;
- (j) *tenth*, to redeem the Class G Notes until the Class G Notes have been redeemed in full;
- (k) *eleventh*, any deferred Additional Note Payment on the Class C Notes;
- (l) *twelfth*, any deferred Additional Note Payment on the Class D Notes;
- (m) *thirteenth*, any deferred Additional Note Payment on the Class E Notes;
- (n) *fourteenth*, any deferred Additional Note Payment on the Class F Notes;

- (o) *fifteenth*, any deferred Additional Note Payment on the Class G Notes;
- (p) *sixteenth*, in or towards payment of amounts of interest due and payable on the Class RFN Notes to the holders of the Class RFN Notes;
- (q) *seventeenth*, to redeem the Class RFN Notes until the Class RFN Notes have been redeemed in full
- (r) *eighteenth*, in or towards payment of amounts of interest due and payable on the Class Z1 Notes to the holders of the Class Z1 Notes;
- (s) *nineteenth*, to redeem the Class Z1 Notes until the Class Z1 Notes have been redeemed in full;
- (t) *twenty*, in or towards payment of amounts of interest due and payable on the Class Z2 Notes to the holders of the Class Z2 Notes;
- (u) *twenty first*, to redeem the Class Z2 Notes until the Class Z2 Notes have been redeemed in full; and
- (v) *twenty second*, the remainder, if any, to constitute Available Revenue Receipts and to be applied in accordance with the Pre-Enforcement Revenue Priority of Payments.

APPLICATION OF COLLECTIONS AND OTHER MONIES OF THE ISSUER FOLLOWING THE SERVICE OF AN ENFORCEMENT NOTICE

Following the service of an Enforcement Notice by the Trustee on the Issuer, the Trustee (or the Cash Manager on its behalf or a Receiver) will apply all monies held in the Charged Accounts and all amounts received or recovered following service of an Enforcement Notice (not including any amount standing to the credit of the IRC Collateral Account (other than any IRC Collateral Account Surplus)) in the following order of priority (the "**Post-Enforcement Priority of Payments**" and, together with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments, the "**Priorities of Payments**" and each, a "**Priority of Payments**"):

- (a) *first*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any fees, costs, charges, liabilities, expenses and all other amounts then due and payable to the Trustee or any Appointee, under the provisions of the Trust Deed and the other Transaction Documents, together with (if payable) VAT thereon as provided therein; and
 - (ii) any fees, costs, charges, liabilities, expenses and all other amounts then due and payable to any receiver, manager, receiver or manager, or administrative receiver (a "**Receiver**") appointed by the Trustee or any Appointee under the provisions of the Irish Deed of Charge or the English Deed of Charge, as applicable and the other Transaction Documents, together with (if payable) VAT thereon as provided therein;
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any amounts then due and payable to the Reference Agent, the Registrar and the Paying Agents and any costs, charges, liabilities and expenses then due and payable to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;
 - (ii) any amounts then due and payable to the Account Bank under the Account Bank Agreement and any costs, charges, liabilities and expenses then due and payable to it under the provisions of the Account Bank Agreement, together with (if payable) VAT thereon as provided therein;
 - (iii) any amounts then due and payable to any custodian or any replacement or additional account bank and any costs, charges, liabilities and expenses then due and payable to it under the provisions of the Transaction Documents, together with (if payable) VAT thereon as provided therein;

- (iv) any amounts then due and payable to the Corporate Services Provider and any costs, charges, liabilities and expenses then due and payable to the Corporate Services Provider under the provisions of the Corporate Services Agreement, together with VAT thereon as provided therein;
 - (v) any amounts due and payable to the Administrator and any costs, charges, liabilities and expenses then due and payable to the Administrator under the provisions of the Administration Agreement, together with (if payable) VAT thereon as provided therein;
 - (vi) any amounts then due and payable to the Cash Manager and any costs, charges, liabilities and expenses then due and payable to the Cash Manager under the provisions of the Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
 - (vii) any amounts then due and payable to the Issuer Administration Consultant in the immediately succeeding Interest Period under the provisions of the Asset Management Consulting Agreement (in relation to fees only, up to the Senior Consulting Fee Amount);
 - (viii) any amounts then due and payable to the Servicing Advisor in the immediately succeeding Interest Period under the provisions of the Servicing Advisory Agreement;
 - (ix) any amounts then due and payable to the Legal Title Holder and any costs, charges, liabilities and expenses then due and payable to the Legal Title Holder or any such amount to become due and payable to the Legal Title Holder in the immediately succeeding Interest Period, together with (if payable) VAT thereon; and
 - (x) any amounts then due and payable to the Issuer Administration Consultant in respect of any Insurance Policy premium payments;
- (c) *third*, to pay interest due and payable on the Class A Notes to the holders of the Class A Notes;
 - (d) *fourth*, to pay principal due and payable on the Class A Notes until the Class A Notes have been redeemed in full;
 - (e) *fifth*, to pay interest due and payable on the Class B Notes to the holders of the Class B Notes (including any Deferred Interest and Additional Interest thereon);
 - (f) *sixth*, to pay principal due and payable on the Class B Notes until the Class B Notes have been redeemed in full;
 - (g) *seventh*, to pay interest due and payable on the Class C Notes to the holders of the Class C Notes (including any Deferred Interest and Additional Interest thereon);
 - (h) *eighth*, to pay principal due and payable on the Class C Notes until the Class C Notes have been redeemed in full;
 - (i) *ninth*, to pay interest due and payable on the Class D Notes to the holders of the Class D Notes (including any Deferred Interest and Additional Interest thereon);
 - (j) *tenth*, to pay principal due and payable on the Class D Notes until the Class D Notes have been redeemed in full;
 - (k) *eleventh*, to pay interest due and payable on the Class E Notes to the holders of the Class E Notes (including any Deferred Interest and Additional Interest thereon);
 - (l) *twelfth*, to pay principal due and payable on the Class E Notes until the Class E Notes have been redeemed in full;
 - (m) *thirteenth*, to pay interest due and payable on the Class F Notes to the holders of the Class F Notes (including any Deferred Interest and Additional Interest thereon);
 - (n) *fourteenth*, to pay principal due and payable on the Class F Notes until the Class F Notes have been redeemed in full;

- (o) *fifteenth*, to pay interest due and payable on the Class G Notes to the holders of the Class G Notes (including any Deferred Interest and Additional Interest thereon);
- (p) *sixteenth*, to pay principal due and payable on the Class G Notes until the Class G Notes have been redeemed in full;
- (q) *seventeenth*, provided such amount has not already been paid under item (b)(vii), any costs and fees of the Issuer Administration Consultant up to the Junior Consulting Fee Amount
- (r) *eighteenth*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class C Additional Note Payment to the holders of the Class C Notes;
- (s) *nineteenth*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class D Additional Note Payment to the holders of the Class D Notes;
- (t) *twentieth*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class E Additional Note Payment to the holders of the Class E Notes;
- (u) *twenty first*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class F Additional Note Payment to the holders of the Class F Notes;
- (v) *twenty second*, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of amounts due and payable as Class G Additional Note Payment to the holders of the Class G Notes;
- (w) *twenty third*, to pay interest due and payable on the Class RFN Notes to the holders of the Class RFN Notes (including any Deferred Interest and Additional Interest thereon);
- (x) *twenty fourth*, to pay principal due and payable on the Class RFN Notes until the Class RFN Notes have been redeemed in full;
- (y) *twenty fifth*, to pay interest due and payable on the Class Z1 Notes to the holders of the Class Z1 Notes (including any Deferred Interest and Additional Interest thereon);
- (z) *twenty sixth*, to pay principal due and payable on the Class Z1 Notes until the Class Z1 Notes have been redeemed in full;
- (aa) *twenty seventh*, to pay interest due and payable on the Class Z2 Notes to the holders of the Class Z2 Notes (including any Deferred Interest and Additional Interest thereon);
- (bb) *twenty eighth*, to pay principal due and payable on the Class Z2 Notes until the Class Z2 Notes have been redeemed in full;
- (cc) *twenty ninth*, while any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes or the Class Z2 Notes are outstanding, to pay principal amounts due on the Class X Notes until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000, and following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, to pay principal due and payable on the Class X Notes until the Class X Notes are redeemed to €1;
- (dd) *thirtieth*, any amounts required by the Issuer to pay or discharge any liability of the Issuer to corporation tax (which cannot be made out of the Issuer Profit Amount retained previously by the Issuer); and
- (ee) *thirty first*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due and payable by the Issuer to third parties and incurred without breach

by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) including, but not limited to, audit fees, legal fees, tax compliance fees and anticipated wind-up costs of the Issuer;

- (ff) *thirty second*, in or towards payment of amounts of interest due and payable on the Class X Notes to the holders of the Class X Notes.

"Ancillary Rights" means in relation to a right, all ancillary rights, accretions and supplements to such right, including any guarantees or indemnities in respect of such right;

"Benefit" means in respect of any asset, agreement, property or right (each a **"Right"** for the purpose of this definition) held, assigned, conveyed, transferred, charged, sold or disposed of by any person shall be construed so as to include:

- (a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Right and all Ancillary Rights in respect of such Right;
- (b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to such Right or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time on such money and the debts represented by such bank account;
- (c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such Right or its Ancillary Rights;
- (d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such Right or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such Right or its Ancillary Rights; and
- (e) all items expressed to be held on trust for such person under or comprised in any such Right or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such Right and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such Right and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach;

"Encumbrance" means:

- (a) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person;
- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.

"Charged Accounts" means the Issuer Accounts and any bank or other account in which the Issuer may at any time acquire a Benefit and over which the Issuer has created an Encumbrance in favour of the Trustee pursuant to the English Deed of Charge or the Irish Deed of Charge (other than the Issuer Profit Account).

IRC Collateral

In the event that the Interest Rate Cap Provider is required to transfer collateral to the Issuer in respect of its obligations under the Interest Rate Cap Agreement in accordance with the terms of the Credit Support Annex of the Interest Rate Cap Agreement (the **"IRC Credit Support Annex"**), including collateral posted following an IRC Provider Downgrade Event or as a result of complying with any swap clearing organisation rules regulatory requirement or other such regulation, rule or requirement, that collateral (and any interest and/or distributions earned thereon) (together, **"IRC Collateral"**) will be credited to a separate cap collateral account (the **"IRC Collateral Account"**) and credited to the ledger maintained by the Cash

Manager to record the balance from time to time of IRC Collateral (the "**IRC Collateral Ledger**"). In addition, (i) upon any early termination in whole of the Interest Rate Cap Agreement as a result of the default or termination by the Interest Rate Cap Provider or otherwise, (A) any Replacement IRC Amount received by the Issuer from a replacement interest rate cap provider, or (B) any termination payment received by the Issuer from the outgoing Interest Rate Cap Provider or (ii) any IRC Tax Credits, in each case, will be credited to the IRC Collateral Account and recorded on the IRC Collateral Ledger.

Amounts and securities standing to the credit of the IRC Collateral Account (including interest, distributions and redemption or sale proceeds thereon or thereof) and recorded on the IRC Collateral Ledger will not be available for the Issuer or the Trustee to make payments to the Secured Creditors generally, but may be applied by the Cash Manager only in accordance with the following provisions (the "**IRC Collateral Account Priority of Payments**"):

- (a) to pay an amount equal to any IRC Tax Credits received by the Issuer to the relevant Interest Rate Cap Provider as soon as reasonably practicable after receipt by the Issuer;
- (b) prior to the designation of an Early Termination Date (as defined in the Interest Rate Cap Agreement, an "**Early Termination Date**") in respect of the Interest Rate Cap Agreement, solely in or towards payment or discharge of any Return Amounts (as defined in the IRC Credit Support Annex), Interest Amounts and Distributions (as defined in the IRC Credit Support Annex), on any day, directly to the Interest Rate Cap Provider;
- (c) following the designation of an Early Termination Date in respect of the Interest Rate Cap Agreement where (A) such Early Termination Date has been designated following an IRC Provider Default or IRC Provider Downgrade Event and (B) the Issuer enters into a Replacement IRC Agreement in respect of the Interest Rate Cap Agreement by no later than 30 Business Days after the Early Termination Date of the Interest Rate Cap Agreement, on the later of the day on which such Replacement IRC Agreement is entered into, the day on which a termination payment (if any) payable to the Issuer has been received and the day on which a Replacement IRC Amount (if any) payable to the Issuer has been received, in the following order of priority:
 - (i) *first*, in or towards payment of a Replacement IRC Amount (if any) payable by the Issuer to a replacement interest rate cap provider in order to enter into a Replacement IRC Agreement with the Issuer with respect to the Interest Rate Cap Agreement being terminated;
 - (ii) *second*, in or towards payment of any termination payment due to the outgoing Interest Rate Cap Provider; and
 - (iii) *third*, the surplus (if any) on such day to be transferred to the Transaction Account to be applied as Available Revenue Receipts;
- (d) following the designation of an Early Termination Date in respect of the Interest Rate Cap Agreement where: (A) such Early Termination Date has been designated otherwise than as a result of one of the events specified at item (c) above, and (B) the Issuer enters into a Replacement IRC Agreement in respect of the Interest Rate Cap Agreement by no later than 30 Business Days after the Early Termination Date of the Interest Rate Cap Agreement, on the later of the day on which such Replacement IRC Agreement is entered into, the day on which a termination payment (if any) payable to the Issuer has been received and the day on which a Replacement IRC Amount (if any) payable to the Issuer has been received, in the following order of priority:
 - (i) *first*, in or towards payment of any termination payment due to the outgoing Interest Rate Cap Provider;
 - (ii) *second*, in or towards payment of a Replacement IRC Amount (if any) payable by the Issuer to a replacement interest rate cap provider in order to enter into a Replacement IRC Agreement with the Issuer with respect to the Interest Rate Cap Agreement being terminated; and
 - (iii) *third*, any surplus on such day to be transferred to the Transaction Account to be applied as Available Revenue Receipts;

- (e) following the designation of an Early Termination Date in respect of the Interest Rate Cap Agreement for any reason where the Issuer does not enter into a Replacement IRC Agreement in respect of the Interest Rate Cap Agreement by no later than 30 Business Days after the Early Termination Date of the Interest Rate Cap Agreement and, on the Business Day following the expiry of such 30 Business Day period, in or towards payment of any termination payment due to the outgoing Interest Rate Cap Provider; and
- (f) following payments of amounts due pursuant to (e) above, if amounts remain standing to the credit of a IRC Collateral Account, such amounts may be applied only in accordance with the following provisions:
 - (i) *first*, in or towards payment of a Replacement IRC Amount (if any) payable by the Issuer to a replacement interest rate cap provider in order to enter into a Replacement IRC Agreement with the Issuer with respect to the Interest Rate Cap Agreement; and
 - (ii) *second*, any surplus remaining after payment of such Replacement IRC Amount to be transferred to the Transaction Account to be applied as Available Revenue Receipts,

provided that for so long as the Issuer does not enter into a Replacement IRC Agreement with respect to the Interest Rate Cap Agreement, on each payment date under the Interest Rate Cap Agreement, the Issuer (or the Cash Manager on its behalf) will be permitted to withdraw an amount from the IRC Collateral Account (which shall be debited to the IRC Collateral Ledger), equal to any amount due from the Interest Rate Cap Provider pursuant to the terms of the Interest Rate Cap Agreement on such payment date but for the designation of an Early Termination Date under the Interest Rate Cap Agreement, such surplus to be transferred to the Transaction Account to be applied as Available Revenue Receipts; and

provided further that for so long as the Issuer does not enter into a Replacement IRC Agreement with respect to the Interest Rate Cap Agreement on or prior to the earlier of:

- (A) the Determination Date immediately before the Interest Payment Date on which the Principal Amount Outstanding of all Rated Notes would be reduced to zero (taking into account any IRC Collateral Account Surplus to be applied as Available Revenue Receipts on such Interest Payment Date); or
- (B) the day on which an Enforcement Notice is given pursuant to Condition 13 (*Events of Default*);

then the amount standing to the credit of such IRC Collateral Account on such day shall be transferred to the Transaction Account to be applied as Available Revenue Receipts as soon as reasonably practicable thereafter.

The IRC Euro Cash Collateral Account will be opened in the name of the Issuer with the Account Bank. Any additional IRC Collateral Account that may be required to be opened from time to time shall be opened in the name of the Issuer in accordance with the Interest Rate Cap Agreement and the Account Bank Agreement or any other account bank agreement and/or custody agreement which shall include certain conditions as stipulated under the Interest Rate Cap Agreement, as applicable. Any IRC Collateral Account and an IRC Collateral Ledger will be established and maintained in respect of the Interest Rate Cap Agreement. As security for the payment of all monies payable in respect of the Notes and the other Secured Obligations, the Issuer will grant a first fixed charge over the Issuer's interest in the IRC Collateral Account and the debts represented thereby (which may, however, take effect as a floating charge and therefore rank behind the claims of any preferential creditors of the Issuer).

"IRC Collateral Account Surplus" means the amounts applied as Available Revenue Receipts pursuant to the IRC Collateral Account Priority of Payments.

"IRC Euro Cash Collateral Account" means the euro cash collateral account in the name of the Issuer held with the Account Bank pursuant to the Account Bank Agreement.

