

# FONDO DE TITULIZACIÓN RMBS PRADO VIII

## PROSPECTUS

€.- 480,000,000

		Up to the Step-up Date (included)	From the Step-up Date (excluded)	DBRS	Fitch	Scope
<b>Class A</b>	<b>€ 382,000,000</b>	*Euribor 3M + 0.70%	**Euribor 3M + 1.20%	AAA (sf)	AAA (sf)	AAA (sf)
<b>Class Z</b>	<b>€ 50,000,000</b>		0.10%	AAA (sf)	AAA (sf)	AA- (sf)
<b>Class B</b>	<b>€ 26,400,000</b>		**Euribor 3M + 0.80%	A (high) (sf)	A+ (sf)	BBB+ (sf)
<b>Class C</b>	<b>€ 21,600,000</b>		**Euribor 3M + 0.90%	NR	NR	NR

\* *Class A Notes:* Euribor means: (i) until the Step-up Date (included), the Reference Interest Rate, and (ii) from the Step-up Date onwards, the Capped Reference Interest Rate.

\*\* *Euribor:* Capped Reference Interest Rate is the lower of: (a) the Reference Interest Rate, and (b) 2.5 per cent. per annum.

### BACKED BY CREDIT RIGHTS ASSIGNED BY

# UCI

UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A.,  
ESTABLECIMIENTO FINANCIERO DE CRÉDITO

### JOINT LEAD MANAGERS AND JOINT LEAD ARRANGERS



**BNP PARIBAS**

 **Santander**  
Corporate & Investment Banking

### BACK UP SERVICER FACILITATOR

 **Santander**

### PAYING AGENT



**BNP PARIBAS**  
SECURITIES SERVICES

### FUND MANAGED BY



SANTANDER DE TITULIZACIÓN,  
S.G.F.T., S.A.

Prospectus recorded in the official registers  
of the *Comisión Nacional del Mercado de Valores* (CNMV) on the 29<sup>th</sup> April 2021.

## IMPORTANT NOTICE – PROSPECTUS

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**IMPORTANT:** You must read the following before continuing. The following applies to the Prospectus following this page 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 thereto.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE NOTES DESCRIBED IN THE PROSPECTUS IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED.**

**FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE US SECURITIES ACT OF 1993 OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States or other relevant jurisdiction. The Notes may not at any time be offered, sold or delivered within the United States or to, or for the account or benefit of, any person who is a U.S. Person (as defined in Regulation S under the Securities Act ("**Regulation S**")) by any person referred to in Rule 903(b)(2)(iii) of Regulation S, (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of the securities as determined and certified by the Joint Lead Managers, in either case except in accordance with Regulation S.

**EXCEPT WITH THE PRIOR WRITTEN CONSENT OF UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., E.F.C. (THE "SELLER") (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), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES (RISK RETENTION U.S. PERSONS). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES, OR A BENEFICIAL INTEREST THEREIN, ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES BY ITS ACQUISITION OF THE NOTES, OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND IN CERTAIN CIRCUMSTANCES WILL BE REQUIRED TO MAKE CERTAIN REPRESENTATIONS AND AGREEMENTS (INCLUDING AS A CONDITION TO ACCESSING OR OTHERWISE OBTAINING A COPY OF THIS PROSPECTUS OR OTHER OFFERING MATERIALS RELATING TO THE NOTES), TO THE ISSUER, THE SELLER, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. (THE "MANAGEMENT COMPANY"), THE JOINT LEAD ARRANGERS AND THE JOINT LEAD MANAGERS (EACH AS DEFINED BELOW) AND ON WHICH EACH OF SUCH PERSONS WILL RELY WITHOUT ANY INVESTIGATION, THAT, INCLUDING THAT IT (1) EITHER (I) IS NOT A RISK RETENTION U.S. PERSON OR (II) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE, OR BENEFICIAL INTEREST THEREIN, FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE, OR 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).**

The transaction will not involve the retention by the Seller of at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules. The Seller intends to rely on the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. No other steps have been taken by the Issuer, the Seller, the Management Company, the Joint Lead Arrangers or the Joint Lead Managers or any of their affiliates or any other party to otherwise comply with the U.S. Risk Retention Rules. See "*Certain Regulatory and Industry Disclosures*".

By accessing the Prospectus or acquiring any Notes or a beneficial interest therein, you shall be deemed to have confirmed and represented, and in certain circumstances will be required to make certain representations and agreements (including as a condition to accessing or otherwise obtaining a copy of this Prospectus or other offering materials relating to the Notes), to the Issuer, the Seller, the Management Company, the Joint Lead Arrangers and the Joint Lead Managers (each as defined below) and on which each of such persons will rely without any investigation, that (i) you have understood the agreed terms set out herein; (ii) you are not a U.S. Person (within the meaning of Regulation S under the Securities Act) or, in relation to the offer, sale or delivery of the Notes, acting for the account or benefit of any such 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) or the District of Columbia; and (iii) you consent to delivery of the Prospectus by electronic transmission.

**THIS 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 DOCUMENT 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.**

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. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the joint lead managers or any affiliate of the joint lead managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the joint lead managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Prospectus has been sent to you in electronic format. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Management Company nor BANCO SANTANDER, S.A. or BNP PARIBAS (together, the "**Joint Lead Arrangers**" or "**Joint Lead Managers**") nor any person who controls the Joint Lead Arrangers or the Joint Lead Managers nor any director, officer, employee, agent or affiliate of any such person nor the Issuer nor the Seller (as defined below) accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format herewith and the hard copy version available to you on request from the Management Company and/or the Joint Lead Managers.

None of the Joint Lead Managers or the Joint Lead Arrangers makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied by the Issuer in connection with the Notes and accordingly, none of the Joint Lead Managers or the Joint Lead Arrangers accepts any responsibility or liability therefore or any responsibility or liability arising out of or in connection with any act or omission of the Issuer or any third party.

None of the Joint Lead Managers or the Joint Lead Arrangers undertakes to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Joint Lead Managers or the Joint Lead Arrangers.

None of the Joint Lead Managers or the Joint Lead Arrangers or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Joint Lead Managers or the Joint Lead Arrangers shall have any responsibility for determining the proper characterisation of potential investors in relation to any restriction under the U.S. Risk Retention Rules or for determining the availability of the safe harbour provided for in Section 20 of the U.S. Risk Retention Rules, and none

of the Joint Lead Managers or Joint Lead Arrangers or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Joint Lead Managers or the Joint Lead Arrangers accepts any liability or responsibility whatsoever for any such determination. Furthermore, none of the Joint Lead Managers or Joint Lead Arrangers or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Joint Lead Managers or Joint Lead Arrangers provides any assurance that the safe harbour provided for in Section 20 of the U.S. Risk Retention Rules will be available.

Neither the Joint Lead Arrangers, the Joint Lead Managers nor any of their respective affiliates accepts any responsibility whatsoever for the contents of this document or for any statement made or purported to be made by any of them, or on any of their behalf, in connection with the Issuer or any offer of the securities described in the document. The Joint Lead Arrangers, the Joint Lead Managers and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty express or implied, is made by any of the Joint Lead Arrangers, the Joint Lead Managers or their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document.

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**IMPORTANT NOTICE: MIFID II PRODUCT GOVERNANCE PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET.**

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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.

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## **IMPORTANT NOTICE – UK AFFECTED INVESTORS**

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From 1 January 2021, relevant UK-established or UK-regulated persons are subject to Regulation (EU) 2017/2402 as retained under the domestic law of the UK as "retained EU law" by operation of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"), and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (the "**Securitisation EU Exit Regulations**") (and as may be further amended, the "**UK Securitisation Regulation**"). Article 5 of the UK Securitisation Regulation places certain conditions on investments in a "securitisation" (as defined in the UK Securitisation Regulation) (the "**UK Due Diligence Requirements**") by an "institutional investor" (as defined in the UK Securitisation Regulation). The UK Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of such institutional investors which are CRR firms (as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013, as it forms part of UK domestic law by virtue of the EUWA) (such affiliates, together with all such institutional investors, "**UK Affected Investors**"). It should be noted that under the UK Securitisation Regulation regime, certain temporary transitional relief may be available until 31 March 2022 for the purposes of compliance with UK institutional investor due diligence requirements.

Neither the Seller nor any other party to the transaction described in this Prospectus will retain or commit to retain a 5% material net economic interest with respect to this transaction in accordance with the UK Securitisation Regulation or makes or intends to make any representation or agreement that it or any other party is undertaking or will undertake to take or refrain from taking any action to facilitate or enable the compliance by UK Affected Investors with the UK Due Diligence Requirements, or to comply with the requirements of any other law or regulation now or hereafter in effect in the UK in relation to risk retention, due diligence and monitoring, credit granting standards or any other conditions with respect to investments in securitisation transactions by UK Affected Investors. The arrangements described in section 3.4.3 and section 4.2 of the Additional Information to be included with respect to Asset-backed Securities and elsewhere in this Prospectus have not been structured with the objective of ensuring compliance with the requirements of the UK Securitisation Regulation by any person.

Failure by a UK Affected Investor to comply with the UK Due Diligence Requirements (noting certain temporary transitional reliefs available until 31 March 2022) with respect to an investment in the Notes offered by this Prospectus may result in regulatory sanctions being imposed by the competent authority of such UK Affected Investor (including the imposition of a higher regulatory capital charges on that investment).

The UK Securitisation Regulation also includes criteria and procedures in relation to the designation of securitisations as simple, transparent and standardised, or STS, within the meaning of Article 18(1) of the UK Securitisation Regulation ("**UK STS**"). The transaction described in this Prospectus is not intended to be designated as a UK STS securitisation for the purposes of the UK Securitisation Regulation. Pursuant to Article 18(3) of the UK Securitisation Regulation as amended by the Securitisation EU Exit Regulations, a securitisation which meets the requirements for an STS-Securitisation for the purposes of the EU Securitisation Regulation, which is notified to ESMA in accordance with the applicable requirements before the expiry of the period of two years specified in Article 18(3) of the Securitisation EU Exit Regulations, as amended, and which is included in the ESMA List may be deemed to satisfy the "STS" requirements for the purposes of the UK Securitisation Regulation. No assurance can be provided that this transaction does or will continue to meet the STS requirements or to qualify as an STS-Securitisation under the EU Securitisation Regulation or pursuant to Article 18(3) of the UK Securitisation EU Exit Regulations at any point in time.

Prospective UK Affected Investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the application of the UK Securitisation Regulation or other applicable regulations and the suitability of the Notes for investment.

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**ADDITIONAL IMPORTANT NOTICE IN RESPECT OF THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS**

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THIS PROSPECTUS HAS BEEN REGISTERED WITH THE OFFICIAL REGISTERS OF THE SPANISH SECURITIES MARKET COMMISSION ON 29 APRIL 2021 AND SHALL BE VALID FOR A MAXIMUM TERM OF TWELVE (12) MONTHS FROM SUCH DATE. HOWEVER, AS A PROSPECTUS FOR ADMISSION TO TRADING IN A REGULATED MARKET, IT SHALL BE VALID ONLY UNTIL THE TIME WHEN TRADING ON A REGULATED MARKET BEGINS, IN ACCORDANCE WITH REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 14 JUNE 2017 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET, AND REPEALING DIRECTIVE 2003/71/EC.