"IRC Excluded Termination Amount" means the amount of any termination payment due and payable to the Interest Rate Cap Provider as a result of an IRC Provider Default or IRC Provider Downgrade Event;

"IRC Provider Default" means the occurrence of an Event of Default (as defined in the Interest Rate Cap Agreement) where the Interest Rate Cap Provider is the Defaulting Party (as defined in the Interest Rate Cap Agreement).

"IRC Provider Downgrade Event" means the occurrence of an Additional Termination Event (as defined in the Interest Rate Cap Agreement) following the failure by the Interest Rate Cap Provider to comply with the requirements of the ratings downgrade provisions set out in the Interest Rate Cap Agreement.

"IRC Tax Credits" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Interest Rate Cap Provider to the Issuer under the terms of the Interest Rate Cap Agreement.

"Replacement IRC Agreement" means an agreement between the Issuer and a replacement interest rate cap provider to replace the Interest Rate Cap Agreement, **provided that** any replacement Transaction (as defined in the Interest Rate Cap Agreement) thereunder shall have the effect of preserving for the Issuer the economic equivalent of any payment or delivery (whether the underlying obligation was absolute or contingent and assuming the satisfaction of each applicable condition precedent) by the Issuer and the outgoing Interest Rate Cap Provider in respect of the terminated Transaction or group of terminated Transactions that would, but for the occurrence of the termination of the Interest Rate Cap Agreement, have been required after that date of termination.

"Replacement IRC Amount" means an amount (if any) received by the Issuer from a replacement interest rate cap provider, or an amount paid by the Issuer to a replacement interest rate cap provider, upon entry by the Issuer into a Replacement IRC Agreement.

DESCRIPTION OF THE NOTES IN GLOBAL FORM

General

The Notes of each Class will be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and will be represented on issue by one or more Global Notes of such Class in fully registered form without interest coupons or principal receipts attached (each a "**Global Note**"). Beneficial interests in a Global Note may only be held through Euroclear or Clearstream, Luxembourg or their participants at any time.

All capitalised terms not defined in this paragraph shall be as defined in the Conditions of the Notes.

The Global Notes will be deposited on or about the Closing Date with a common safekeeper for both Euroclear and Clearstream, Luxembourg (the "**Common Safekeeper**").

The Global Notes will be registered in the name of a nominee for the Common Safekeeper. The Issuer will procure the Registrar to maintain a register in which it will register the nominee for the Common Safekeeper as the owner of the Global Notes.

Upon confirmation by the Common Safekeeper that it has custody of the Global Notes, Euroclear or Clearstream, Luxembourg, as the case may be, will record book-entry interests representing beneficial interests (the "**Book-Entry Interests**") in the Global Notes attributable thereto.

Book-Entry Interests in respect of Global Notes will be recorded in denominations of €100,000 and, for so long as or Clearstream, Luxembourg so permit integral multiples of €1,000 in excess thereof (a "**Minimum Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Book-Entry Interests through Participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants shall also include persons that hold beneficial interests through such Indirect Participants. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Arranger. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as a nominee of the Common Safekeeper is the registered holder of the Global Notes underlying the Book-Entry Interests, the nominee of the Common Safekeeper will be considered the sole Noteholder of the Global Note for all purposes under the Trust Deed. Except as set forth under "Issuance of Definitive Notes", below, Participants or Indirect Participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Notes under the Trust Deed. See "*Action in Respect of the Global Note and the Book-Entry Interests*", below.

Unlike legal owners or holders of the Notes, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under

the Global Notes, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Definitive Notes are issued in accordance with the Conditions. There can be no assurance that the procedures to be implemented by Euroclear or Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Unless and until Book-Entry Interests in the Global Notes are exchanged for Definitive Notes, the Global Notes registered in the name of the Common Safekeeper may not be transferred except as a whole by the Common Safekeeper to a successor of the Common Safekeeper.

Purchasers of Book-Entry Interests in a Global Note pursuant to Regulation S will hold Book-Entry Interests in the Global Notes relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set forth under "Transfers and Transfer Restrictions", below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in each Global Note on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Eurobonds and sterling denominated bonds.

Payments on the Global Notes

Payment of principal and interest on, and any other amount due in respect of, the Global Notes will be made in Euros by or to the order of Elavon Financial Services DAC, U.K. Branch as the Principal Paying Agent on behalf of the Common Safekeeper or its nominee as the registered holder thereof. Each holder of Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the Common Safekeeper or its nominees in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for or on account of any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Paying Agents nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the order of the Common Safekeeper, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date, Euroclear and Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The record date, in respect of the Notes shall be one Clearing System Business Day prior to the relevant Interest Payment Date where "**Clearing System Business Day**" means a day on which each clearing system for which the Notes are being held is open for business. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Arranger, the Lead Manager or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer or the Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed, the Irish Deed of Charge or the English Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that any Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the nominee of the Common Safekeeper and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Principal Paying Agent for cancellation. Appropriate entries will be made in the register on which the names and addresses of the holders of the Notes and the particulars of the Notes shall be entered and kept by the Issuer at the Specified Office of the Registrar (the "**Register**"). The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Principal

Paying Agent in connection with the redemption of the Global Note (or portion thereof) relating thereto. For any redemptions of the Global Note in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a *pro rata* basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

"**Specified Office**" means, in relation to any Agent:

- (a) the office specified against its name in the Notices Details; or
- (b) such other office as such Agent may specify in accordance with the Agency Agreement;

Cancellation

All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be reissued or resold.

Transfers and Transfer Restrictions

All transfer of Book-Entry Interests will be recorded with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to the customary procedures established by each respective system and its Participants.

Beneficial interests in the Global Notes may be held only through Euroclear and Clearstream, Luxembourg. None of the Global Notes nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set forth in the legend appearing in the Global Notes.

Settlement and transfer of Notes

Subject to the rules and procedures of each applicable clearing system, purchases of notes held within a clearing system must be made by or through Participants, which will receive a credit for such notes on the clearing system's records. The ownership interest of each actual purchaser of each such note (the "**beneficial owner**") will in turn be recorded on the Participant's records. Beneficial owners will not receive written confirmation from any clearing system of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct and indirect participant through which such beneficial owner entered into the transaction. Transfers of ownership interests in notes held within the clearing system will be effected by entries made on the books of Participants acting on behalf of beneficial owners. Beneficial owners will not receive individual notes representing their ownership interests in such notes unless use of the book-entry system for the notes described in this section is discontinued.

No clearing system has knowledge of the actual beneficial owners of the notes and certificates held within such clearing system and their records will reflect only the identity of the direct participants to whose accounts such notes are credited, which may or may not be the beneficial owners. Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the clearing systems to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants. See "*General*", above.

Issuance of Definitive Notes

Holders of Book-Entry Interests in the Global Note will be entitled to receive notes evidencing definitive notes in registered form ("**Definitive Notes**") in exchange for their respective holdings of Book-Entry Interests if (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and do so cease to do business and no alternative clearing system satisfactory to the Trustee is available or (b) as a result of any amendment to, or change in, the laws or regulations of Ireland (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive form.

Any Definitive Note issued in exchange for Book-Entry Interests in a Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Book Entry Interests. Holders of Definitive Notes issued in exchange for Book-Entry Interests in a Global Note will not be entitled to exchange such Definitive Note, for Book-Entry Interests in a Global Note. Any Notes issued in definitive form will be issued in registered form only and will be subject to the provisions set forth under "Transfers And Transfer Restrictions" above **provided that** no transfer shall be registered for a period of 15 days immediately preceding any due date for payment in respect of the Note or, as the case may be, the due date for redemption. Definitive Notes will not be

issued in a denomination that is not an integral multiple of the Minimum Denomination or for any amount in excess thereof, in integral multiples of €1,000. As the Notes have a denomination consisting of the Minimum Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the Minimum Denomination may not receive a Definitive Note in respect of such holding (should Definitive Notes be issued) and would need to purchase a principal amount of Notes such that its holding amounts to the Minimum Denomination.

Action in Respect of the Global Note and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notices in respect of the Global Notes or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Notes, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests of the Global Notes and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear and Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Notes in accordance with any instructions set forth in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under "General" above, with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Reports

The Issuer will send to Euroclear and Clearstream, Luxembourg a copy of any notices, reports and other communications received relating to the Issuer, the Global Note or the Book-Entry Interests. Any notice shall be deemed to have been duly given to the relevant Noteholders if sent to each of Euroclear and Clearstream, Luxembourg (the "**Clearing Systems**") for communication by them to the holders of the relevant Notes and shall be deemed to be given on the date on which it was so sent and (so long as the relevant Notes are admitted to trading and listed on the official list) any notice shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcements Office of Euronext Dublin. See also Condition 23 (*Notices*) of the Notes (the "**Notices Condition**").

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form in which they will be set out in the Trust Deed. If the Notes were to be represented by Definitive Notes, the Conditions set out on the reverse of each of such Definitive Note would be as follows. While the Notes are represented by Global Notes, they will be governed by the same terms and conditions except to the extent that such terms and conditions are appropriate only to securities in definitive form or are expressly varied by the terms of such Global Notes. These terms and conditions are subject to the detailed provisions of the Trust Documents and the other Transaction Documents.

1. General

1.1 The €346,500,000 Class A Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class A Notes**"), the €60,500,000 Class B Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class B Notes**"), the €44,500,000 Class C Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class C Notes**"), the €37,000,000 Class D Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class D Notes**"), the €37,000,000 Class E Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class E Notes**"), the €16,500,000 Class F Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class F Notes**"), the €22,000,000 Class G Residential Mortgage Backed Floating Rate Notes due November 2057 (the "**Class G Notes**" and, together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, and the Class F Notes the "**Rated Notes**"), the €12,335,000 Class RFN Residential Mortgage Backed Fixed Rate Notes due November 2057 (the "**Class RFN Notes**"), the €34,000,000 Class Z1 Residential Mortgage Backed Fixed Rate Notes due November 2057 (the "**Class Z1 Notes**"), the €18,750,000 Class Z2 Residential Mortgage Backed Fixed Rate Notes due November 2057 (the "**Class Z2 Notes**"), the €100,000 Class X Residential Mortgage Backed Notes due November 2057 (the "**Class X Notes**" and, together with the Rated Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, the "**Notes**") will be issued by Jepson Residential 2019-1 DAC (registered number 642779) (the "**Issuer**") on or about the Closing Date.

1.2 The Issuer has agreed to issue the Notes subject to and with the benefit of the terms of the Trust Deed and subject to the Agency Agreement. The security for the Notes is created pursuant to, and on the terms set out in, the Irish Deed of Charge and the English Deed of Charge.

1.3 The Agency Agreement records certain arrangements in relation to the payment of interest and principal in respect of the Notes.

1.4 Certain provisions of these Conditions are summaries of the Trust Documents and the Incorporated Terms Memorandum and the Agency Agreement and are subject to their detailed provisions.

The Noteholders are bound by the terms of the Trust Documents and the Incorporated Terms Memorandum, and are deemed to have notice of all the provisions of the Transaction Documents.

1.5 Copies of the Transaction Documents, the Incorporated Terms Memorandum and the Memorandum and Articles of Association of the Issuer are available for inspection by Noteholders during normal business hours at the principal office for the time being of the Trustee, being at the date hereof, U.S. Bank Trustees Limited, and at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below:

5th Floor, 125 Old Broad Street, London, EC2N 1AR, United Kingdom.

2. Definitions and Interpretation

2.1 Definitions

Capitalised terms not otherwise defined in these Conditions shall bear the meaning given to them in the Incorporated Terms Memorandum available as described above.

2.2 **Interpretation**

These Conditions shall be construed in accordance with the principles of construction set out in the Incorporated Terms Memorandum.

2.3 **Transaction Documents and other agreements:** Any reference to any document defined as a Transaction Document or any other agreement or document shall be construed as a reference to such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, restated, varied, novated, supplemented or replaced.

2.4 **Statutes and Treaties:** Any reference to a statute or treaty shall be construed as a reference to such statute or treaty as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted.

2.5 **Schedules:** Any Schedule of, or Appendix to a Transaction Document forms part of such Transaction Document and shall have the same force and effect as if the provisions of such Schedule or Appendix were set out in the body of such Transaction Document. Any reference to a Transaction Document shall include any such Schedule or Appendix.

2.6 **Headings:** Condition headings are for ease of reference only.

2.7 **Sections:** Except as otherwise specified in the Condition, reference in the Conditions to:

2.7.1 a "**Section**" shall be construed as a reference to a Section of such Transaction Document;

2.7.2 a "**Part**" shall be construed as a reference to a Part of such Transaction Document;

2.7.3 a "**Schedule**" shall be construed as a reference to a Schedule of such Transaction Document;

2.7.4 a "**Clause**" shall be construed as a reference to a Clause of a Part or Section (as applicable) of such Transaction Document; and

2.7.5 a "**Paragraph**" shall be construed as a reference to a Paragraph of a Schedule of such Transaction Document.

2.8 **Number**

In any Transaction Document, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

3. **Form and Denomination**

3.1 The Notes are in registered form in the Minimum Denomination for such Notes, without principal receipts, interest coupons or talons attached.

3.2 The Principal Amount Outstanding of the Notes of each Class initially offered and sold outside the United States to non U.S. persons pursuant to Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**Securities Act**") is represented by one or more global registered notes in fully registered form (the "**Global Notes**") without coupons attached. References herein to the "**Notes**" shall include (i) in relation to any Notes of a Class represented by a Global Note, units of the Minimum Denomination of such Class, (ii) any Global Note and (iii) any Definitive Note issued in exchange for a Global Note, and "**Note**" shall mean any one of them.

3.3 For so long as any Notes are represented by a Global Note, transfers and exchanges of beneficial interests in Global Notes and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear or Clearstream, Luxembourg, as appropriate.

3.4 For so long as the Notes are represented by a Global Note and Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in minimal amounts of €100,000 and integral multiples of €1,000 thereafter.

- 3.5 Certificates evidencing definitive registered Notes in an aggregate principal amount equal to the Principal Amount Outstanding of the Global Notes (the "**Definitive Notes**") will be issued in registered form and serially numbered in the circumstances referred to below. Definitive Notes, if issued, will be issued in the denomination of €100,000 and any amount in excess thereof in integral multiples of €1,000.
- 3.6 If, while any Notes are represented by a Global Note:
- 3.6.1 in the case of a Global Note held in Euroclear or Clearstream, Luxembourg, Euroclear or Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or do so cease business and no alternative clearing system is available; or
- 3.6.2 as a result of any amendment to, or change in, the laws or regulations of Ireland (or any political subdivision thereof) 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 which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes were in definitive registered form and a certificate to such effect signed by an authorised director of the Issuer is delivered to the Trustee (upon which the Trustee shall be entitled to rely without liability to any person),

(each a "**relevant event**") the Issuer will issue Definitive Notes to Noteholders whose accounts with the relevant clearing systems are credited with interests in that Global Note in exchange for those interests within 30 days of the relevant event but not earlier than forty days after the Closing Date (the "**Exchange Date**"). The Global Note will not be exchangeable for Definitive Notes in any other circumstances.

4. **Title**

- 4.1 The person registered in the Register as the holder of any Note will (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Note regardless of any notice of ownership, theft or loss, of any trust or other interest therein or of any writing thereon or, if more than one person, the first named of such persons who will be treated as the absolute owner of such Note.
- 4.2 The Issuer shall cause to be kept at the Specified Office of the Registrar, the Register on which shall be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers and redemptions of the Notes.
- 4.3 No transfer of a Note will be valid unless and until entered on the Register.
- 4.4 Transfers and exchanges of beneficial interests in the Global Note and any Definitive Notes and entries on the Register relating thereto will be made subject to any restrictions on transfers set forth on such Notes and the detailed regulations concerning transfers of such Notes contained in the Agency Agreement, the Trust Deed and the legend appearing on the face of the Notes. In no event will the transfer of a beneficial interest in a Global Note or the transfer of a Definitive Note be made absent compliance with the regulations referred to above (and subject to the Issuer or its agents being able to obtain any information required in order to satisfy any automatic exchange of information obligations under any applicable law), and any purported transfer in violation of such regulations or automatic exchange of information requirements shall be void ab initio and will not be honoured by the Issuer or the Trustee. The regulations referred to above may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be sent by the Principal Paying Agent in the U.K. or the Registrar to any holder of a Note who so requests (and who provides evidence of such holding where the Notes are in global form) and will be available upon request at the Specified Office of the Registrar or the Principal Paying Agent.