ACCORDINGLY, IT IS EXPRESSLY STATED THAT THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY AFTER THE TIME WHEN TRADING ON A REGULATED MARKET BEGINS.

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This document is the information memorandum (the "**Prospectus**") for FONDO DE TITULIZACIÓN RMBS PRADO VIII (hereinafter, the "**Fund**" or the "**Issuer**") approved by and registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, "**CNMV**") on 29 April 2021, in accordance with the provisions of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), the Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301 (the "**Delegated Regulation (EU) 2019/979**") and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (the "**Prospectus Delegated Regulation**"), it includes the following:

1. a description of the main risk factors related to the issue, the securities and the assets that back the issue (hereinafter, the "**Risk Factors**");
2. a registration document for the securities, drafted in accordance with Annex 9 of the Prospectus Delegated Regulation (hereinafter, the "**Registration Document**");
3. a note on the securities, drafted as established by the provisions of Annex 15 of the Prospectus Delegated Regulation (hereinafter, the "**Securities Note**");
4. an additional information to the Securities Note, prepared according to the Annex 19 of the Prospectus Delegated Regulation (hereinafter, the "**Additional Information**"); and
5. a glossary with definitions (hereinafter, the "**Definitions**").

Any websites included and/or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus nor have been scrutinized or approved by the CNMV.

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## RISK FACTORS

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**THE CONTENTS OF THE RISK FACTORS RELATED TO THE UNDERLYING ASSETS, THE NATURE OF THE SECURITIES AND THE NATURE OF THE ISSUER INCLUDED IN “RISK FACTORS” SECTION OF THIS PROSPECTUS HAVE BEEN DRAFTED IN ACCORDANCE WITH ARTICLE 16 OF REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 14 JUNE 2017 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET, AND REPEALING DIRECTIVE 2003/71/EC. THEREFORE, GENERIC RISKS REGARDING THE UNDERLYING ASSETS, THE NATURE OF THE SECURITIES AND THE NATURE OF THE ISSUER HAVE NOT BEEN INCLUDED IN THIS PROSPECTUS IN ACCORDANCE WITH SUCH ARTICLE 16.**

### **1. RISKS SPECIFIC TO THE SECURITIES**

#### **1.1. Related to the underlying assets**

##### **1.1.1. Risk of payment default of the Borrowers**

Noteholders and the creditors of the Fund shall bear the risk of payment default by the Borrowers of the Receivables pooled in the Fund. In particular, in the event that the losses of the Receivables pooled in the Fund were higher than the credit enhancements described in the Additional Information, this circumstance could potentially jeopardise the payment of principal and/or interest under the Notes and/or the Subordinated Loan Agreement. This risk is additionally affected by the Covid-19 outbreak, as further explained in section 1.1.2 (*Macroeconomic risk and Covid-19*) below.

The Seller shall accept no liability whatsoever for the Borrowers' default of principal, interest or any other amount they may owe under the Receivables. Pursuant to article 348 of the Commercial Code and article 1,529 of the Civil Code, the Seller will only be responsible to the Fund for the existence and lawfulness of the Receivables, in the terms and conditions set forth in this Prospectus and the Deed of Incorporation, as well as for the legal status under which the transfer is performed. The Seller will have no responsibility nor warrant the successful outcome of the transaction and no guarantees will be granted by any public or private entity, including the Management Company, the Seller, and any of their affiliate companies or investee companies.

General economic conditions and other factors such as losses of subsidies or interest rate rises, may have an impact on the ability of Borrowers to meet their repayment obligations under the Mortgage Loans. A deterioration in economic conditions resulting in increased unemployment rates, consumer and commercial bankruptcy filings, a decline in the strength of national and local economies, inflation and other results that negatively impact household incomes could have an adverse effect on the ability of Borrowers to make payments on their Mortgage Loans and result in losses on the Notes. Unemployment, loss of earnings, illness (including any illness arising in connection with an epidemic), divorce and other similar factors may also lead to an increase in delinquencies and insolvency filings by Borrowers, which may lead to a reduction in payments by such Borrowers on the Mortgage Loans and could ultimately reduce the Fund's ability to service payments on the Notes.

In this regard, the annualised default rate and annualised delinquency rate (all loans that are once delinquent are considered ultimately becoming defaulted) of the Mortgage Loan portfolio during the lifetime of the transaction is 1.25% with 50% recovery at 12 months since the relevant Mortgage Loans have been considered as Defaulted Receivables. These rates are based on prudential hypothesis according to the historical data of previous experiences of the

Seller in the context of other RMBS securitisations formalized in the past (considering the better quality of the Preliminary Portfolio in comparison to the Seller's global portfolio), as opposed to those referred in section 2.2.2 of the Additional Information which are based on the historical data of the Seller's Mortgage Loans portfolio.

Higher annual defaulted and/or delinquency rates than those considered in section 4.10 of the Securities Note could result in higher cumulative loss ratio that may not be absorbed by the Reserve Fund and could potentially impact on the Notes.

### **1.1.2. Macroeconomic risk and COVID-19**

On 30 January 2020, the World Health Organization (WHO) declared that the officially named coronavirus Covid-19 outbreak constituted a public health emergency of international concern. This novel coronavirus (SARS-CoV-2) and related respiratory disease (coronavirus disease Covid-19) has spread throughout the world, including the Kingdom of Spain. This outbreak has led to disruptions in the economies of nations, resulting in restrictions on travel, imposition of quarantines and prolonged closures of workplaces.