- 4.5 A Definitive Note, may be transferred in whole or in part upon the surrender of the relevant Definitive Note, together with the form of transfer endorsed on it duly completed and executed, at the Specified Office of the Registrar or the Principal Paying Agent. In the case of a transfer of part only of a Definitive Note, a new Definitive Note, in respect of the balance remaining will be issued to the transferor by or by order of the Registrar.
- 4.6 Each new Definitive Note, to be issued upon transfer of Definitive Notes will, within five Business Days of receipt of such request for transfer, be available for delivery at the Specified Office of the Registrar or the Principal Paying Agent stipulated in the request for transfer, or be mailed at the risk of the holder entitled to the Definitive Note, to such address as may be specified in such request.
- 4.7 Registration of Definitive Notes on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment of (or the giving of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation to it.
- 4.8 No holder of a Definitive Note, may require the transfer of such Note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on such Note.
5. **Status and Ranking**
- 5.1 **Status:** The Notes of each Class constitute direct, secured and unconditional obligations of the Issuer.
- 5.2 **Ranking:** Other than in respect of the priority of principal payments in certain circumstances as set out in Condition 5.5 (*Priority of Principal Payments*), the Class A Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class B Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class C Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class D Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class E Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class F Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class G Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class RFN Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class Z1 Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class Z2 Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class X Notes will at all times rank without preference or priority *pari passu* amongst themselves.
- 5.3 **Sole Obligations:** The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any of the other Transaction Parties.
- 5.4 **Priority of Interest Payments:** Payments of interest on the Class A Notes will at all times rank in priority to payments of interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class B Notes will rank in priority to payments of interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class C Notes will rank in priority to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class D Notes will rank in priority to payments of interest on the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class E Notes will rank in priority to payments of interest on the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class F Notes will rank in priority to payments of interest on the Class G Notes, the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class G Notes will rank in priority to payments of interest on the Class RFN Notes, the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes.

Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class RFN Notes will rank in priority to payments of interest on the Class Z1 Notes, the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class Z1 Notes will rank in priority to payments of interest and principal on the Class Z2 Notes and payments of interest and principal on the Class X Notes; payments of interest on the Class Z2 Notes will rank in priority to payments of interest and principal on the Class X Notes, in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

- 5.5 ***Priority of Principal Payments:*** Payments of principal on the Class A Notes will rank in priority to payments of principal on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes; payments of principal on the Class B Notes will rank in priority to payments of principal on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes; payments of principal on the Class C Notes will rank in priority to payments of principal on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes; payments of principal on the Class D Notes will rank in priority to payments of principal on the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes; payments of principal on the Class E Notes will rank in priority to payments of principal on the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes; payments of principal on the Class F Notes will rank in priority to payments of principal on the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes; payments of principal on the Class G Notes will rank in priority to payments of principal on the Class RFN Notes, the Class Z1 Notes, and the Class Z2 Notes; payments of principal on the Class RFN Notes will rank in priority to payments of principal on the Class Z1 Notes and the Class Z2 Notes; payments of principal on the Class Z1 Notes will rank in priority to payments of principal on the Class Z2 Notes in accordance with the Pre-Enforcement Principal Priority of Payments or the Post-Enforcement Priority of Payments. Prior to the service of an Enforcement Notice by the Trustee on the Issuer, payments of principal on the Class X Notes will be made in accordance with the Pre-Enforcement Revenue Priority of Payments: (i) while any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes or the Class Z2 Notes are outstanding, until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000; and (ii) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, until the Class X Notes are redeemed to €1. Following the service of an Enforcement Notice by the Trustee on the Issuer, the Class X Notes will be redeemed in accordance with the Post-Enforcement Priority of Payments after the redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes.
- 5.6 ***Priority of Additional Note Payments:*** Payments of Additional Note Payments on the Class C Notes will rank in priority to payments of Additional Note Payments on the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes; payments of Additional Note Payments on the Class D Notes will rank in priority to payments of Additional Note Payments on the Class E Notes, the Class F Notes and the Class G Notes; payments of Additional Note Payments on the Class E Notes will rank in priority to payments of Additional Note Payments on the Class F Notes and the Class G Notes, payments of Additional Note Payments on the Class F Notes will rank in priority to payments of Additional Note Payments on the Class G Notes, in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.
- 5.7 ***Priority of Payments:*** Prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments and Available Principal Receipts in accordance with the Pre-Enforcement Principal Priority of Payments and thereafter, in accordance with the Post-Enforcement Priority of Payments.

6. **Security**

6.1 **Security:** The Notes are secured by the Security in favour of the Trustee for itself and the other Secured Creditors.

6.2 **Enforceability:** The Security will become enforceable upon the delivery by the Trustee of an Enforcement Notice in accordance with Condition 13 (*Events of Default*) and subject to the matters referred to in Condition 14 (*Enforcement*).

7. **Issuer Covenants**

7.1 The Issuer gives the Issuer Covenants in favour of the Trustee which, amongst other things, restrict the ability of the Issuer to create or incur any indebtedness (save as permitted in the Trust Deed), dispose of assets (except as contemplated in the Transaction Documents) or change the nature of its business, without the prior written consent of the Trustee. So long as any Note remains outstanding, the Issuer shall comply with the Issuer Covenants.

7.2 The Issuer shall not, so long as any Note remains outstanding, following the exercise of any right under the Deed Poll to purchase the Completion Mortgage Pool in accordance with the terms of the Deed Poll, seek to enter into an arrangement with any other third party to sell the Completion Mortgage Pool and/or participate in any arrangement which frustrates the rights of the Option Holder to complete any such acquisition of the Completion Mortgage Pool.

8. **Interest and Additional Note Payments**

8.1 ***Accrual of Interest and Additional Note Payments***

8.1.1 ***Interest Accrual:*** Each Note bears interest on its Principal Amount Outstanding, from (and including) the Closing Date.

8.1.2 ***Additional Note Payment Accrual:*** Each of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes then outstanding shall accrue an Additional Note Payment from (and including) the Step-Up Date.

8.2 ***Cessation of Interest and Additional Note Payments:***

8.2.1 ***Cessation of Interest:*** Each Note other than the Class X Notes (or, in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the principal is improperly withheld or refused or default is otherwise made in respect of the payment, in which case, it will continue to bear interest in accordance with this Condition 8 (both before and after judgment) until whichever is the earlier of:

- (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and
- (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders of such Class (in accordance with Condition 23 (*Notices*)) that the full amount payable is available for collection by the Noteholder, **provided that** on due presentation payment is in fact made.

The Class X Notes shall cease to bear interest from the date on which the Class X Notes are redeemed in full.

8.2.2 ***Cessation of Additional Note Payments:*** Each of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes (or, in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear its respective Additional Note Payment from its due date for redemption unless, upon due presentation, payment of the principal is improperly withheld or refused or default is otherwise made in respect of the payment, in which case, the relevant Additional Note Payment (including any default interest due thereon) shall continue to accrue as provided in these Conditions until whichever is the earlier of:

- (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and
- (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders of such Class (in accordance with Condition 23 (*Notices*)) that the full amount payable is available for collection by the Noteholder, **provided that** on due presentation payment is in fact made.

8.3 **Interest Payments:** Interest on each Note (other than the Class X Notes) is payable in Euro in arrears on each Interest Payment Date commencing on the First Interest Payment Date, in an amount equal to the Interest Amount in respect of such Note for the Interest Period ending on the day immediately preceding such Interest Payment Date. Interest on the Class X Notes is payable in Euro on each Interest Payment Date commencing on the First Interest Payment Date, in an amount equal to the Class X Note Interest Amount for the Interest Period ending on the day immediately preceding such Interest Payment Date.

8.4 **Determination of Note Rate, Interest Amount, Class X Note Interest Amount and Interest Payment Date:** Upon each Interest Determination Date the Issuer shall determine (or shall cause the Reference Agent to determine):

8.4.1 the Note Rate for each relevant Class for the related Interest Period;

8.4.2 the Interest Amount for each relevant Class for the related Interest Period; and

8.4.3 the Interest Payment Date next following the related Interest Period,

and by no later than close of business one Business Day after such Interest Determination Date notify the Issuer (where applicable), the Administrator, the Cash Manager, the Trustee, the Registrar and the Paying Agents and for so long as the Notes are listed on Euronext Dublin, the Issuer shall notify Euronext Dublin.

Upon each Determination Date the Issuer shall determine (or cause the Cash Manager to determine) the Class X Note Interest Amount and by no later than close of business one Business Day after such Determination Date notify the Issuer (where applicable), the Administrator, the Trustee, the Registrar and the Paying Agents.

"Class X Note Interest Amount" means, in respect of any Interest Payment Date:

- (a) prior to the delivery of an Enforcement Notice on the Issuer by the Trustee, the amount by which Available Revenue Receipts exceed the amounts required to satisfy items (a) to (gg) of the Pre-Enforcement Revenue Priority of Payments on that Interest Payment Date; and
- (b) following the delivery of an Enforcement Notice on the Issuer by the Trustee, the amount by which the amounts available to be applied in accordance with the Post-Enforcement Priority of Payments exceeds the amounts required to satisfy items (a) to (ee) of the Post-Enforcement Priority of Payments on that Interest Payment Date.

"Day Count Fraction" means, in respect of an Interest Period, the actual number of days in such period divided by 360.

"Interest Amount" means in respect of a Note (other than the Class X Notes) for any Interest Period the amount of interest calculated on the related Interest Determination Date in respect of such Note for such Interest Period by:

- (a) multiplying the Principal Amount Outstanding of such Note on the Interest Payment Date coinciding with such Interest Determination Date by the relevant Note Rate; and
- (b) then multiplying the amount so calculated in paragraph (a) by the relevant Day Count Fraction and rounding the resultant figure to the nearest Minimum Amount.

"Minimum Amount" means €0.01.

"Note Rate" means:

- (a) in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes for each Interest Period, the Reference Rate determined as at the related Interest Determination Date plus the Relevant Margin in respect of such Class, **provided that** if the Reference Rate plus the Relevant Margin for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Class G Notes is less than zero, the Note Rate will be deemed to be zero for such Class; and
- (b) in respect of the Class Z1 Notes, the Class RFN Notes and the Class Z2 Notes for each Interest Period, the Relevant Margin in respect of such Class.

"Reference Banks" means the principal London office of four major banks in the London interbank market, selected by the Reference Agent at the relevant time.

"Reference Rate" means, on any Interest Determination Date, the floating rate determined by the Reference Agent by reference to the Screen Rate on such date or if, on such date, the Screen Rate is unavailable:

- (a) the arithmetic mean (rounded, if necessary, to the nearest 0.0001 per cent., 0.00005 per cent. being rounded upwards) (the **"Rounded Arithmetic Mean"**) of the offered quotations as at or about 11:00 a.m. (London time) on that date of the Reference Banks to major banks for Euro deposits for the Relevant Period in the London interbank market in the amount that is representative for a single transaction in the relevant market at the relevant time (**"Representative Amount"**) determined by the Reference Agent after request of each of the Reference Banks;
- (b) if, on such date, two or three only of the Reference Banks provide such quotations, the rate determined in accordance with paragraph (a) above on the basis of the quotations of those Reference Banks providing such quotations; or
- (c) if, on such date, one only or none of the Reference Banks provide such a quotation, the Reserve Reference Rate.

"Relevant Margin" means:

- (a) for the Class A Notes, 0.85 per cent. per annum up to and excluding the Step-Up Date and thereafter 1.70 per cent. per annum;
- (b) for the Class B Notes, 1.25 per cent. per annum up to and excluding the Step-Up Date and thereafter 2.00 per cent. per annum;
- (c) for the Class C Notes, 1.50 per cent. per annum;
- (d) for the Class D Notes, 1.50 per cent. per annum;
- (e) for the Class E Notes, 1.50 per cent. per annum;
- (f) for the Class F Notes, 1.50 per cent. per annum;
- (g) for the Class G Notes, 1.50 per cent. per annum;
- (h) for the Class RFN Notes, 5.50 per cent. per annum;
- (i) for the Class Z1 Notes, 7.00 per cent. per annum; and
- (j) for the Class Z2 Notes, 7.00 per cent. per annum.

"Relevant Period" means the length in months of the related Interest Period.

"Reserve Reference Rate" means on any Interest Determination Date:

- (a) the Rounded Arithmetic Mean of the rates at which deposits in Euros are offered in the London interbank market at approximately 11:00am (London time) on the Interest Determination Date by the principal London office of each of four major banks selected by the Reference Agent in its absolute discretion for Euros loans for the Relevant Period in the Representative Amount to major banks in the London interbank market; or
- (b) if the Reference Agent certifies that it cannot determine such Rounded Arithmetic Mean as aforesaid, the Reference Rate in effect for the Interest Period ending on the Business Day immediately preceding the relevant Interest Determination Date;

"**Screen**" means Reuters Screen EURIBOR01 or Bloomberg Screen EUR0001M or:

- (a) such other page as may replace Reuters Screen EURIBOR01 or Bloomberg Screen EUR0001M on that service for the purpose of displaying such information; or
- (b) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Trustee) as may replace such screen.

"**Screen Rate**" means, in relation to (i) the first Interest Determination Date, the linear interpolation of the offered quotations for euro deposits for the Relevant Period in the London interbank market displayed on the Screen, or (ii) any subsequent Interest Determination Date, the offered quotations for Euro deposits for the Relevant Period which appears on the Screen (in the case of (i) and (ii)) as at or about 11.00am (London time) on that date (rounded upwards if necessary, to five decimal places).

- 8.5 **Determination of Additional Note Payments:** Upon each Interest Determination Date (from and including the Interest Determination Date immediately after the Step-Up Date) the Issuer shall determine (or shall cause the Reference Agent to determine) the amount of each Additional Note Payment (the "**Additional Note Payment Amounts**") in respect of each of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes for the immediately preceding Interest Period and by no later than close of business one Business Day after such Interest Determination Date notify the Issuer (where applicable), the Administrator, the Cash Manager, the Trustee, Euronext Dublin, the Registrar and the Paying Agents and for so long as the Notes are listed on Euronext Dublin, the Issuer shall notify Euronext Dublin.

For the purposes of determining any Additional Note Payment Amount in accordance with this Condition 8.5 (*Determination of Additional Note Payments*), the following calculations apply:

- (i) *Current Additional Note Payment*

An amount (rounded downwards to the nearest cent) equal to the product of:

$$A \times B \times (C/D)$$

Where:

A = Relevant Additional Note Payment Margin

B = the Principal Amount Outstanding of the relevant Class of Notes as at the immediately preceding Interest Payment Date (taking into account redemptions (if any) on that Interest Payment Date)

C = the number of days in the relevant Interest Period

D = 360

- (ii) *Unpaid Additional Note Payment Interest Amount*

An amount (rounded downwards to the nearest cent) equal to the product of:

$$A \times (B + C + D) \times (E/F)$$

Where:

A = in respect of any relevant Interest Period, the aggregate of all Unpaid Additional Note Payments of the relevant Class of Notes which remain unpaid by the Issuer on the immediately preceding Interest Payment Date (taking into account any amount paid on that Interest Payment Date)

B = Relevant Additional Note Payment Margin C = Relevant Screen Rate D = Relevant Margin

E = the number of days in the relevant Interest Period

F = 360

"Additional Note Payments" means the Class C Additional Note Payment, the Class D Additional Note Payment, the Class E Additional Note Payment, the Class F Additional Note Payment and the Class G Additional Note Payment and each an **"Additional Note Payment"** as the context so requires;

"Class C Additional Note Payment" means, in relation to the Class C Notes, in respect of any Interest Payment Date the aggregate of:

- (a) the Class C Current Additional Note Payment;
- (b) the Class C Unpaid Additional Note Payments (if any); and
- (c) the Class C Unpaid Additional Note Payment Interest Amount (if any);

"Class C Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling after the Step-Up Date, an amount calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*) in respect of the Class C Notes;

"Class C Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class C Current Additional Note Payment and any Class C Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments*);

"Class C Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class C Unpaid Additional Note Payment and calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*);

"Class D Additional Note Payment" means, in relation to the Class D Notes, in respect of any Interest Payment Date the aggregate of:

- (a) the Class D Current Additional Note Payment;
- (b) the Class D Unpaid Additional Note Payments (if any); and
- (c) the Class D Unpaid Additional Note Payment Interest Amount (if any);

"Class D Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling after the Step-Up Date, an amount calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*) in respect of the Class D Notes;

"Class D Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class D Current Additional Note Payment and any Class D Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments*);

"Class D Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class D Unpaid Additional Note Payment and calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*);

"Class E Additional Note Payment" means, in relation to the Class E Notes, in respect of any Interest Payment Date the aggregate of:

- (a) the Class E Current Additional Note Payment;
- (b) the Class E Unpaid Additional Note Payments (if any); and
- (c) the Class E Unpaid Additional Note Payment Interest Amount (if any);

"Class E Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling after the Step-Up Date, an amount calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*) in respect of the Class E Notes;

"Class E Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class E Current Additional Note Payment and any Class E Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments*);

"Class E Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class E Unpaid Additional Note Payment and calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*);

"Class F Additional Note Payment" means, in relation to the Class F Notes, in respect of any Interest Payment Date the aggregate of:

- (a) the Class F Current Additional Note Payment;
- (b) the Class F Unpaid Additional Note Payments (if any); and
- (c) the Class F Unpaid Additional Note Payment Interest Amount (if any);

"Class F Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling after the Step-Up Date, an amount calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*) in respect of the Class F Notes;

"Class F Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class F Current Additional Note Payment and any Class F Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment of in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments*);

"Class F Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class F Unpaid Additional Note Payment and calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*);

"Class G Additional Note Payment" means, in relation to the Class G Notes, in respect of any Interest Payment Date the aggregate of:

- (a) the Class G Current Additional Note Payment;
- (b) the Class G Unpaid Additional Note Payments (if any); and
- (c) the Class G Unpaid Additional Note Payment Interest Amount (if any);

"Class G Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling

after the Step-Up Date, an amount calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*) in respect of the Class G Notes;

"Class G Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class G Current Additional Note Payment and any Class G Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment of in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments*);

"Class G Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class G Unpaid Additional Note Payment and calculated in accordance with this Condition 8.5 (*Determination of Additional Note Payments*);

"Current Additional Note Payments" means the Class C Current Additional Note Payment, the Class D Current Additional Note Payment, the Class E Current Additional Note Payment, the Class F Current Additional Note Payment and the Class G Current Additional Note Payment, and each a **"Current Additional Note Payment"** as the context so requires;

"Relevant Additional Note Payment Margin" means:

- (a) in respect of the Class C Notes, 0.9 per cent. per annum;
- (b) in respect of the Class D Notes, 1.50 per cent. per annum;
- (c) in respect of the Class E Notes, 2.50 per cent. per annum;
- (d) in respect of the Class F Notes, 3.50 per cent. per annum; and
- (e) in respect of the Class G Notes, 4.25 per cent. per annum;

"Unpaid Additional Note Payments" means the Class C Unpaid Additional Note Payments, the Class D Unpaid Additional Note Payments, the Class E Unpaid Additional Note Payments, the Class F Unpaid Additional Note Payments and the Class G Unpaid Additional Note Payments and each an **"Unpaid Additional Note Payment"** as the context so requires.

- 8.6 **Alternative Benchmark Rates:** The Interest Amount and where applicable the Unpaid Additional Note Payment Interest Amount in respect of the Notes will be determined on the condition that, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant benchmark rate that applies to the Notes at that time (the date of such public announcement being the **"Relevant Time"**), the Issuer (acting on the advice of the Servicing Advisor) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Benchmark Rate in accordance with Condition 18 (*Modification and Waiver in relation to the Screen Rate*) (the **"Relevant Condition"**). For the avoidance of doubt, if an Alternative Benchmark Rate proposed by or on behalf of the Issuer (including any Alternative Benchmark Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Benchmark Rate under this Condition 8.6.
- 8.7 **Publication of Note Rate, Interest Amount, Additional Note Payment Amounts and Interest Payment Date:** As soon as practicable after receiving each notification of the Note Rate, the Interest Amount, the Class X Note Interest Amount, the Additional Note Payment Amounts (if any) and the Interest Payment Date in accordance with Condition 8.4 (*Determination of Note Rate, Interest Amount, Class X Note Interest Amount and Interest Payment Date*) and in any event no later than the second Business Day thereafter, the Issuer will cause such Note Rate and Interest Amount for each Class, the Class X Note Interest Amount, the Additional Note Payment Amounts (if any) and the next following Interest Payment Date to be published in accordance with Condition 23 (*Notices*).
- 8.8 **Amendments to Publications:** The Note Rate, Interest Amount for each Class, the Class X Note Interest Amount, the Additional Note Payment Amounts (if any) and the Interest Payment Date so published 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 relevant Interest Period.

- 8.9 ***Determination or Calculation by Trustee:*** If the Reference Agent does not at any time for any reason determine the Note Rate or the Interest Amount for each Class or the Additional Note Payment Amounts (if any) or the Cash Manager does not at any time for any reason determine the Class X Note Interest Amount in accordance with this Condition 8, the Trustee or an appointee on its behalf may (subject to it being indemnified and/or secured and/or prefunded to its satisfaction but without, save in the case of any fraud or gross negligence by the Trustee, any liability accruing to the Trustee as a result):

- (a) determine the Note Rate for each Class and the Additional Note Payment Amounts (if any) at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in this Condition 8), it shall deem fair and reasonable in all the circumstances; and/or
- (b) calculate the Interest Amount for each Class and the Class X Note Interest Amount in the manner specified in this Condition 8,

and any such determination and/or calculation shall be deemed to have been made by the Reference Agent or the Cash Manager, as applicable. In each case the Trustee may, at the expense of the Issuer, employ an expert to make the determination and any such determination shall be deemed to have been made by the Reference Agent or the Cash Manager, as applicable.

- 8.10 ***Notifications to be final:*** All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8, whether by the Reference Banks (or any of them), the Paying Agents, the Registrar, the Reference Agent, the Cash Manager or the Trustee shall (in the absence of any manifest error) be binding on the Issuer and all Noteholders no liability to the Noteholders shall attach to the Reference Banks, the Agents or the Registrar in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions under this Condition 8. Save as provided in Condition 8.8 (*Determination or Calculation by Trustee*), the Trustee shall have no liability to any person in connection with the exercise or non-exercise of its powers, duties and discretions under this Condition 8.

- 8.11 ***Reference Banks and Reference Agent:*** The Issuer shall ensure that, so long as any of the Notes remains outstanding there shall at all times be a Reference Agent, a Paying Agent and a Principal Paying Agent. The Reference Agent shall ensure that, so long as any of the Notes remains outstanding that it shall select four Reference Banks at the relevant time. The Reference Agent may not resign until a successor (approved in writing by the Trustee) is appointed by the Issuer. Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 23 (*Notices*).

8.12 ***Deferral of Interest and Additional Note Payments***

8.12.1 To the extent that funds available to the Issuer to pay interest on the Notes of any Class on an Interest Payment Date are insufficient to pay the full amount of such interest, payment of the shortfall in respect of such Class of Notes (other than the Class A Notes) ("**Deferred Interest**") will not then fall due but will instead be deferred until the first Interest Payment Date thereafter on which funds are available to the Issuer (after allowing for the Issuer's liabilities of higher priority and subject to and in accordance with these Conditions) to fund the payment of such Deferred Interest to the extent of such available funds.

8.12.2 Such Deferred Interest will accrue interest ("**Additional Interest**") at the rate of interest applicable from time to time to such Notes (as determined by this Condition 8) and payment of any Additional Interest will also be deferred until the first Interest Payment Date thereafter on which funds are available (subject to and in accordance with these Conditions) to the Issuer to pay such Additional Interest to the extent of such available funds.

- 8.12.3 If, on any Interest Payment Date after the Step-Up Date, the Issuer has insufficient funds to make payment in full of all amounts in respect of Additional Note Payment Amounts, (including interest (if any) accrued but unpaid and/or deferred pursuant to this Condition 8.12.3 and accrued interest thereon) payable in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall defer payment of the relevant Additional Note Payment Amount (which shall accrue interest as calculated in accordance with Condition 8.5(ii)) until the next Interest Payment Date.
- 8.12.4 Payment of any amounts of Deferred Interest, Additional Interest and any Additional Note Payments shall not be deferred beyond the Final Maturity Date or beyond any earlier date on which each respective Class of Notes falls to be redeemed in full in accordance with Condition 9 (*Final Redemption, Mandatory Redemption in part and Cancellation*) and any such amount which has not then been paid in respect of the relevant Class of Notes shall thereupon become due and payable in full.

8.13 **Determinations and Reconciliation**

- 8.13.1 If the relevant Monthly Administrator Report in respect of the relevant Monthly Reporting Date is not prepared and delivered prior to the due date for such delivery, then the Cash Manager shall use the Monthly Administrator Reports in respect of the three most recent Monthly Reporting Dates (or, where there are not at least three previous Monthly Administrator Reports, all previous Monthly Administrator Reports) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in this Condition 8.13. If the Monthly Administrator Report relating to the relevant Monthly Reporting Date is subsequently received, the Cash Manager shall make the reconciliation calculations and reconciliation payments as set out in Condition 8.13.3. Any:
- (a) calculations properly done on the basis of such previous Monthly Administrator Reports;
 - (b) payments made under any of the Notes and Transaction Documents in accordance with such calculations;
 - (c) reconciliation calculations; and
 - (d) reconciliation payments made as a result of such reconciliation calculations,
- each in accordance with Condition 8.13.2, 8.13.3 and/or 8.13.4 shall be deemed to be done in accordance with the provisions of the Transaction Documents and will not in themselves lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.
- 8.13.2 If the relevant Monthly Administrator Report in respect of the relevant Monthly Reporting Date is not prepared and delivered prior to the due date for such delivery, the Cash Manager shall:
- (a) determine the Interest Determination Ratio by reference to the three most recently received Monthly Administrator Reports (or, where there are not at least three previous Monthly Administrator Reports, all previous Monthly Administrator Reports);
 - (b) calculate the Revenue Receipts for such relevant Monthly Calculation Period as the product of:
 - (i) the Interest Determination Ratio; and
 - (ii) all payments received by the Issuer during such relevant Monthly Calculation Period; and

- (c) calculate the Principal Receipts for such relevant Monthly Calculation Period as the product of:
 - (i) one minus the Interest Determination Ratio; and
 - (ii) all payments received by the Issuer during such relevant Monthly Calculation Period.
- 8.13.3 Following any relevant Monthly Reporting Date in respect of which the corresponding Monthly Administrator Report was not delivered to the Cash Manager on the due date for such delivery, upon subsequent delivery of the Monthly Administrator Report in respect of such relevant Monthly Reporting Date, the Cash Manager shall reconcile the calculations made in accordance with Condition 8.13.2 to the actual collections set out in such Monthly Administrator Report as follows:
 - (i) if the Reconciliation Amount is a positive number, the Cash Manager shall on the immediately following Interest Payment Date pay or provide for such amount by allocating amounts standing to the credit of the Revenue Ledger as Available Principal Receipts; and
 - (ii) if the Reconciliation Amount is a negative number, the Cash Manager shall on the immediately following Interest Payment Date pay or provide for such amount by allocating amounts standing to the credit of the Principal Ledger as Available Revenue Receipts.
- 8.13.4 If amounts standing to credit of the Revenue Ledger or Principal Ledger, as the case may be, are insufficient to pay or provide for the applicable Reconciliation Amount in full on the immediately following Interest Payment Date, the Cash Manager shall reallocate amounts standing to the credit of the Revenue Ledger or Principal Ledger (as applicable) in accordance with Condition 8.13.3 in respect of each subsequent Monthly Calculation Period (such Reconciliation Amounts to be applied accordingly on the immediately following Interest Payment Date) until such Reconciliation Amount is paid or provided for in full.
- 8.13.5 If the Cash Manager is required to provide for a Reconciliation Amount in determining Available Revenue Receipts and Available Principal Receipts in respect of any Interest Payment Date, the Cash Manager shall pay or provide for such Reconciliation Amount in accordance with the terms of this Condition 8.13 and the Cash Manager shall promptly notify the Issuer and the Trustee of such Reconciliation Amount.

In this Condition 8.13:

"Interest Determination Ratio" means: (i) the aggregate Revenue Receipts calculated in the three preceding Monthly Administrator Reports (or such smaller number of preceding Monthly Reports as may be available on the date the Interest Determination Ratio is calculated); divided by (ii) the aggregate of the Revenue Receipts and the Principal Receipts calculated in such Monthly Administrator Reports;

"Reconciliation Amount" means in respect of a relevant Monthly Calculation Period: (i) the actual Principal Receipts as determined in accordance with the available Monthly Administrator Reports; less (ii) the Principal Receipts in respect of such relevant Monthly Calculation Period, determined in accordance with Condition 8.13.2(c).

9. **Final Redemption, Mandatory Redemption in part and Cancellation**

- 9.1 **Final Redemption:** Unless previously redeemed or purchased and cancelled as provided in this Condition 9, the Issuer shall redeem the Notes in each Class at their Principal Amount Outstanding together with any accrued interest, any Deferred Interest and any Additional Note Payments accrued (and unpaid) up to but excluding the Final Maturity Date.

9.2 ***Mandatory Redemption in part prior to the service of an Enforcement Notice:***

- 9.2.1 On each Interest Payment Date prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Principal Receipts towards the redemption of the Notes (other than the Class X Notes) to the extent that there are such amounts available to do so in accordance with the Pre-Enforcement Principal Priority of Payments;
- 9.2.2 On each Interest Payment Date prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments: (i) while any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes are outstanding, to redeem the Class X Notes until the Principal Amount Outstanding of the Class X Notes is reduced down to €20,000; and (ii) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class RFN Notes, the Class Z1 Notes and the Class Z2 Notes, to redeem the Class X Notes until the Class X Notes are redeemed to €1.

9.3 ***Mandatory Redemption in full pursuant to the Call Option:***

Following the exercise of the Call Option, the Issuer shall redeem either:

- (a) If the Primary Option Purchase Price is required to be paid following the exercise of the Call Option by the Initial Call Option Holder, the Rated Notes, the Class RFN Notes and the Class Z1 Notes only;
- (b) if a Call Option Purchase Price that is equal to the Minimum Call Option Price is required to be paid following the exercise of the Call Option following (and excluding) the second Interest Payment Date falling after the Option Purchase Commencement Date, the Rated Notes and the Class RFN Notes only; or
- (c) if a Call Option Purchase Price that is above the Minimum Call Option Price is required to be paid following the exercise of the Call Option following (and excluding) the second Interest Payment Date falling after the Option Purchase Commencement Date, the Rated Notes, the Class RFN Notes first, and if any amounts are still available thereafter (following the redemption of the Rated Notes and the Class RFN Notes) firstly towards the redemption of the Class Z1 Notes (in full or in part), secondly, towards the redemption of the Class Z2 Notes (in full or in part) and thirdly, towards the redemption of the Class X Notes (in full or in part),

at their Principal Amount Outstanding together with any accrued interest and any Deferred Interest and any Additional Note Payments accrued (and unpaid) up to but excluding the Interest Payment Date immediately falling on or immediately following the Option Purchase Completion Date;

- (i) on giving not more than 30 days' nor fewer than five Business Days' notice to the Noteholders in accordance with Condition 23 (Notices) and the Trustee, on any Interest Payment Date on or after the Option Redemption Date and following the sale of the Mortgage Assets comprising the Mortgage Portfolio in accordance with the provisions of the Deed Poll, the relevant Call Option Purchase Price together with all amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger, together with any Available Revenue Receipts and Available Principal Receipts, otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date will be used to redeem each relevant Note at an amount equal to the Principal Amount Outstanding of such Note together with accrued interest and Deferred Interest and any Additional Note Payments accrued (and unpaid) up to, but excluding, such Interest Payment Date; or
- (ii) on giving not more than 60 days' nor fewer than 14 Business Days' notice to the Noteholders in accordance with Condition 23 (Notices) and the Trustee, on any

Interest Payment Date following the sale of the Mortgage Assets comprising the Mortgage Portfolio in accordance with the provisions of the Deed Poll where the aggregate Current Balance of the Mortgage Loans was equal to or less than 10 per cent. of the aggregate Current Balance of the Mortgage Loans on the Closing Date, the relevant Call Option Purchase Price together with all amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger, together with any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date will be used to redeem each relevant Note at an amount equal to the Principal Amount Outstanding of such Note together with accrued interest and Deferred Interest up to, but excluding, such Interest Payment Date.

9.4 ***Mandatory Redemption in full pursuant to a Risk Retention Regulatory Change Option:***

On the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Completion Date following the sale of the Mortgage Assets pursuant to the Risk Retention Regulatory Change Option, the full amount of the Risk Retention Regulatory Change Option Purchase Price, together with all amounts standing to the credit of the Non-Liquidity Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger, together with any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Risk Retention Regulatory Change Completion Date will be used to redeem each Note at an amount equal to the Principal Amount Outstanding of such Note together with accrued interest and Deferred Interest and any Additional Note Payments accrued (and unpaid) up to but excluding the Interest Payment Date immediately following the Risk Retention Regulatory Change Completion Date.

9.5 ***Mandatory Redemption for Taxation or Other Reasons:***

If:

- 9.5.1 by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on or before the next Interest Payment Date the Issuer or the Paying Agents would be required to deduct or withhold from any payment of principal or interest on any Notes (other than because the relevant holder has some connection with Ireland other than the holding of such Notes) any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Ireland or any political sub-division thereof or any authority thereof or therein having power to tax; or
- 9.5.2 by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has become or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes,

then the Issuer shall, if the same would avoid the effect of such relevant event described in Condition 9.5.1 or 9.5.2, appoint a Paying Agent in another jurisdiction or use its reasonable endeavours to arrange for the substitution of a company incorporated and/or tax resident in another jurisdiction approved in writing by the Trustee as principal debtor under the Notes and the Trust Deed, **provided that:**

- (a) the Trustee is satisfied that such substitution will not be materially prejudicial to the interests of the holders of the Rated Notes (and in making such determination, the Trustee may rely, without further investigation or inquiry, on (A) any confirmation made orally to the Issuer (in which case the Issuer shall confirm the same in writing to the Trustee) or in writing from each of the Rating Agencies that the then current ratings of the Rated Notes would not be adversely affected by such substitution or (B) if no such confirmation from the Rating Agencies is

forthcoming and the Issuer has certified to the Cash Manager and the Trustee that such proposed action (i) (while any Rated Notes remain outstanding) has been notified to the Rating Agencies, (ii) would not have an adverse impact on the Issuer's ability to make payment when due in respect of the Notes, (iii) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security and (iv) (while any of the Rated Notes remain outstanding) would not have an adverse effect on the rating of the Rated Notes (upon which confirmation or certificate the Trustee shall be entitled to rely absolutely without liability and without enquiry to any person for so doing); and

- (b) such substitution would not require registration of any new security under U.S. securities laws or materially increase the disclosure requirements under U.S. law.