These circumstances have led to volatility in the capital markets and may lead to volatility in or disruption of the credit markets at any time.

With respect to the Fund and the Notes, any quarantines or spread of viruses may affect in particular: (i) the Seller clients' capacity to carry out their business operations which may consequently adversely affect the Seller's own capacity to carry out its business as usual; (ii) the ability of some Borrowers to make timely payments of principal and/or interests under their Mortgage Loans; (iii) the cashflows derived from the Receivables in the event of payment holidays or any other measure whether imposed by the competent government authority or applicable legislation or otherwise affecting payments to be made by the Borrowers under the Receivables; (iv) the market value of the Notes; and (v) third parties ability to perform their obligations under the Transaction Documents to which they are a party (including any failure arising from circumstances beyond their control, such as epidemics).

According to Bank of Spain estimates, at 4th quarter of 2020, GDP in Spain has increased by 0.0% in quarterly terms and has decreased by 8.9 in year-over-year terms, and it will grow by 7.5% in 2021. According to Funcas, the unemployment rate (i) in 2021 will be 16.2% and (ii) in 2022 will be 15.5%, while the public debt to GDP ratio will be 118.4% in 2022. The full impact of the outbreak and the resulting temporary precautionary measures on business operations, particularly for the travel, financial services and professional services industries, manufacturing facilities and supply chains remains unforeseen. We cannot predict the time that it will take to recover from the disruptions derived from Covid-19 or any similar future outbreak.

In addition, during 2020 and 2021, a number of temporary general restrictions were imposed in the Spanish national territory and/or certain regions and municipalities, including on the movement of persons, public activities, opening of retail businesses and premises and curfews. This has led to a material number of temporary workforces restructuring plans (*expediente de regulación temporal del empleo*) and collective workforce restructuring plans (*expediente de regulación de empleo*) being implemented. The possibility that similar measures will be adopted in the future (both at national, regional or local level) cannot be ruled out, the impact of which on the Spanish economy is unknown and difficult to measure.

By the end of February 2021, 6.43% of the loans comprising the Seller's Mortgage Loan Global Portfolio were affected by Covid-19 Moratoriums. This has caused, among others, (i) a loss of profit (*lucro cesante*) equivalent to €2,500,000 due to the cancelled amounts from the Mortgage Loans affected by Covid-19 Moratoriums in Spain since March 2020; and (ii) an increase in the liabilities reflected in the balance sheet of €8,000,000 due to higher provisions (*dotación de provisiones*).

In particular, during 2020 Mortgage Loans representing 3.84% of the outstanding balance of the Preliminary Portfolio were under the effects of a Covid-19 Legal Moratorium, in all cases for a maximum term of three (3) months; this notwithstanding, since October 2020 all Mortgage Loans in the Preliminary Portfolio are paying their full instalments.

The Mortgage Loans in the Preliminary Portfolio were affected by already expired Covid-19 Moratoriums in the following way:

<b>Moratorium</b>	<b>No. of Mortgage Loans</b>	<b>Outstanding balance</b> (in million euros)
Expired Covid-19 Moratorium	151	18.74
Current Covid-19 Moratorium	0	0

It should be noted that under section 2.2.8.2 (fff) of the Additional Information, the Seller has represented that no Receivables assigned to the Fund shall be (currently) affected by Covid-19 Moratoriums at the time of their assignment to the Fund, i.e., on the Date of Incorporation.

Whilst as of the date of this Prospectus the deadline for requesting (i) Covid-19 Legal Moratoriums was 30 March 2021 and (ii) Covid-19 Contractual Moratoriums was 30 March 2021, it cannot be discarded that further extensions of the Covid-19 Moratoriums (or similar measures) are approved after the Date of Incorporation of the Fund. Consequently, Borrowers (and eventually their guarantors) may adhere to any such extended Covid-19 Moratoriums (or similar measures). This could imply a temporary reduction and/or postponement of cash flows under the Mortgage Loans and, ultimately, the Available Funds to pay the amounts due under the Notes and consequently a decrease in the average yield and an increase in the duration and final maturity of the Notes.

In that case, in accordance to section 2.2.9. of the Additional Information, the Seller will neither replace nor repurchase such Receivables affected after their assignment to the Fund by the Covid-19 Moratoriums or similar measures.

Section 2.2.1 of the Additional Information describes in detail the scope of the Covid-19 Moratoriums.

### **1.1.3. IRPH litigation risk**

IRPH (*Índice de Referencia de los Préstamos Hipotecarios*) was an official reference index used to establish the interest rate in mortgage loans, calculated and published by the BANK OF SPAIN (*Banco de España*). The IRPH reference rate is the average rate for mortgage loans with a maturity longer than three years for the acquisition of residential dwellings, granted by credit institutions in Spain – computed by the Bank of Spain. IRPH ceased to exist in 2013; since then, lenders receive the interest as established in the substitute reference index in the relevant loan agreement (where applicable) or where such substitute reference index is not provided, as set in Law 14/2013, of 27 September.

Over the last years the application of the IRPH as an alternative to other reference indexes such as EURIBOR has been the subject of controversy and litigation as borrowers claimed the clause including the IRPH as reference in variable interest loans to be unfair (*abusiva*). Mortgage Loans that are referenced to IRPH instead of EURIBOR face certain litigation risks.