A "**Redemption Event**" shall occur if the Issuer satisfies the Trustee immediately before giving the notice referred to below that one or more of the events described in Condition 9.5.1 or 9.5.2 is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution.

On any Interest Payment Date following the date on which the Mortgage Assets comprising the Mortgage Portfolio are sold pursuant to the Deed Poll following the occurrence of a Redemption Event, the Call Option Purchase Price together with all amounts standing to the credit of the General Reserve Fund Ledger, the Liquidity Reserve Fund Ledger and the Additional Note Payment Reserve Fund Ledger, together with any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Option Purchase Completion Date will be used to redeem each Note at an amount equal to the Principal Amount Outstanding of such Note together with accrued interest and Deferred Interest and any Additional Note Payments accrued (and unpaid) up to, but excluding, such Interest Payment Date. The Issuer shall give not more than 60 days' nor fewer than 30 Business Days' notice of any such redemption of the Notes to the Noteholders in accordance with Condition 23 (*Notices*) and the Trustee.

- 9.6 ***Calculation of Note Principal Payment, Principal Amount Outstanding and Pool Factor:*** On each Determination Date, the Issuer shall calculate (or cause the Cash Manager to calculate):

- 9.6.1 the aggregate of any Note Principal Payment due in relation to each Note in each Class on the Interest Payment Date immediately succeeding such Determination Date;
- 9.6.2 the Principal Amount Outstanding of each Note in each Class on the Interest Payment Date immediately succeeding such Determination Date (after deducting any Note Principal Payment due to be made on that Interest Payment Date in relation to such Class); and
- 9.6.3 the fraction expressed as a decimal to the sixth point (the "**Pool Factor**"), of which the numerator is the Principal Amount Outstanding of a Note of that Class (as referred to in Condition 9.6.2 and the denominator is the principal amount of that Note on issue expressed as an entire integer,

and notify the Issuer, the Trustee, the Paying Agents, the Reference Agent, the Registrar and for so long as the Notes are listed on Euronext Dublin by not less than two Business Days prior to the relevant Interest Payment Date.

- 9.7 ***Calculations final and binding:*** Each calculation by or on behalf of the Issuer of any Note Principal Payment, the Principal Amount Outstanding of a Note of each Class and the Pool Factor shall in each case (in the absence of manifest error) be final and binding on all persons.

- 9.8 ***Trustee to determine amounts in case of Issuer default:*** If the Issuer does not at any time for any reason calculate (or cause the Cash Manager to calculate) any Note Principal Payment, the Principal Amount Outstanding in relation to each Class or the Pool Factor in accordance with this Condition 9, such amounts may be calculated by the Trustee (subject to it being indemnified and/or

secured and/or prefunded to its satisfaction and without any liability to any person accruing to the Trustee as a result) in accordance with this Condition 9 (based on information supplied to it by the Issuer or the Cash Manager) and each such calculation shall be deemed to have been made by the Issuer. In each case, the Trustee may, at the expense of the Issuer, employ an expert to make such calculations and any such calculations shall be deemed to have been made by the Issuer.

- 9.9 **Conclusiveness of certificates and legal opinions:** Any certificate and legal opinion given by or on behalf of the Issuer pursuant to Condition 9.3 (*Mandatory Redemption in full*) and Condition 9.5 (*Mandatory Redemption for Taxation or Other Reasons*) may be relied on by the Trustee without further investigation, without liability to any other person and shall be conclusive and binding on the Noteholders, the Trustee and on the other Secured Creditors.
- 9.10 **Notice of Calculation:** The Issuer will cause each calculation of a Note Principal Payment, Principal Amount Outstanding in relation to each Class and the Pool Factor to be notified immediately after calculation to the Trustee, the Agents and, for so long as the Notes are listed on Euronext Dublin and will immediately cause details of each calculation of a Note Principal Payment, Principal Amount Outstanding in relation to each Class and the Pool Factor to be published in accordance with Condition 23 (*Notices*) by no later than two Business Days prior to each Interest Payment Date.
- 9.11 **Notice irrevocable:** Any such notice as is referred to in Condition 9.3 (*Mandatory Redemption in full*) or Condition 9.5 (*Mandatory Redemption for Taxation or Other Reasons*) or Condition 9.10 (*Notice of Calculation*) shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes to which such notice relates at their Principal Amount Outstanding if effected pursuant to Condition 9.3 (*Mandatory Redemption in full*) or Condition 9.5 (*Mandatory Redemption for Taxation or Other Reasons*) and in an amount equal to the Note Principal Payment in respect of each Note calculated as at the related Determination Date if effected pursuant to Condition 9.2 (*Mandatory Redemption in part prior to the service of an Enforcement Notice*).
- 9.12 **No purchase by the Issuer:** The Issuer will not be permitted to purchase any of the Notes.
- 9.13 **Cancellation of redeemed Notes:** All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be reissued or resold.

10. Limited Recourse

- 10.1 If at any time following:

10.1.1

- (i) the Final Maturity Date or any earlier date upon which all of the Notes of each Class become due and payable; or
- (ii) the service of an Enforcement Notice; and

- 10.1.2 realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any Class of Notes then the amount remaining to be paid (after such application in full of the amounts first referred to in Condition 10.1.2 under such Class of Notes (and any Class of Notes junior to that Class of Notes) shall, on the day following such application in full of the amounts referred to in Condition 10.1.2, cease to be due and payable by the Issuer. For the purposes of this Condition 10, "**Realisation**" means, in relation to any Charged Property, the deriving, to the fullest extent practicable (in accordance with the provisions of the Transaction Documents) of proceeds from or in respect of such Charged Property including (without limitation) through sale or through performance by an obligor.

11. **Payments**

- 11.1 **Principal, interest and Additional Note Payments:** Payments of principal, interest and any Additional Note Payments shall be made by cheque drawn in Euro or, upon application by a Noteholder to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for payment, by transfer to an account in Euro, maintained by the payee with a bank in London and (in the case of final redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Notes at the Specified Office of any Paying Agent in accordance with the terms of the Agency Agreement.
- 11.2 **Record date:** Each payment in respect of a Note will be made to the person shown as the Noteholder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**") (being, for this purpose, a day on which banks are open for business in the city in which the Specified Office of the Registrar is located). Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Noteholder in the Register at the opening of business on the relevant Record Date. The person shown in the Register at the opening of business on the relevant Record Date in respect of a Note shall be the only person entitled to receive payments in respect of Notes represented by such Note and the Issuer will be discharged by payment to, or to the order of, such person in respect of each amount so paid.
- 11.3 **Payments subject to fiscal laws:** All payments in respect of the Notes are subject in each case to any applicable fiscal or other laws and regulations in the place of payment. No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- 11.4 **Partial Payments:** If the Principal Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note.
- 11.5 **Payments on Business Days:** If the due date for payment of any amount in respect of any Note is not a Business Day, then the holder shall not be entitled to payment until the next succeeding Business Day and no further payments of additional amounts by way of interest, principal or otherwise shall be due in respect of such Note.

12. **Taxation**

- 12.1 **Payments free of Tax:** All payments of principal, interest and any Additional Note Payments in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any Taxes imposed, levied, collected, withheld or assessed by Ireland or such other jurisdiction in which the Issuer or any Issuer substitute (as contemplated by Condition 22 (*Substitution of Issuer*)) is incorporated, tax resident and/or subject to taxation (the "**Issuer Jurisdiction**") or any political subdivision or any authority thereof or therein having power to tax, unless the Issuer, the Trustee or the Paying Agents (as the case may be) are required by law to make any Tax Deduction. In that event, the Issuer, the Trustee or the Paying Agents (as the case may be) shall make such payments after such Tax Deduction and shall account to the relevant authorities for the amount so withheld or deducted. Notwithstanding any other provision in these Conditions, the Issuer, the Trustee and the Paying Agent shall be permitted to withhold or deduct any amounts required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any amended or successor provisions), any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA withholding**").
- 12.2 **No payment of additional amounts:** None of the Issuer, the Trustee or the Paying Agents will be obliged to pay any additional amounts to the Noteholders as a result of any such Tax Deduction. None of the Issuer, the Trustee or the Paying Agent shall have any obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, the Trustee, a Paying Agent or any other party as a result of any person not being entitled to receive payments free of FATCA withholding.

- 12.3 **Provision of information:** Each Noteholder is deemed to agree that the Issuer and any other relevant party on its behalf may (i) request such forms, self-certifications, documentation and any other information from the Noteholder which the Issuer may reasonably require in order for it to comply with its automatic exchange of information obligations, including those under FATCA and CRS, (ii) provide any such information or documentation collected from an investor and any other information concerning any investment in the Notes to the relevant tax authorities and (iii) take such other steps as they deem necessary or helpful to comply with its automatic exchange obligations under any applicable law.
13. **Events of Default**
- 13.1 **Events of Default:** Subject to the other provisions of this Condition 13, each of the following events shall be treated as an "Event of Default":
- 13.1.1 *Non-payment:* subject to Condition 8.12 (*Deferral of Interest and Additional Note Payments*) the Issuer fails to pay any amount of principal in respect of the Notes within seven days following the due date for payment of such principal or fails to pay any amount of interest in respect of the Notes within fourteen days following the due date for payment of such interest; or
- 13.1.2 *Breach of other obligations:* the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes, the Issuer Covenants, the Trust Deed, the Irish Deed of Charge, the English Deed of Charge or any of the other Transaction Documents and such default (a) is, in the opinion of the Trustee, incapable of remedy or (b) is, in the opinion of the Trustee, capable of remedy, but remains unremedied for 30 days after the Trustee has given written notice of such default to the Issuer; or
- 13.1.3 *Insolvency Event:* an Insolvency Event in respect of the Issuer occurs; or
- 13.1.4 *Illegality:* it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, Trust Documents or any of the other Transaction Documents.
- 13.2 **Delivery of Enforcement Notice:** Subject to Condition 13.3, if an Event of Default occurs, the Trustee may at its discretion and shall, subject in each case to it being indemnified and/or secured and/or prefunded to its satisfaction:
- 13.2.1 if so requested in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes outstanding; or
- 13.2.2 if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes outstanding,
- deliver an Enforcement Notice to the Issuer.
- 13.3 **Conditions to delivery of Enforcement Notice:** Notwithstanding Condition 13.2 (*Delivery of Enforcement Notice*) the Trustee shall not be obliged to deliver an Enforcement Notice unless:
- 13.3.1 in the case of the occurrence of any of the events mentioned in Condition 13.1.2 (*Breach of other obligations*) the Trustee shall have certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the Noteholders of the Most Senior Class of Notes outstanding; and
- 13.3.2 it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.
- 13.4 **Consequences of delivery of Enforcement Notice:** Upon the delivery of an Enforcement Notice, the Notes of each Class shall become immediately due and payable, without further action or formality, at their Principal Amount Outstanding together with any accrued interest and any Deferred Interest any Additional Note Payments accrued (and unpaid).

14. **Enforcement**

- 14.1 ***Proceedings***: The Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes of each Class (including these Conditions), the Irish Deed of Charge, the English Deed of Charge or under the other Transaction Documents or to enforce the Security, but it shall not be bound to do so unless:

14.1.1 so requested in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of outstanding Notes; or

14.1.2 so directed by an Extraordinary Resolution of the Noteholders of the Most Senior Class of outstanding Notes,

and in any such case, only if it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

- 14.2 ***Directions to the Trustee***: If the Trustee shall take any action, step or proceeding described in Condition 14.1 (*Proceedings*) it may take such action, step or proceeding without having regard to the effect of such action on individual Noteholders or any other Secured Creditor, **provided that** so long as any of the Most Senior Class of Notes are outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Noteholders of any other Class of Notes unless:

14.2.1 to do so would not, in its opinion, be materially prejudicial to the interests of the Noteholders of the Classes of Notes ranking senior to such other Class; or

14.2.2 such action is sanctioned by an Extraordinary Resolution of the Noteholders of the Notes ranking senior to such other Class.

- 14.3 ***Restrictions on disposal of Issuer's assets***: If an Enforcement Notice has been delivered by the Trustee otherwise than by reason of non-payment of any amount due in respect of the Notes, the Trustee shall not be entitled to dispose of the Charged Property or any part thereof unless either:

14.3.1 the Cash Manager certifies to the Trustee (on which certificate the Trustee shall be entitled to rely without liability and without enquiry) that a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each Class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments; or

14.3.2 the Trustee has obtained the written advice of an investment bank or other financial adviser selected by the Trustee, in its absolute discretion and at the expense of the Issuer, (and if the Trustee is unable to obtain such advice having made reasonable efforts to do so, this Condition 14.3.2 shall not apply) and upon which advice the Trustee shall be entitled to rely absolutely and without incurring any liability to any person, which shall be binding on the Noteholders and the other Secured Creditors that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each Class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments and the Trustee shall have no liability to any person for the consequences of any such opinion reached in accordance with this Condition 14.3.2; and

The Trustee shall not be bound to make the determination, or seek the written advice of an investment bank or other financial adviser in accordance with Condition 14.3.2 unless the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing and shall have no liability to anyone for not so doing.

15. **No action by Noteholders or any other Secured Creditor**

15.1 Only the Trustee may pursue the remedies available under the general law or under the Trust Documents to enforce the Security and no Noteholder or other Secured Creditor shall be entitled to proceed directly against the Issuer to enforce the Security, unless the Trustee, having become bound to so proceed, fails to do so within a reasonable period time and such failure is continuing. In particular, none of the Noteholders or any other Secured Creditor (nor any person on its or their behalf, other than the Trustee where appropriate) are entitled:

15.1.1 otherwise than as permitted by these Conditions, to direct the Trustee to enforce the Security or take any proceedings against the Issuer to enforce the Security;

15.1.2 to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due by the Issuer to such Noteholders or any other Secured Creditors;

15.1.3 until the date falling two years after the date on which the Trustee notifies the Issuer and the Secured Creditors that it is satisfied that all the moneys and Liabilities which from time to time are or may become due, owing or payable by the Issuer to each, some or any of the Secured Creditors under the Notes or the Transaction Documents (the "**Secured Amounts**") and/or all other moneys and other liabilities due or owing by the Issuer have been paid or discharged in full (the "**Final Discharge Date**"), to initiate or join any person in initiating any insolvency proceeding in relation to the Issuer; or

15.1.4 to take or join in the taking of any steps, actions or proceedings which would result in the Priority of Payments not being observed.

16. **Meetings of Noteholders**

16.1 **Convening:** The Trust Deed contains "Provisions for Meetings of Noteholders" for convening separate or combined meetings of Noteholders of any Class to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Trust Deed, which modification may be made if sanctioned by an Extraordinary Resolution.

16.2 **Separate and combined meetings:** The Trust Deed provides that:

16.2.1 an Extraordinary Resolution which in the opinion of the Trustee affects the interests of the holders of one Class of Notes shall be transacted at a separate meeting of the holders of the holders of that Class of Notes;

16.2.2 an Extraordinary Resolution which in the opinion of the Trustee affects the interests of the holders of more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the holders of any of Classes of the Notes so affected shall be transacted either at separate meetings of the holders of each Class of Notes so affected or at a single meeting of the holders of the Class of Notes so affected as the Trustee shall determine in its absolute discretion; and

16.2.3 an Extraordinary Resolution which in the opinion of the Trustee affects the holders of more than one Class of Notes and gives rise to any actual or potential conflict of interest between the holders of any of the Classes of Notes so affected shall be transacted at separate meetings of the holders of each Class of Notes so affected.

Subject to Condition 16.5.5, no Extraordinary Resolution of the Class Z2 Noteholders shall take effect for any purpose while any Notes remain outstanding unless it shall have been sanctioned by an Extraordinary Resolution of the Class A Noteholders or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders, the Class RFN Noteholders, the Class Z1 Noteholders and the Class X Noteholders.

16.3 **Request from Noteholders:** A meeting of Noteholders of a particular Class may be convened by the Trustee or the Issuer at any time and must be convened by the Trustee (subject to its being

indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders of a particular Class holding not less than ten per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes of that Class. However, so long as no Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any action, either directly or indirectly through the Trustee, without consent of the Issuer and, if applicable, certain other Transaction Parties pursuant to any relevant Transaction Documents, unless the Issuer has an obligation to take such action under the relevant Transaction Documents.

16.4 ***Quorum***: The quorum at any meeting convened to vote on:

- 16.4.1 an Extraordinary Resolution, other than regarding a Reserved Matter, relating to a meeting of a particular Class or Classes of the Notes will be one or more persons holding or representing, in aggregate, a majority of the Principal Amount Outstanding of the outstanding Notes in that Class or those Classes or, at any adjourned meeting, one or more persons being or representing Noteholders of that Class or those Classes, whatever the Principal Amount Outstanding of the outstanding Notes so held or represented in such Class or Classes; and
- 16.4.2 an Extraordinary Resolution relating to a Reserved Matter (which must be proposed separately to each Class of Noteholders at separate meetings) will be one or more persons holding or representing in aggregate 75 per cent. of the Principal Amount Outstanding of the outstanding Notes in the relevant Class or Classes or, at any adjourned meeting, one or more persons holding or representing not less than in aggregate 25 per cent. of the Principal Amount Outstanding of the outstanding Notes in the relevant class or classes.