On 14 December 2017, the Spanish SUPREME COURT (*Tribunal Supremo*) ruling 669/2017 declared that no determination could be made regarding the potential lack of transparency of the interest rate applicable to a mortgage loan solely based on referencing one index such as IRPH – and therefore, its potential unfair nature under Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts ("**Directive 93/13**").

Notwithstanding the foregoing, several Spanish first instance courts pleaded the EUROPEAN COURT OF JUSTICE to issue a preliminary ruling regarding clauses that establish the application of the IRPH as a reference index.

Subsequently, on 3 March 2020 the EUROPEAN COURT OF JUSTICE decided regarding a preliminary ruling regarding the alleged lack of transparency of an IRPH clause contained in a mortgage loan agreement. The EUROPEAN COURT OF JUSTICE decided that the mere existence of an IRPH clause cannot be considered unfair per se, but they fall under the transparency control requirements set out in the Directive 93/13. Consequently, Spanish courts shall carry out this control in order to determine if the relevant clause included in the agreement is unfair and consequently void. That transparency control has to be made on a case-by-case basis, taking into account the circumstances at the time the relevant mortgage loan was granted.

On October 2020 the Spanish SUPREME COURT resolved several appeals on the IRPH. In these appeals, and following EUROPEAN COURT OF JUSTICE case law, the Spanish Supreme Court considered that there was lack of transparency due to the fact that the borrower was not informed of the evolution of the IRPH during the preceding 2 years. However, the Spanish SUPREME COURT also concluded that the IRPH clause was indeed not abusive. In the aftermath of this ruling, there have been however news that certain Spanish first instance courts were considering pleading the EUROPEAN COURT OF JUSTICE to issue preliminary rulings on this IRPH issue; therefore, the outcome of this issue is still uncertain.

Further case law, from either the EUROPEAN COURT OF JUSTICE, or national courts, implying an easier standard to allege and evidence unfairness of IRPH clauses, or either increased litigation on this respect, could have an adverse effect on collections derived from those Floating Mortgage Loans referenced to IRPH, and ultimately this circumstance could reduce the Available Funds to service the Notes.

The exposure of the Preliminary Portfolio to Mortgage Loans referenced to IRPH is described in section 2.2.2 of the Additional Information. The following information is summarised:

	<b>No. of Mortgage Loans</b>	<b>Outstanding balance</b> (in %)
<i>Fixed Mortgage Loans</i>	630	15.17
<i>Mixed Mortgage Loans</i>	1,140	39.74
<i>EURIBOR</i>	1,140	39.74
<i>Floating Mortgage Loans</i>	2,057	45.09
<i>EURIBOR</i>	1,425	33.71
<i>IRPH</i>	632	11.38

Any potential unfavourable rulings or other circumstances can negatively affect the Fund in connection with the IRPH as described above, either (i) by recalculating the affected Mortgage Loan with a different reference interest rate; and/or (ii) reimbursing the relevant debtor with the excess amounts of past instalments (recalculating those past instalments with a different reference interest rate). These potential consequences of an unfavourable ruling can affect the Fund's Available Funds and/or impose a payment on obligation the Fund, independently of the assignment date to the Fund of the relevant Mortgage Loan.

#### **1.1.4. Risk of prepayment of the Receivables**

Several calculations, such as the average yield, duration and final maturity of the Notes in each Class contained in section 4.10 of the Securities Note are subject to a number of hypothesis, inter alia, estimates of prepayment rates and delinquency rates that may not be fulfilled.

Borrowers may prepay the Mortgage Loans, in the terms set out in the relevant Mortgage Loan agreement from which the Receivables arise.

This prepayment risk shall pass quarterly on each Payment Date onto the Noteholders by the partial redemption of the Notes (to the extent applicable in accordance with the provisions of section 4.9.3. of the Securities Note).

Since 2015, the average annualised prepayment rate of the mortgage loans originated by the Seller has been 3.77%, and it increased to 4.06% from 2019 onwards. The rate of prepayment of the Mortgage Loans cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing interest rates, the buoyancy of the residential property market, the availability of alternative financing and local and regional economic conditions. The Seller has several competitors in the Spanish residential mortgage market; such competition may result in lower interest rates on mortgage loans offers in such market. In the event that mortgage loans in the market bear lower interest rates than the Mortgage Loans, the Borrowers under the Mortgage Loans may seek to prepay them. As a result, no assurance can be given as to the level of prepayment that the Mortgage Loan portfolio will experience and that it may or not continue to generate sufficient cashflows to allow the Fund to comply with its payment obligations under the Notes.

Early repayment of the Receivables in rates higher than expected will cause the Fund to make payments of principal on the Notes earlier than expected and will shorten the maturity of the Notes. If principal is paid on the Notes earlier than expected due to prepayments on the Receivables (such prepayments occurring at a time when interest rates are lower than interest rates that would otherwise be applied if such prepayments had not been made or made at a different time), Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the Notes. Noteholders will bear all reinvestment risk resulting from receiving payments of principal on the Notes earlier than expected.

#### **1.1.5. Risk derived from “Loan to Value”**

As specified in section 2.2.6 of the Additional Information, 23.21% of the Outstanding Balance of the Receivables have a current LTV ratio (expressed as a percentage of the outstanding principal amount and the original property valuation in accordance with the provisions of ORDER ECO/805/2003, of rules for the valuation of real estate and certain rights for certain financial purposes (the “**Order ECO/805/2003**”) of the properties currently mortgaged) higher than 80%, but equal or lower than 100%, being the weighted average Current LTV ratio of 62.40%.