16.5 ***Relationship between classes***: In relation to each Class of Notes:

- 16.5.1 no Extraordinary Resolution involving a Reserved Matter that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes (to the extent that there are outstanding Notes in each such other Classes);
- 16.5.2 no Extraordinary Resolution to approve any matter other than a Reserved Matter of any Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes ranking senior to such Class (to the extent that there are outstanding Notes ranking senior to such Class);
- 16.5.3 subject to Condition 16.5.5 any resolution passed at a Meeting of Noteholders of one or more Classes of Notes duly convened and held in accordance with the Trust Deed shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not voting; and
- 16.5.4 subject to Condition 16.5.5 except in the case of a meeting relating to a Reserved Matter, any resolution passed at a meeting of the holders of the Most Senior Class of Notes duly convened and held as aforesaid shall also be binding upon the holders of all the other Classes of Notes.

16.6 ***Resolutions in writing***: a Written Resolution shall take effect as if it were an Extraordinary Resolution.

17. **Modification and Waiver**

17.1 ***Modification***: the Trustee may at any time and from time to time, and in the case of Condition 17.1.3 shall, without the consent or sanction of the Noteholders or any other Secured Creditors (other than those Secured Creditors who are party to the relevant Transaction Documents), concur with the Issuer and any other relevant parties in making:

- 17.1.1 any modification to these Conditions, the Trust Documents, the Notes or the other Transaction Documents in relation to which its consent is required (other than in respect of a Reserved Matter or any provisions of the Trust Documents referred to in the definition

of a Reserved Matter) which, in the opinion of the Trustee, will not be materially prejudicial to the holders of the Most Senior Class of outstanding Notes;

17.1.2 any modification to these Conditions, the Trust Documents or the other Transaction Documents in relation to which its consent is required (including a Reserved Matter), if, in the opinion of the Trustee, such modification is of a formal, minor or technical nature or is made to correct a manifest error; or

17.1.3 any amendments to the Trust Deed, the Conditions, the Notes or the other Transaction Documents (other than in respect of a Reserved Matter) to enable the Issuer or any other Transaction Party to:

- (a) comply with FATCA and/or CRS (or any other similar regime for the reporting and automatic exchange of information);
- (b) complying with any obligation which applies to such party under the Securitisation Regulation, including as a result of the adoption of any secondary legislation or official guidance in relation to the Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto ((including the appointment of a third party pursuant to the Administration Agreement and/or the Cash Management Agreement to assist with the Issuer's reporting obligations pursuant to the Securitisation Regulation);
- (c) any requirements which apply to it under EMIR;
- (d) any updated criteria of one or more Rating Agencies which may be published after the Closing Date;
- (e) the appointment of any additional or replacement account bank and/or the opening of any additional or replacement Issuer Account in accordance with the Transaction Documents; or
- (f) the appointment of any custodian and/or the opening of any custody account in accordance with the Transaction Documents,

provided that (i) the Issuer certifies to the Trustee that such amendments are required solely for such purpose and have been drafted solely to such effect and regardless of whether or not such amendments are materially prejudicial to the Most Senior Class of outstanding Notes and provided that the Trustee shall not be obliged to agree to such amendments if such amendments would in the sole opinion of the Trustee have the effect of (A) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfactions and or (B) such amendments increase the obligations or duties or reduce the rights or protections of the Trustee under the Transaction Documents.

17.2 **Waiver:** In addition, the Trustee may, without the consent of the Noteholders or any other Secured Creditor concur with the Issuer or any other relevant parties in authorising or waiving any proposed breach or breach of the covenants or provisions contained in the Trust Documents, the Notes or any of the other Transaction Documents (including an Event of Default or Potential Event of Default) if, in the opinion of the Trustee, the holders of the Most Senior Class of outstanding Notes will not be materially prejudiced by such authorisation or waiver.

17.3 The Issuer shall not, without the prior written consent of the Interest Rate Cap Provider (such consent not to be withheld unreasonably), agree to any amendment to, modification of, or supplement to (and shall procure that there is no amendment to, modification of or supplement to) any of the Transaction Documents, insofar as such amendment, modification or supplement relates to or affects: (a) any Priority of Payments in a manner that adversely affects the Interest Rate Cap Provider and/or the operation of the IRC Collateral Account (other than in relation to any replacement of the Account Bank, provided such replacement has the required ratings); (b) the timing or amount of any payments or deliveries due to be made by or to the Interest Rate Cap Provider under the Conditions or any Transaction Document or the Interest Rate Cap Provider's status as a Secured Creditor; (c) this Condition 17.3; or (d) Condition 18.

- 17.4 The Issuer shall not, without the prior written consent of the Servicing Advisor, agree to any amendment to, modification of, or supplement to (and shall procure that there is no amendment to, modification of or supplement to) the Administration Agreement and or the Asset Management Consulting Agreement unless such amendment, modification or supplement is being made for the purpose of complying with the CSA 2018.
- 17.5 The Issuer shall not, without the prior written consent of the Option Holder, agree to any amendment to, modification of, or supplement (and shall procure that there is not amendment to, modification of or supplement to) the Deed Poll.
- 17.6 The Issuer shall not agree to any amendment to, modification of, or supplement to any of the Transaction Documents, insofar as such amendment, modification or supplement relates to or affects the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments, or the timing or amount of any payments due to be made pursuant to the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments in such a way as to have the effect of putting the Administrator in a less beneficial position than it would have been had such amendment, modification or supplement not been made, without the prior written consent of the Administrator.
- 17.7 *Restriction on power to waive:* The Trustee shall not exercise any powers conferred upon it by Condition 17.2 (*Waiver*) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class of outstanding Notes or of a request or direction in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of outstanding Notes, but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made.
- 17.8 *Notification:* The Issuer shall cause any such authorisation, waiver, modification or determination to be notified to the Noteholders and the other Secured Creditors in accordance with Condition 23 (*Notices*) and the Transaction Documents, as soon as practicable after it has been made.
- 17.9 *Binding Nature:* Any authorisation, waiver, determination or modification referred to in Condition 17.1 (*Modification*) or Condition 17.2 (*Waiver*) shall be binding on the Noteholders and the other Secured Creditors.

The Trustee shall not be obliged to agree to any matter which, in the opinion of the Trustee, would have the effect of exposing the Trustee to any Liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee shall not be held liable for the consequences of exercising its discretion or taking any action, step or proceeding (or not exercising its discretion or taking any action, step or proceeding as the case may be) and may do so without having regard to the effect of such action on individual Noteholders or Secured Creditors.

In the case of a request for consent to a waiver, modification, substitution or any other matter, the Trustee shall be entitled to obtain legal, financial or other expert advice, at the properly incurred expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent as it sees fit.

18. *Modification and Waiver in relation to the Screen Rate*

- 18.1 Notwithstanding the provisions of Conditions 16, 17 (*Meetings of Noteholders; Modifications and Waivers*), the Trustee shall be obliged, without any consent or sanction of the Noteholders or, subject to paragraph (b)(iv) below, any of the other Secured Creditors, to concur with the Issuer in making any modification (other than a Reserved Matter) to the Trust Deed, the Conditions and/or any other Transaction Document to which it is a party or in relation to which it holds security to or enter into any new, supplemental or additional documents that the Issuer considers necessary in order to:
- (a) change the Screen Rate or the benchmark rate that then applies in respect of the Notes to an alternative benchmark rate (any such rate, an "**Alternative Benchmark Rate**") and make such other amendments as are necessary or advisable in the commercially reasonable judgment of the Issuer (or the Servicing Advisor) to facilitate such change which, for the avoidance of doubt, may include modifications to when the Interest Rate applicable to any

Class of Notes is calculated and/or notified to Noteholders (a "**Benchmark Rate Modification**") **provided that** the Servicing Advisor (on behalf of the Issuer, as applicable) certifies to the Trustee in writing (such certificate, a "**Benchmark Rate Modification Certificate**") that:

- (i) such Benchmark Rate Modification is being undertaken as a result of a benchmark rate disruption;
 - (ii) such Alternative Benchmark Rate satisfies the Benchmark Rate Eligibility Requirement; and
 - (iii) the modifications proposed in the context of the Benchmark Rate Modification are required solely for the purpose of applying the Alternative Benchmark Rate and making consequential modifications to the Conditions or any Transaction Document which are, as determined by the Issuer (or the Servicing Advisor) in its commercially reasonable judgement, necessary or advisable, and the modifications have been drafted solely to such effect; or
- (b) change the benchmark rate that then applies in respect of the Interest Rate Cap Agreement to an Alternative Benchmark Rate solely as a consequence of a Benchmark Rate Modification and solely for the purpose of aligning the benchmark rate to such Interest Rate Cap Agreement to the benchmark rate of the Notes following such Benchmark Rate Modification (a "**Swap Rate Modification**") **provided that**:
- (i) the Interest Rate Cap Provider provides its prior written consent to such Swap Rate Modification; and
 - (ii) the Servicing Advisor (on behalf of the Issuer) certifies to the Trustee in writing that such modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a "**Swap Rate Modification Certificate**");

provided that, in the case of any modification made pursuant to a Benchmark Rate Modification and/or a Swap Rate Modification above (as applicable):

- (i) at least 30 days' prior written notice of any such proposed modification has been given to the Trustee provided that this notice must be delivered prior to publication of any Benchmark Modification Noteholder Notice;
- (ii) the details of and the rationale for any Note Rate Maintenance Adjustment proposed in accordance with this Condition 18 are as set out in the Benchmark Modification Noteholder Notice published in accordance with Condition 23 (*Notices*) below; and
- (iii) the applicable Benchmark Rate Modification Certificate or the Swap Rate Modification Certificate, as applicable, in relation to such modification is provided to the Trustee both at the time the Trustee is notified of the proposed modification, five Business Days prior to the publication of the Benchmark Modification Noteholder Notice and on the date that such modification takes effect;
- (iv) the consent of each Secured Creditor which is a party to any relevant Transaction Document being amended has been obtained;
- (v) with respect to each Rating Agency, either:
 - (A) the Issuer (or the Servicing Advisor on its behalf) obtains from such Rating Agency written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing any Rated Notes on rating watch negative (or

equivalent) and delivers a copy of each such confirmation to the Trustee;
or

- (B) the Issuer certifies in writing to the Trustee that it (or the Servicing Advisor on its behalf) has notified such Rating Agency of the proposed modification and that it has been unable to obtain such written confirmation but that such Rating Agency has not indicated that the implementation of such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes or by such Rating Agency or (y) such Rating Agency placing the Rated Notes on rating watch negative (or equivalent);
- (vi) in respect of a Benchmark Rate Modification only, by no later than the date on which the proposed Benchmark Rate Modification becomes effective, the Issuer has agreed the corresponding Swap Rate Modification, other than if the Rating Agency provides written confirmation to the Issuer that the Benchmark Rate Modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency if there is no corresponding Swap Rate Modification;
- (vii) the Issuer has provided at least 30 days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 23 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, (such notice, the "**Benchmark Modification Noteholder Notice**") notifying the following:
 - (A) the period during which Noteholders of the Most Senior Class on the date specified to be the Benchmark Rate Modification Record Date (which shall be five Business Days from and excluding the date of publication of the Benchmark Modification Noteholder Notice (the "**Benchmark Rate Modification Record Date**")), may object to the proposed Benchmark Rate Modification and the method by which they may object;
 - (B) the benchmark rate disruption on the basis of which the Benchmark Rate Modification and/or Swap Rate Modification is being proposed;
 - (C) the Benchmark Rate Eligibility Requirement satisfied by the Alternative Benchmark Rate and, if paragraph (e) of the definition of Benchmark Rate Eligibility Requirement is being applied, the Servicing Advisor's rationale for choosing the Alternative Benchmark Rate;
 - (D) details of the adjustment which the Issuer proposes to make (if any) to the margin payable on each Class of Notes which are the subject of the Benchmark Rate Modification in order to, so far as reasonably and commercially practicable, preserve what would have (been the expected Floating Rate of Interest applicable to each such Class of Notes had no such Benchmark Rate Modification been effected which, for the avoidance of doubt, may effect an increase or a decrease to the Relevant Margin or may be set at zero (the "**Note Rate Maintenance Adjustment**")), provided that:
 - (1) in the event that the European Central Bank, any regulator in the European Union or any stock exchange that the Notes are listed on (or any relevant committee or other body established, sponsored or approved by any of the foregoing) has published, endorsed, approved or recognised a note rate maintenance adjustment mechanism which could be used in the context of a transition from the EURIBOR to the Alternative Benchmark Rate, then the Issuer shall propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the

Benchmark Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification;

- (2) in the event that it has become generally accepted market practice in the publicly listed asset backed floating rate notes to use a particular note rate maintenance adjustment mechanism in the context of a transition from EURIBOR to the Alternative Benchmark Rate, then the Issuer shall propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the Benchmark Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification;
 - (3) in the event that neither (a) nor (b) above apply, the Issuer shall use reasonable endeavours to propose an alternative Note Rate Maintenance Adjustment as reasonably determined by the Issuer (or the Servicing Advisor on behalf of the Issuer) and shall set out the rationale for the proposal or otherwise the Issuer shall set out in the Benchmark Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; and
 - (4) if any Note Rate Maintenance Adjustment is proposed, the Note Rate Maintenance Adjustment applicable to each Class of Notes other than the Most Senior Class of Notes shall be at least equal to that applicable to the Most Senior Class of Notes. In circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, the Benchmark Rate Modification will not be made unless an Extraordinary Resolution is passed in favour of such modification in accordance with Condition 16, 17 (*Meetings of Noteholders; Modifications and Waivers*) by the Noteholders of each Class of Notes then outstanding to which the lower Note Rate Maintenance Adjustment is proposed to be made;
- (E) details of (i) other amendments which the Issuer proposes to make (if any) to these Conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to Benchmark Rate Modification and/or Swap Rate Modification;
- (viii) Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Most Senior Class then outstanding have not contacted the Trustee in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes may be held) within the relevant notification period notifying the Trustee that such Noteholders do not consent to the Benchmark Rate Modification and/or Swap Rate Modification; and
 - (ix) the Issuer pays all costs and expenses (including legal fees) incurred by the Issuer, the Trustee, the Legal Title-Holder, the Administrator and the Cash Manager in connection with such modification.

If Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Most Senior Class then outstanding have notified the Trustee in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Notes may be held) within such notification period that such Noteholders do not consent to the modification, then any subsequent proposal by the Issuer in respect of a Benchmark Rate Modification or a Swap Rate Modification (as the case may be) must be sanctioned by an Extraordinary Resolution of the Noteholders of the Most Senior Class then outstanding passed in favour of such modification in accordance with Conditions 16 and 17 (*Meetings of Noteholders; Modification and Waiver*), provided that in circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, such Extraordinary Resolution shall be passed by the Noteholders of the Most Senior Class of Notes then outstanding and by the Noteholders of each Class of Notes then outstanding to which the lower Note Rate Maintenance Adjustment is proposed to be made.

Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

Any such modifications permitted by this Condition 18 shall be binding on the Noteholders and other Secured Creditors and, unless the Trustee otherwise agrees, the Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 23 (*Notices*). So long as the Rated Notes, or any of them, are rated by the Rating Agencies the Issuer shall notify each of the Rating Agencies of any modification made by it in accordance with this Condition 18 as soon as reasonably practicable thereafter.

Notwithstanding anything to the contrary in this Condition 18 (*Modification and Waiver in relation to the Screen Rate*) or any Transaction Document:

- (a) when implementing any modification, pursuant to this Condition 18 (*Modification and Waiver in relation to the Screen Rate*) to the Conditions, and/or any other Transaction Documents to which it is a party or in relation to which it holds security to or enters into any new, supplemental or additional documents, (save to the extent the Trustee considers that the proposed modification would constitute a Reserved Matter), the Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely, and without further enquiry or liability, on any certificate (including any Benchmark Rate Modification Certificate or Swap Rate Modification Certificate (as applicable)) or evidence provided to it by the Issuer (or the Servicing Advisor on behalf of the Issuer), as the case may be, pursuant to this Condition 18 and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
- (b) the Trustee shall not be obliged to agree to any modification of the Trust Deed, the Conditions or any other Transaction Document which (in the sole opinion of the Trustee) would have the effect of: (x) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction; or (y) increasing the obligations or duties, or decreasing the rights or protections of the Trustee in the Transaction Documents, the Trust Deed and/or the Conditions.

For the avoidance of doubt, the Issuer or Servicing Advisor (on behalf of the Issuer) may propose an Alternative Benchmark Rate on more than one occasion **provided that** the conditions set out in this Condition 18 are satisfied.

"Benchmark Rate Disruption" means the occurrence of any of the following:

- (a) a material disruption to EURIBOR, a material change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published or the EURIBOR administrator having used a fall back methodology for calculating EURIBOR for a period of at least 30 calendar days;

- (b) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);
- (c) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR);
- (d) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or there will be a material change in the methodology of calculating EURIBOR;
- (e) a public statement by the supervisor of the EURIBOR administrator that means EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences;
- (f) a change in the generally accepted market practice in the publicly listed asset back floating rate notes market to refer to EURIBOR endorsed in a public statement by, any regulator in the European Union or any stock exchange that the Notes are listed on or the European Central Bank or any relevant committee or other body established, sponsored or approved by the foregoing, despite the continued existence of EURIBOR; or
- (g) it having become unlawful and/or impossible and/or impracticable for the Issuer or the Cash Manager to calculate payments due to be made to the Noteholders using EURIBOR; and
- (h) it being the reasonable expectation of the Servicing Advisor that any of the events specified in sub-paragraphs (a) to (e) (inclusive) and (g) above will occur or exist within six months of the proposed effective date of such Benchmark Rate Modification.

"Benchmark Rate Eligibility Requirement" means the Alternative Benchmark Rate being any one of the following:

- (a) a benchmark rate published, endorsed, approved or recognised by the European Central Bank, any regulator in the European Union or any stock exchange that the Notes are listed on or any relevant committee or other body established, sponsored or approved by any of the foregoing (which, for the avoidance of doubt, may be an alternative benchmark rate together with a specified adjustment factor which may increase or decrease the relevant alternative benchmark rate);
- (b) a reference rate with an equivalent term utilised in a material number of publicly listed new issues of asset backed floating rate notes denominated in Euro in the 6 months prior to the proposed effective date of such Benchmark Rate Modification;
- (c) a reference rate utilised in a publicly-listed new issue of Euro denominated asset backed floating rate notes where the originators of the relevant assets are any of the Originators or affiliates of the Originators; or
- (d) such other reference rate as the Servicing Advisor reasonably determines, provided that this option may only be used if the Issuer (or the Servicing Advisor on behalf of the Issuer) certifies to the Trustee that, in its reasonable opinion, none of sub-paragraph (a) to (d) above (inclusive) are applicable and/or practicable in the context of this transaction, and sets out the rationale in the Benchmark Rate Modification Certificate for choosing the proposed Alternative Benchmark Rate.

"Benchmark Rate Modification" has the meaning given to that term in this Condition 18.

"Benchmark Rate Modification Certificate" has the meaning given to that term in this Condition 18.

"Swap Rate Modification" has the meaning given to that term in this Condition 18.

"Swap Rate Modification Certificate" has the meaning given to that term in this Condition 18.

19. **Prescription**

19.1 **Principal:** Claims for principal in respect of Notes shall become void where application for payment is made more than ten years after the due date therefor.

19.2 **Interest:** Claims for interest in respect of Notes shall become void where application for payment is made more than five years after the due date therefor.

20. **Replacement of Notes**

If any Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, subject to all applicable laws and Euronext Dublin requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

21. **Trustee and Agents**

21.1 **Trustee's right to Indemnity:** Under the Transaction Documents, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid or reimbursed for any Liabilities incurred by it in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

21.2 **Trustee not responsible for loss or for monitoring:** The Trustee is not responsible for any Liability which may be suffered as a result of the Charged Property or any documents of title relating thereto being uninsured or inadequately insured or being held by or to the order of the Administrator or by any person on behalf of the Trustee (as applicable). The Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents.

21.3 **Regard to Classes of Noteholders:** In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee shall:

21.3.1 have regard to the interests of each Class of Noteholders as a Class and will not be responsible for any consequence for individual Noteholders as a result of such holders being domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, a particular territory or taxing jurisdiction; and

21.3.2 in the event of a conflict of interests of holders of different Classes have regard only to the interests of the holders of the Most Senior Class of outstanding Notes and will not have regard to any lower ranking Class of Notes nor, prior to the redemption in full of the Notes, to the interests of the other Secured Creditors except to ensure the application of the proceeds of enforcement after the delivery of an Enforcement Notice in accordance with the Post-Enforcement Priority of Payments.

21.4 **Paying Agents solely agents of Issuer:** In acting under the Agency Agreement and in connection with the Notes, the Paying Agents act solely as agents of the Issuer (save as otherwise provided in the Trust Deed and the Agency Agreement) and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

21.5 **Initial Paying Agents:** The Issuer reserves the right (with the prior written approval of the Trustee) to vary or terminate the appointment of any Agent and to appoint a successor principal paying agents, reference agent or registrar and additional or successor paying agents at any time, having given not less than 30 days' notice to such Agent.

22. **Substitution of Issuer**

22.1 **Substitution of Issuer:** The Trustee may, without the consent of the Noteholders or any other Secured Creditor, subject to:

22.1.1 the consent of the Issuer; and

22.1.2 such further conditions as are specified in the Trust Deed, agree to the substitution of a Substituted Obligor in place of the Issuer as the principal debtor in respect of the Trust Documents, the Transaction Documents, the Notes and the Secured Amounts.

22.2 **Notice of Substitution of Issuer:** Promptly after any substitution of the Issuer in accordance with this Condition 22, the Substituted Obligor shall cause notice of such substitution to be given to the Noteholders and the other Secured Creditors in accordance with Condition 23 (*Notices*) and the other relevant Transaction Documents.

22.3 **Change of Law:** In the case of a substitution pursuant to this Condition 22, the Trustee may in its absolute discretion agree, without the consent of the Noteholders or the other Secured Creditors to a change of the law governing the Notes and/or any of the Transaction Documents **provided that** such change would not, in the opinion of the Trustee, be materially prejudicial to the interests of the holders of the Most Senior Class of outstanding Notes and **provided that** the Rating Agencies are notified by the Issuer. For the avoidance of doubt, a Transaction Document cannot be amended without the written agreement of all the parties thereto and the prior written consent of the Trustee.

22.4 **No indemnity:** No Noteholder shall, in connection with any such substitution, be entitled to claim from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence or any other consequence of any such substitution upon individual Noteholders.

23. **Notices**

For so long as the relevant Notes are in global form, any notice to Noteholders shall be validly given to the relevant Noteholders if sent to the Clearing Systems for communication by them to the holders of the relevant Class of Notes and shall be deemed to be given on the date on which it was so sent. If Definitive Notes are issued, any notice to the holders thereof shall be validly given if sent by first class mail to them at their respective addresses in the Register (or the first named of joint holders) and notice shall be deemed to have been given on the second Business Day after the date of mailing. So long as the relevant Notes are admitted to trading and listed on the official list of Euronext Dublin any notice shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcements Office of Euronext Dublin, and any notice so published shall be deemed to have been given on the date of publication.

24. **Non-Responsive Rating Agency**

24.1 In respect of each Rating Agency, if a Ratings Confirmation is a condition to any action, step or matter under any Transaction Document and a written request for such Ratings Confirmation is delivered to that Rating Agency by or on behalf of the Issuer (copied to the Trustee) and:

24.1.1 (A) that Rating Agency indicates that it does not consider a Ratings Confirmation necessary in the circumstances or otherwise declines to review the matter for which the Ratings Confirmation is sought (including as a result of the policy or practice of that Rating Agency) or (B) within 30 days of delivery of such request, that Rating Agency has not responded to the request for the Ratings Confirmation; and

24.1.2 the Issuer has otherwise received no indication from that Rating Agency that its then current ratings of the Rated Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such action, step or matter,

24.2 then (i) there shall be no requirement for the Ratings Confirmation from the Rating Agency if the Issuer certifies to the Trustee that one of the events in Condition 24.1.1. has occurred and the condition in Condition 24.1.2 is fulfilled; and (ii) neither the Issuer nor the Trustee shall be liable for any loss that Noteholders may suffer as a result.

25. **Governing Law and Jurisdiction**

- 25.1 **Governing law:** The Transaction Documents (other than the Administration Agreement, the Asset Management Consulting Agreement, the Servicing Advisory Agreement, the Amended and Restated Paris Declaration of Trust, the Amended and Restated Java Declaration of Trust, the Accession to the Amended and Restated Paris Declaration of Trust, the Accession to the Amended and Restated Java Declaration of Trust, the Corporate Services Agreement, the Irish Deed of Charge, the Mortgage Sale Agreement, the Seller Security Power of Attorney, the Administrator Power of Attorney and the Legal Title Holder Power of Attorney (together, the "**Irish Law Transaction Documents**")), the Notes (the "**English Law Transaction Documents**") and all non-contractual obligations arising from or connected with them are governed by English law. The Irish Law Transaction Documents and all non-contractual obligations arising from or connected with them are governed by Irish law.
- 25.2 **Jurisdiction:** The courts of Ireland (the "**Irish Courts**") have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Irish Law Transaction Documents (including a dispute relating to non-contractual obligations of the Irish Law Transaction Documents) and accordingly, any legal action or proceedings arising out of or in connection with the Irish Law Transaction Documents may be brought in the Irish Courts. The Issuer has in each of the Irish Law Transaction Documents to which it is a party irrevocably submitted to the jurisdiction of the Irish Courts. The courts of England and Wales (the "**English Courts**") are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the English Law Transaction Documents (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the English Law Transaction Documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the English Law Transaction Documents may be brought in the English Courts. The Issuer has in each of the English Law Transaction Documents to which it is a party irrevocably submitted to the jurisdiction of the English Courts. This clause is for the benefit of the Trustee and to the extent allowed by law shall not limit the right of the Trustee to take proceedings in any other court of competent jurisdiction.

TAXATION

Ireland Taxation

The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, such as dealers in securities, trusts, etc.. The summary does not constitute tax or legal advice and the comments below are of a general nature only and does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent), is required to be withheld from payments of Irish source interest.

The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note so long as interest paid on the relevant Note does not come within certain rules introduced by Finance Act 2016 and Finance Act 2017 (as described below under the heading *Deductibility of Interest*) and meets the following conditions:

- (a) the Notes are quoted Eurobonds ("**quoted Eurobonds**"), i.e. securities which are issued by a body corporate (such as the Issuer) which are listed on a recognised stock exchange (which would include Euronext Dublin) and which carry a right to interest; and
- (b) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:
 - (i) the Notes are held in a clearing system recognised by the Revenue Commissioners (Euroclear and Clearstream are, amongst others, so recognised); or
 - (ii) the Noteholder is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form; and
- (c) Interest which is profit dependent and which is paid out on the Notes could, under certain anti-avoidance provisions, be re-characterised as a distribution and subject to dividend withholding tax in certain circumstances. However, this should not apply where such interest is paid to a person who is resident for tax purposes in Ireland or is otherwise within the charge to corporation tax in Ireland in respect of such interest.

So long as the Notes are quoted on a recognised stock exchange and are held in a recognised clearing system such as Euroclear and Clearstream (or, if not so held, payments on the Notes are made through a paying agent not in Ireland) and, in respect of the Class X Notes, the Noteholder is resident for tax purposes in Ireland, interest on the Notes can be paid by the Issuer and any paying agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax.

Deductibility of Interest

Rules contained in the Finance Act 2016 and Finance Act 2017 restrict the deductibility of interest paid by a "qualifying company" within the meaning of Section 110 of the TCA (a "**Qualifying Company**") (such as the Issuer) that is profit dependent or exceeds a reasonable commercial return to the extent that the interest is associated with a 'specified property business' carried on by that qualifying company ("**Affected Interest**"). A 'specified property business' of a qualifying company means, subject to a number of exceptions, a business of holding 'specified mortgages', units in an IREF (being a specified form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA) or shares that derive their value or the greater part of their value, directly or indirectly, from Irish land. A 'specified mortgage' for this purpose is (a) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, Irish land, (b) a 'specified agreement' (effectively a profit dependent derivative) which derives its value, or the greater part of its value, directly or indirectly, from Irish land or a loan to which (a) applies, or (c) the portion of a specified security (essentially a security in respect of

which, if the Finance Act 2016 and Finance Act 2017 rules did not apply to it, payments on that security would be deductible under section 110 of the TCA), is attributable to the specified property business in accordance with the rules, or (d) units in an IREF (being a specified form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA).

A Qualifying Company will not be carrying on a 'specified property business' to the extent it is engaged in a "CMBS/RMBS Transaction" (as defined in s.110(5A) of the 1997 Act) (a "**CMBS/RMBS Transaction**").

A CMBS/RMBS Transaction is a securitisation transaction (within the meaning of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (the "**CRR**")) entered into by a Qualifying Company (such as the Issuer) where (a) the originator (within the meaning of paragraph (a) of the definition of "originator" in Article 4 of the CRR) retains a net economic interest in the credit risk of the securitisation position in accordance with Article 405 of the CRR, or (b) an originator (within the meaning of paragraph (b) of the definition of "originator" in Article 4 of the CRR) retains a net economic interest in the credit risk of the securitisation position in accordance with Article 405 of the CRR and is a financial institution (within the meaning of the CRR) or a credit institution (within the meaning of the CRR) regulated by a competent authority in a relevant Member State (being an EU Member State (other than Ireland) or an EEA state) or is authorised by a third country authority, recognised by the European Commission as having supervisory and regulatory arrangements at least equivalent to those applied in a relevant Member State or Ireland to carry out similar activities. As long as the Issuer is deemed to be engaged in a CMBS/RMBS Transaction, the Issuer's ability to take a deduction for any Affected Interest should not be affected by these provisions and no withholding tax should arise on such Affected Interest.

To the extent the Qualifying Company is carrying on a 'specified property business', it is taxed on any profit that is attributable to that business at 25% and any Affected Interest is, subject to a number of exceptions, not deductible and potentially subject to Irish withholding tax at 20%.

Provided the interest payable is not to any extent profit-dependent and the rate of interest payable does not exceed a reasonable commercial return, such interest will not be Affected Interest and the Issuer's ability to take a deduction for such interest should not be affected by these rules. To the extent interest payable under the Notes is Affected Interest, there are a number of exemptions available, including where the Noteholder is within the charge to corporation tax in Ireland in respect of such interest.

Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of Income Tax (currently 20%) from interest on any quoted Eurobond, where such interest is collected by a bank or other agent in Ireland on behalf of any Noteholder that is Irish resident. Encashment tax does not apply where the beneficial owner of the interest is not resident in Ireland and has made a declaration in the prescribed form of the encashment agent or bank.

Taxation of Noteholders

Notwithstanding that a Noteholder may receive payments of interest, premium or discount on the Notes free of Irish withholding tax, the Noteholder may still be liable to pay Irish income or corporation tax with respect to such interest. Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance contributions (PRSI) and the universal social charge in respect of interest they receive on the Notes.

Interest paid on the Notes may have an Irish source and therefore may be within the charge to Irish income tax, notwithstanding that the Noteholder is not resident in Ireland. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the universal social charge in respect of interest they receive on the Notes.

Ireland operates a self-assessment system in respect of income tax and corporation tax, and each person, including a person who is neither resident nor ordinarily resident in Ireland, must assess its own liability to Irish tax.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a relevant territory, where the term "relevant territory" means a member state of the European Union (other than Ireland) or a country with

which Ireland has signed a double tax treaty ("**Relevant Territory**") or is a company which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a relevant territory are resident for the purposes of tax in a relevant territory and is not under the control of person(s) who are not so resident or is a company where the principal class of shares of the company or its 75% parent is substantially and regularly traded on a recognised stock exchange. Secondly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a Qualifying Company, the recipient is not resident in Ireland and is resident in a Relevant Territory and, the interest is paid out of the assets of the Issuer. Thirdly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come in to force once all ratification procedures have been completed. For the purpose of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or, in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Noteholders receiving interest on the Notes which does not fall within any of the above exemptions may be liable to Irish income tax, the universal social charge and PRSI on such interest.

Capital Gains Tax

A holder of Notes will not be subject to Irish tax on capital gains on a disposal of Notes unless (i) such holder is either resident or ordinarily resident in Ireland or (ii) such holder carries on a trade in Ireland through a branch or agency in respect of which the Notes were used or held or (iii) the Notes cease to be listed on a stock exchange in circumstances where the Notes derive their value or more than 50% of their value from Irish real estate, mineral rights or exploration rights.

Capital Acquisitions Tax

A gift or inheritance of Notes will be within the charge to capital acquisitions tax if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponent is domiciled in Ireland irrespective of his/her residence or that of the donee/successor) or (ii) if the Notes are regarded as property situate in Ireland (e.g. if the Notes are physically located in Ireland or if the register of Notes is maintained in Ireland).

Stamp Duty

Provided the Issuer remains a Qualifying Company no stamp duty or similar tax is imposed in Ireland on the issue, transfer or redemption of the Notes provided the money raised on the issue of the Notes is used in the course of the Issuer's business.

Automatic Exchange of Information

Irish reporting financial institutions, which may include the Issuer, may have reporting obligations in respect of certain investors under both FATCA and CRS (see below).

Information exchange and the implementation of FATCA in Ireland

With effect from 1 July 2014 the Issuer may be obliged to report certain information in respect of U.S. investors (Noteholders) in the Issuer to the Revenue Commissioners who will then share that information with the U.S. tax authorities.

Under US legislation, Sections 1471 to 1474 of the United States Internal Revenue Code of 1986 (as amended) ("**FATCA**"), a 30 per cent. US withholding tax may be imposed on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the U.S. Internal Revenue Service ("**IRS**") to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.