Notwithstanding the above, a decline in the residential property values in Spain could imply a reduction of the value of the properties securing the Mortgage Loans. If the residential property market in Spain experiences an overall decline in property values (including as a consequence of a deterioration of the Spanish economy due to the effects of the Covid-19 pandemic), such a decline could in certain circumstances result in the sale value of the mortgaged property being significantly reduced and, in the event that the property is required to be enforced, may result in an adverse effect on payments on the Notes.

In addition, since there are no updated property valuations of the Mortgage Loans in the Seller’s Mortgage Loan Global Portfolio, if property valuations were made at the present time, they could be lower due, among others, to Covid-19 outbreak, as further explained in section 1.1.2 (*Macroeconomic risk and Covid-19*) above.

### 1.1.6. Geographical concentration

As detailed in section 2.2.2.2 (*Distribution by geographical region*) of the Additional Information, the Spanish Autonomous Communities having the largest concentrations of Borrowers under Mortgage Loans selected to be assigned to the Fund are, as a percentage of the Outstanding Balance of the Receivables, as follows: Catalonia (38.69%), Madrid (27.13%) and Andalusia (16.86%) altogether representing 82.69%.

To the extent that these Autonomous Communities in particular experience in the future weaker regional economic conditions and housing markets than other regions in Spain, a concentration of the Mortgage Loans in such regions may be expected to exacerbate the risks relating to the Mortgage Loans described in this section. In addition, any downturn in the local economy of these Autonomous Communities may adversely affect the employment levels and consequently the repayment ability of the Borrowers in these Autonomous Community.

Furthermore, temporary general restrictions imposed in the territory of any such Autonomous Communities (or their largest municipalities), including in the movement of persons, public activities and opening of retail business and premises could trigger a rise in the unemployment rate and, consequently, a potential reduction of the income received by certain Borrowers and reductions in the value of relevant properties securing the Mortgage Loans upon sale by the Fund following foreclosure or friendly repossession (*dación en pago*), ultimately affecting the Available Funds to service the Notes.

Additionally, in Catalonia there are several provisions in force that could affect the Mortgage Loans with Receivables that are assigned to the Fund through Mortgage Transfer Certificates and secured with a mortgage over a property located in Catalonia. In particular, such provisions include measures that may have an impact on the ability and timing required by the Fund to enforce or otherwise repossess the mortgaged properties, thus negatively affecting or delaying the taking of possession or the exercise of the rights arising from the use and enjoyment of such properties and, ultimately, their marketing and sale.

Amongst others, these measures in Catalonia include (i) the extrajudicial procedure to resolve over indebtedness situations and measures in relation to housing owned by securitization funds aimed at avoiding evictions that could lead to a situation of homelessness for persons or family units that lack an alternative housing option and are at risk of residential exclusion, provided for in Law 24/2015 of 29 July of urgent measures to address the housing and energy poverty crisis ("**Law 24/2015**"); (ii) the pre-emption and withdrawal rights in favour of the Government of Catalonia (*Generalitat de Catalunya*) in relation to the transfer of certain properties acquired in a foreclosure proceeding established in Decree-Law 1/2015 of March 24, on extraordinary and urgent measures for the mobilisation of housing deriving from foreclosure processes ("**Decree-Law 1/2015**"); and (iii) the obligation provided for in Catalan Law 4/2016 imposing on some types of lenders (such as securitisation funds), prior to a number of conditions affecting mortgaged residential property taking place –including the acquisition by means of compensation agreements, the friendly repossession (*dación en pago*), the execution of the sales agreement, or filing an enforcement proceeding— to grant a subsidized rental lease for a minimum duration of time to certain vulnerable borrowers.

### 1.1.7. Impact of certain laws

Law 1/2013, of 14 May, on measures to strengthen the protections for mortgage debtors, debt restructuring and social rent (as amended, "**Law 1/2013**"), establishes special provisions for consumers considered to be under the risk of social exclusion, such as, setting out that evictions from the main house of the mortgage debtors at risk of social exclusion which the creditor has adjudicated in the context of a judicial or extra-judicial mortgage enforcement will be delayed up to eleven years since the entry into force of the



such legislative act. Besides, Law 1/2013 (i) limits the applicable maximum default interest rate (which shall not be higher than three times the legal interest rate and accrue over the outstanding principal of the loan) and (ii) foresees potential prolonged periods for foreclosure proceedings, whether in court or out-of-court (in particular, in order for a lender to accelerate a loan in full, the borrower must have generally failed to pay at least three (3) monthly instalments or equivalent), which in the end could cause a delay in the collection of the Receivables transferred to the Fund and/or obtaining lower amounts.

Therefore, there is a risk related to the validity of acceleration provisions of mortgage loans granted before the entry into force of Law 1/2013 (i.e. before 15 May 2013). These loans usually foresee the lender's right to accelerate the loan in full if the debtor fails to pay less than three (3) monthly instalments. Accordingly, the acceleration provision in the mortgage loans granted before Law 1/2013 entered into force might be considered unfair (*abusivas*) by the Spanish courts, where the debtors are "consumers" (as defined in Article 3 of the Royal Legislative Decree 1/2007, of November 16, approving the consolidated text of the General Law for the Defence of Consumers and Users and other complementary laws (the "**Consumer Protection Law**")).

If this provision is declared unfair, the lender (or creditor) may not be entitled to accelerate the mortgage loan in full (but rather be required to enforce on a payment default-by-payment default basis) or be required to wait for more than three (3) monthly payment defaults in order to enforce which, in turn, may impact/delay the ability of the Issuer to collect and recover in full the amounts due under the Mortgage Loans.

Additionally, Law 5/2019 of 15 March regulating real estate credit agreements ("**Law 5/2019**"), applicable to any natural person acting as borrower, surety or guarantor, regardless of whether he or she is a consumer or not, set forth, among others, certain provisions on the possibility of early terminating the mortgage loans, that would generally imply an extension of the default periods required to enforce the Mortgage Loans in comparison with those foreseen under the contractual provisions in the mortgage loan agreements.

In particular, article 24 of the Law 5/2019 limits the lenders' right to early termination, requiring accelerating mortgage loan agreements (i) a payment default equal to 3 per cent. of the total loan amount or 12 monthly instalments if the default occurs in the first half of the term of the loan or (ii) a payment default equal to 7 per cent. of the total loan amount or 15 monthly instalments if the default occurs in the second half of the term of the loan.

Although mortgage loan agreements entered into before the coming into force of Law 5/2019 will not generally be bound by this regulation, its first transitional provision (*Disposición Transitoria Primera*) sets out that the early acceleration clauses of these mortgage loan agreements will be bound by article 24 of the Law 5/2019, unless the borrower argues that the contractual terms agreed are more favourable to it. This retroactivity applicable to the early acceleration clauses, will however do not apply to the mortgage loan agreements already accelerated by the time the Law 5/2019 entered into force.

In sum, the provisions of Law 5/2019 may ultimately have an impact on the Available Funds or on the ability to recover on a timely manner the amounts due under the Mortgage Loans and service the amounts due under the Notes.

Lastly, in connection with the foreclosure of the Mortgage Loans, due to the more litigious environment in which we are operating today, to our knowledge a few first instance court rulings have, on the basis of facts which are not necessarily equivalent to those applicable to this transaction, rejected the foreclosure of mortgage loans transferred through mortgage participations on procedural law grounds -lack of procedural standing ("*falta de legitimación activa*"), arguing that it should be the Fund foreclosing the mortgage

loans rather than the originator. Some of such rulings have been quashed on appeal as the Law 2/1981 of 25 March on regulation of the mortgage market and other rules of the mortgage and financial systems (the “**Mortgage Market Law**”) entitles the originator, as servicer of the mortgage loans, to enforce the mortgages on behalf of the Fund but it cannot be ruled out that other first instance courts also question procedural standing and hence delay enforcement and foreclosure processes.

Therefore, if a court considers that the Servicer lacks procedural standing (*falta de legitimación activa*) to enforce the Mortgage Loans and foreclose the mortgages securing the Mortgage Loans, it may have an impact on the Available Funds of the Fund or on the ability to recover in a timely manner the amounts due under the Mortgage Loans and service the amounts due under the Notes.

#### **1.1.8. Interest rate risk**

The Receivables include and will include interest payments calculated at interest rates and periods, which are different from the interest rates and periods applicable to the interest due in respect of the Notes. The weighted average interest rate of (i) the Notes is 0.170% (assuming a 3-month EURIBOR of -0.538%), and (ii) of the Receivables is 2.052%, as described in section 2.2.2.1 of the Additional Information (the Mortgage Loan portfolio includes Fixed Mortgage Loans, Mixed Mortgage Loans (indexed to a 12-month EURIBOR when switched to Floating) and Floating Mortgage Loans indexed to a 12-month EURIBOR or IRPH, as applicable).

Consequently, the portion of the Mortgage Loan portfolio comprised by Fixed and Mixed Mortgage Loans (which amounts to 54.91% of the Mortgage Loan portfolio, although this portion will be reduced once the Mixed Mortgage Loans switch to floating rate) pays a weighted average fixed rate of 2.50%, either for the transaction’s life or for a period before switching to floating rate, while the Notes pay a floating rate. This creates a mismatch between interest flows, a risk heightened by the excess spread.

The Fund expects to meet its floating rate payment obligations under the Notes primarily with the payments relating to the collections. However, the interest component in respect of such payments may have no correlation to the EURIBOR rate from time to time. To protect the Fund from a situation where EURIBOR increases to such an extent that the collections are not sufficient to cover the Fund’s obligations under the Floating Rate Notes, the Fund has entered into a cap transaction (the “**Cap Agreement**”) with BNP Paribas (the “**Cap Counterparty**”), which shall at all times be (or its credit support provider shall at all times be) an institution rated in accordance with the provisions of the Cap Agreement, to hedge the Floating Rate Notes against potential future increase of EURIBOR 3-month above the Cap Rate of 3.00%. The Cap Notional Amount will cover the expected amortization profile of the portion of Receivables pooled in the Fund that includes (i) Fixed Mortgage Loans, and (ii) Mixed Mortgage Loans while the fixed rate period applies, minus the Outstanding Principal Balance of the Class Z Notes on the Disbursement Date.

The term of the Cap Agreement will be limited until the earlier of (i) the Step-up Date (included) (given that after the Step-up Date (excluded), the EURIBOR payable to the Floating Rate Notes will be capped) and (ii) the date on which the Class A Notes are fully redeemed.

Accordingly, the Fund may in certain circumstances depend upon payments made by the Cap Counterparty in order to have sufficient funds available to make payments of interest on the Notes. If the Cap Counterparty fails to pay any amounts when due under the Cap Agreement, the Available Funds may be insufficient to make the interest payments on the Notes and the Noteholders may experience delays and/or reductions in the interest payments due to be received by them.

In the event of early termination of the Cap Agreement, including any termination upon failure by the Cap Counterparty to perform its obligations, the Fund will endeavour but cannot

guarantee to find a replacement Cap Counterparty. However, in such case, there is no assurance that the Fund will be able to meet its payment obligations under the Notes in full or even in part.