On 21 December 2012 Ireland signed an Intergovernmental Agreement ("**IGA**") with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and *vice versa*.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (which came into operation on 1 July 2014) (the "**Irish Regulations**") implementing the information disclosure obligations Irish financial institutions such as the Issuer are required to report certain information with respect to U.S. account holders and non-financial entities controlled by US persons to the Revenue Commissioners. The Revenue Commissioners will provide that information annually to the IRS. Aside from where the Notes are listed (see below) the Issuer must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information may be sought from each holder and beneficial owner of the Notes. It should be noted that the Irish Regulations require the filing of returns with the Revenue Commissioners regardless as to whether the Issuer holds any U.S. assets or has any U.S. investors. However to the extent that the Notes are listed on a recognised stock exchange (which includes Euronext Dublin) with the intention that the interests may be traded or held within a recognised clearing system the Issuer should have no reportable accounts in a tax year. In that event the Issuer will make a nil return for that year to the Revenue Commissioners.

While the IGA and Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Issuer in respect of its assets, no assurance can be given in this regard. As such, Noteholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

Common Reporting Standard (CRS)

"**CRS**" means the common reporting standard comprised in the Standard for Automatic Exchange of Financial Account Information in Tax Matters approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development (the "**Standard**") and any treaty, law, or regulation of any other jurisdiction which facilitates the implementation of the Standard including Council Directive 2014/107/EU on the Administrative Cooperation in the Field of Taxation ("**DAC II**")

The CRS framework was first released by the OECD in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase tax transparency. On 21 July 2014, the Standard was published by the OECD and this includes the CRS.

The goal of the CRS is to provide for the annual automatic exchange between governments of financial account information reported to them by local reporting financial institutions (as defined) ("**FIs**") relating to account holders who are tax resident in other participating jurisdictions.

DAC II implements measures similar to the CRS in a European context and created a mandatory obligation for all Member States to exchange financial account information in respect of residents in other Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year (or from 2018 in the case of Austria).

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of the CRS while Sections 891F and 891E of the 1997 Act of Ireland contain measures necessary to implement the CRS internationally and across the European Union, respectively. The Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**Regulations**"), giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Over 95 jurisdictions have committed to exchanging information under the CRS and a group of 50 countries, including Ireland, committed to the early adoption of the CRS from 1 January 2016 (known as the "**Early Adopter Group**")), with the first data exchanges expected to take place in September 2017. All Member States are members of the Early Adopter Group.

The Revenue Commissioners have issued regulations to implement the requirements of the CRS and DAC II into Irish law under which Irish financial institutions (such as the Issuer) will be obliged to make a single return in respect of CRS and DAC II. For the purpose of complying with its obligations under CRS and DAC II, an Irish financial institution (such as the Issuer) shall be entitled to require Noteholders to provide any information regarding their and, in certain circumstances, their controlling persons' tax status, identity or residence in order to satisfy any reporting requirements which the Issuer may have as a result of CRS and DAC II and Noteholders will be deemed, by their holding, to have authorised the automatic disclosure of such information by the Issuer or any nominated service provider) or any other person to the Revenue Commissioners. The information will be provided to the Revenue Commissioners who will exchange the information with the tax authorities of other participating jurisdictions, as applicable. Failure by an Irish financial institution to comply with its CRS and DAC II obligations may result in the Issuer being deemed to be non-compliant in respect of its CRS obligations and monetary penalties may be imposed on a non-compliant FI under Irish legislation.

The Issuer (or any nominated service provider) will agree that information (including the identity of any Noteholder) supplied for the purposes of CRS and DAC II compliance is intended for the Issuer's (or any nominated service provider's) use for the purposes of satisfying CRS and DAC II requirements and the Issuer (or any nominated service provider) will agree, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Issuer may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving CRS and DAC II compliance, (iii) to any person with the consent of the applicable Noteholder, or (iv) as otherwise required by law or court order or on the advice of its advisors.

Further information in relation to CRS can be found on the Automatic Exchange of Information (AEOI) webpage on www.revenue.ie.

U.S. FOREIGN ACCOUNT TAX COMPLIANCE

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. A number of jurisdictions (including Ireland) 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, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign passthru payment" and Notes characterized as debt for U.S. federal income tax purposes (or which are not otherwise characterized as equity and have a fixed term) 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 (including by reason of a substitution of the issuer). 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.

SUBSCRIPTION AND SALE

Morgan Stanley & Co. International plc, in its capacity as Lead Manager have, pursuant to a subscription agreement dated on or about the date of this Prospectus amongst the Seller, the Arranger, the Lead Manager, the Issuer and the Retention Holder (the "**Subscription Agreement**"), agreed with the Issuer (subject to certain conditions) to subscribe and pay for:

- (a) in the case of the Lead Manager 95 per cent. of the:
 - (i) Class A Notes at the issue price of 99.55 per cent.;
 - (ii) Class B Notes at the issue price of 99.20 per cent.;
 - (iii) Class C Notes at the issue price of 98.30 per cent.;
 - (iv) Class D Notes at the issue price of 97.32 per cent.;
 - (v) Class E Notes at the issue price of 93.86 per cent.;
 - (vi) Class F Notes at the issue price of 91.54 per cent.; and
 - (vii) Class G Notes at the issue price of 90.44 per cent.;(each a "**Subscribed Note**"),
- (b) In the case of the Retention Holder:
 - (i) 5 per cent. of the nominal value of each Subscribed Note.
- (c) in the case of the Seller:
 - (i) Class RFN Notes;
 - (ii) Class Z1 Notes;
 - (iii) Class Z2 Notes; and
 - (iv) Class X Notes.

The Issuer and the Seller have agreed to indemnify the Lead Manager against certain liabilities and to pay certain costs and expenses in connection with the issue of the Notes.

Other than admission of the Notes to the official list and the admission to trading on the regulated market of Euronext Dublin, no action has been taken by the Issuer, the Arranger or the Lead Manager, which would or has been intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

On the Closing Date, the Notes may only be purchased by persons that (a) are not Risk Retention U.S. Persons or (b) have obtained a U.S. Risk Retention Waiver from the Retention Holder. Each holder of a Note or a beneficial interest therein acquired in the initial syndication of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Seller, the Retention Holder, the Arranger and the Lead Manager that it (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Retention Holder, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Notes 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.

Except with the express written consent of the Retention Holder and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules, 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. Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" means any of the following:

- (a) Any natural person resident in the United States;
- (b) Any partnership, corporation, limited liability company, or other organization or entity organized or incorporated under the laws of any State or of the United States;⁷
- (c) Any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) Any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) Any agency or branch of a foreign entity located in the United States;
- (f) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (h) Any partnership, corporation, limited liability company, or other organization or entity if:
 - (i) Organized or incorporated under the laws of any foreign jurisdiction; and
 - (ii) Formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.

The material difference between such definitions is that (1) a "U.S. person" under Regulation S includes any partnership or corporation that is organized or incorporated under the laws of any foreign jurisdiction formed by one or more "U.S. persons" (as defined in Regulation S) principally for the purpose of investing in securities that are otherwise offered within the United States pursuant to an applicable exemption under the Securities Act unless it is organized or incorporated and owned by accredited investors (as defined in Rule 501(a) of Regulation D under the Securities Act) who are not natural persons, estates or trusts, while (2) any organization or entity described in (1) is treated as a "U.S. person" under the U.S. Risk Retention Rules, regardless of whether it is so organized and owned by accredited investors (as defined in Rule 501(a) of Regulation D under the Securities Act) who are not natural persons, estates or trusts.

United Kingdom

The Arranger and the Lead Manager have each represented and agreed that:

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

The Arranger and the Lead Manager have each acknowledged that, save for having obtained the approval of the Prospectus as a prospectus in accordance with Part VI of FSMA, having applied for the admission of the Notes to the official list and admission to trading on Euronext Dublin, no further action has been or will be taken in any jurisdiction by the Arranger or the Lead Manager that would, or is intended to, permit

⁷ The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States."

a public offering of the Notes, or possession or distribution of the Prospectus or any other offering material in relation to the Notes, in any country or jurisdiction where such further action for that purpose is required.

United States

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S of the Securities Act) except pursuant to an exemption from registration requirements. Accordingly, the Notes are being offered outside the United States to persons other than U.S. persons (as defined in Regulation S of the Securities Act).

The Arranger and the Lead Manager have each agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Rated Notes as part of its distribution at any time or otherwise until 40 days after the later of the commencement of the offering of the Notes and the closing date (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S of the Securities Act), and it will have sent to each affiliate or other dealer (if any) to which it sells Notes during the Distribution Compliance Period 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 of, U.S. persons.

In addition:

- (a) except to the extent permitted under U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**"), (i) each Joint Lead Manager represents that it has not offered or sold, and agrees that during a 40-day restricted period it will not offer or sell, Notes to a person who is within the United States or its possessions or to a United States person, and (ii) represents that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes that are sold during the restricted period;
- (b) the Lead Manager represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;
- (c) if it is a United States person, the Lead Manager represents that it is acquiring the Notes for purposes of resale in connection with their original issue and if it retains Notes for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D)(6); and
- (d) with respect to each affiliate that acquires from it notes for the purpose of offering or selling such Notes during the restricted period, the Lead Manager (i) repeats and confirms the representations and agreements contained in clauses (a), (b) and (c) on its behalf or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in clauses (a), (b) and (c).

Terms used in clauses (a), (b), (c) and (d) have the meaning given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, including the TEFRA D Rules.

Ireland

The Lead Manager has represented and agreed with the Issuer that:

- (a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the Irish European Union (Markets in Financial Instruments) Regulations 2017 (as amended) ("**MiFID Regulations**"), including, without limitation, Parts 6, 7 and 12 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the Irish Companies Act 2014 (as amended), the Irish Central Bank Acts 1942 to

2018 (as amended) and any codes of conduct rules made under Section 117(1) of the Irish Central Bank Act 1989 (as amended);

- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued under Section 1363 of the Companies Act by the Central Bank; and
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) and any rules issued under Section 1370 of the Companies Act by the Central Bank.

Prohibition of Sales to EEA Retail Investors

The Lead Manager has represented and agreed with the Issuer that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

General

Under the Subscription Agreement, the Lead Manager has acknowledged that, save for making such applications and for having procured the delivery of a copy of the Prospectus for registration to the Central Bank, no action has been or will be taken in any jurisdiction by it that would permit a public offering of the Notes, or possession or distribution of the Prospectus (in preliminary or final form) or any amendment or supplement thereto or any other offering material relating to the Notes in any country or jurisdiction where action for that purpose is required. Under the Subscription Agreement, the Lead Manager has agreed to comply with all applicable laws and regulations in each jurisdiction in or from which it may offer or sell the Notes or have in its possession or distribute the Prospectus (in preliminary or in final form) or any amendment or supplement thereto or any other offering material (including not to do so, as stated in the section entitled "Important Notice" above, to retail investors as defined in such section).

Attention is drawn to the information set out on the inside front cover of this Prospectus.

LISTING AND GENERAL INFORMATION

- (a) It is expected that the admission of the Notes to the official list and the admission of the Notes to trading on the regulated market of Euronext Dublin will be granted on or around 21 March 2019.
- (b) The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), since 4 February 2019 (being the date of incorporation of the Issuer) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer.
- (c) The auditor for the Issuer is Grant Thornton LLP. Grant Thornton LLP is a member of the Institute of Chartered Accountants in Ireland. So long as the Notes are admitted to trading the regulated market of Euronext Dublin, the most recently published audited annual accounts of the Issuer from time to time shall be filed with Euronext Dublin and shall be available at the Specified Office of the Principal Paying Agent in London. The Issuer does not publish interim accounts. Since 4 February 2019 (being the date of incorporation of the Issuer), there has been (a) no material adverse change in the financial position or prospects of the Issuer and (b) no significant change in the financial or trading position of the Issuer.
- (d) Since the date of its incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of business.
- (e) The issue of the Notes was authorised pursuant to a resolution of the board of directors of the Issuer passed on 19 March 2019.
- (f) The following Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg under the following ISIN and common codes:

Class of Notes	ISIN	Common Code
Class A	XS1960569710	196056971
Class B	XS1960574124	196057412
Class C	XS1960569801	196056980
Class D	XS1960570213	196057021
Class E	XS1960570486	196057048
Class F	XS1960570726	196057072
Class G	XS1960570999	196057099
Class RFN	XS1960571021	196057102
Class Z1	XS1960571294	196057129
Class Z2	XS1960571377	196057137
Class X	XS1960571450	196057145

- (g) From the date of this Prospectus and for so long as the Notes are listed on the regulated market of Euronext Dublin, physical copies of the following documents may be inspected at the registered office of the Trustee during usual business hours, on any weekday (public holidays excepted):
 - (i) the Constitution of the Issuer;
 - (ii) copies of the following documents:
 - (A) the Account Bank Agreement;

- (B) the Administration Agreement;
 - (C) the Agency Agreement;
 - (D) the Asset Management Consulting Agreement;
 - (E) the Servicing Advisory Agreement;
 - (F) the Cash Management Agreement;
 - (G) the Amended and Restated Paris Declaration of Trust;
 - (H) the Amended and Restated Java Declaration of Trust;
 - (I) the Accession to the Amended and Restated Paris Declaration of Trust;
 - (J) the Accession to the Amended and Restated Java Declaration of Trust;
 - (K) the Java Master Collection Account Declaration of Trust;
 - (L) the Corporate Services Agreement;
 - (M) the Deed Poll;
 - (N) the English Deed of Charge;
 - (O) the Incorporated Terms Memorandum;
 - (P) the Interest Rate Cap Agreement;
 - (Q) the Irish Deed of Charge;
 - (R) the Mortgage Sale Agreement;
 - (S) the Risk Retention Letter;
 - (T) the Seller Security Power of Attorney;
 - (U) the Legal Title Holder Power of Attorney;
 - (V) the Administrator Power of Attorney; and
 - (W) the Trust Deed.
- (h) The Lead Manager will procure that each Transaction Document in draft form will be made available prior to the date of pricing to investors, potential investors in the Notes and the Central Bank through the website of <https://global.datasiteone.merrillcorp.com>.
- (i) The Issuer (as the designated entity for the purposes of the Article 7 of the Securitisation Regulation) will procure that the Cash Manager will prior to the appointment of a SR Repository:
- (i) publish a Monthly Investor Report in relation to the Mortgage Portfolio on each Monthly Reporting Date in respect of the relevant Monthly Calculation Period;
 - (ii) publish a Quarterly Investor Report; and
 - (iii) publish a Quarterly Investor Data Tape,
on each Quarterly Reporting Date in relation to the Mortgage Portfolio in respect of the relevant Quarterly Calculation Period;
 - (iv) publish any event-based disclosure as required by Article 7 of the Securitisation Regulation in each case as determined and provided by the Issuer (or on its behalf) in a format acceptable to the Cash Manager; and

- (v) publish the relevant Transaction Documents required to be disclosed pursuant to Article 7 of the Securitisation Regulation and the Prospectus in final form not later than 5 (five) Business Days following the issuance of the Notes) provided that the Cash Manager is provided with PDF copies of such documents by the Issuer on the date of the issuance of the Notes,

on the website of pivot.usbank.com (or any alternative website). For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

- (j) The Issuer confirms that the Mortgage Assets backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes. Investors are advised that this confirmation is based on the information available to the Issuer at the date of this Prospectus and may be affected by the future performance of such assets backing the issue of the Notes. Investors are advised to review carefully any disclosure in the Prospectus together with any amendments or supplements thereto.
- (k) The total expenses to be paid in relation to admission of the Notes to the official list and trading on the regulated market of Euronext Dublin are estimated to be approximately € 14,000.
- (l) Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the notes and is not itself seeking admission of the notes to the official list of Euronext Dublin or to trading on the regulated market of Euronext Dublin.

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<p align="center">ISSUER Jepson Residential 2019-1 DAC 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland</p>	
<p align="center">SELLER Ellington Residential Holdings Ireland DAC 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland</p>	<p align="center">RETENTION HOLDER Jepson Limited Walkers Corporate Limited Cayman Corporate Centre 27 Hospital Road George Town Grand Cayman KY1-9008</p>
<p align="center">LEGAL TITLE HOLDER Start Mortgages DAC Trimleston House Beech Hill Office Campus Clonskeagh, Dublin 4 D04CK80 Ireland</p>	<p align="center">SERVICING ADVISOR Jepson Limited Walkers Corporate Limited Cayman Corporate Centre 27 Hospital Road George Town Grand Cayman KY1-9008</p>
<p align="center">ADMINISTRATOR Start Mortgages DAC Trimleston House Beech Hill Office Campus Clonskeagh, Dublin 4 D04CK80 Ireland</p>	<p align="center">ISSUER ADMINISTRATION CONSULTANT Hudson Advisors Ireland DAC Fitzwilliam Court Leeson Close Dublin 2, Ireland</p>
<p align="center">ARRANGER AND LEAD MANAGER Morgan Stanley & Co. International plc 25 Cabot Square Canary Wharf London E14 4QA United Kingdom</p>	
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