As the Cap Notional Amount of the Cap Agreement will be calculated by reference to the expected Outstanding Balance of Fixed and Mixed Mortgage Loans (while they are in their fixed period), and it does not consider the Performing Outstanding Balance of the Floating Mortgage Loans (indexed to a 12-month EURIBOR or IRPH, as applicable), the Cap Agreement may not fully mitigate the interest rate risk. More detailed information about the calculation parameters of the Cap Notional Amount can be found in section 3.4.8.1 of the Additional Information.

If the Cap Agreement is early terminated, then the Fund may be obliged to pay the amount determined as described in section 3.4.8.1 of the Additional Information (pursuant to Section 6(e) of the ISDA Master Agreement of the Cap Agreement) to the Cap Counterparty which may be based on the actual cost or market quotations provided by reference entities of the market of the cost of entering into an interest rate cap agreement similar to the Cap Agreement and the unpaid amounts on or prior to the early termination date. Except in certain circumstances (i.e., if the Cap Counterparty is a *'defaulting party'*), any termination payment due to the Cap Counterparty by the Fund will rank in priority to payments due on the Notes. Any additional amounts required to be paid by the Fund as a result of the early termination of the Cap Agreement (including any extra costs incurred if the Fund cannot immediately enter into one or more, as appropriate, replacement interest rate cap agreements), may also rank in priority to payments due on the Notes. Therefore, this may reduce the Available Funds to meet the payment obligations of the Fund (including principal and/or interest under the Notes). Any upfront payment to any replacement Cap Counterparty under the Cap Agreement payable by the Fund, as the case may be, will be paid directly to the replacement Cap Counterparty and not in accordance with the relevant Priority of Payments, pursuant to section 3.4.7.2 (i) (6) of the Additional Information. For further details, see sections 3.4.7. and 3.4.8.1. of the Additional Information.

As explained in section 3.4.8.1 of the Additional Information, the Cap Agreement will remain in full force until the earlier of (i) the Step-up Date; and (ii) the date upon which the Class A Notes have been redeemed in full, unless it is terminated early by one of the parties thereto in accordance with the terms of the Cap Agreement. After its termination, the Fund will not have an active credit enhancement to mitigate the interest rate risk.

In addition, although the transaction benefits from the Reserve Fund and the credit enhancement provided by the Class Z Notes, the Class B Notes and the Class C Notes, there is a basis risk as (i) the Floating Rate Notes are indexed to a 3-month EURIBOR and (ii) Floating Mortgage Loans are indexed to 12-month EURIBOR or IRPH, as applicable. This basis risk remains unhedged.

#### **1.1.9. Mortgage Loans secured by subsidised housing (VPO)**

Certain of the properties securing the Mortgage Loans are subject to subsidised housing regimes (in particular, 10.90% of the Outstanding Balance of the Receivables), although in some instances the regime applicable to these underlying properties has expired.

The provisions of the different subsidised housing protection regimes vary depending on the region in which the property is located. Properties affected by these protection regimes may also be subject to pre-emption and/or redemption rights in favour of the relevant administrative authorities indicated in each regime.

In connection with properties that are still subject to the corresponding subsidised housing protection regime, there is a risk that, if any of the Mortgage Loans secured by one of these properties is enforced and the property is awarded, the competent administrative authority would be entitled to exercise such pre-emption and redemption rights.

Although, in the event that any administrative authority exercises its pre-emption right, the Fund should receive the same price for such collateral that it would have received if the sale were to a third party, in practice this may reduce the appetite of potential buyers and/or increase the expected timing for the sale of the property, thus ultimately reducing or delaying the amounts collected by the Fund and ultimately the Available Funds to service the Notes.

Also, the acquisition of the subsidised housing properties is subject to specific rules. Under these rules the buyer must comply with certain economic thresholds. Note that this implies that the property may have a lower number of potential buyers, which in turn may imply the Fund collecting lower amounts from the sale of the property than in case the property was not subject to the subsidized housing protection regime, ultimately reducing the Available Funds to service the Notes.

#### **1.1.10. Insurance policies related to the Mortgage Loans**

Although under the public deeds formalising the Mortgage Loans the Borrower is required to insure the mortgaged properties against the risk of fire and other damages (at least on the conditions required by the regulations governing the mortgage market and throughout the term of those Mortgage Loan agreements), the Seller has no evidence that all insurance policies granted in connection with the Mortgage Loans are currently in force.

Absence of enforceable insurance policies may, upon the occurrence of any insurable damages to the mortgaged properties securing the Mortgage Loans, cause a reduction in the amount of Available Funds to meet the Fund's payment obligations (including the servicing of the Notes).

### **1.2. Related to the nature of the securities**

#### **1.2.1. Subordination of the Notes**

Class Z Notes (which amounts to 10.42% of the Notes), Class B Notes (which amounts to 5.50% of the Notes) and Class C Notes (which amounts to 4.50% of the Notes) are subordinated to Class A Notes. Therefore, the payment of interest and the reimbursement of principal for Class Z Notes, Class B Notes and Class C Notes are subordinated to those for the Class A Notes.

Class B Notes (which amounts to 5.50% of the Notes) and Class C Notes (which amounts to 4.50% of the Notes) are subordinated to Class Z Notes. Therefore, the payment of interest and the reimbursement of principal for Class B Notes and Class C Notes are subordinated to those for the Class Z Notes and Class A Notes.

Class C Notes are subordinated to Class B Notes. Therefore, the payment of interest and the reimbursement of principal for Class C Notes are subordinated to those for Class B Notes, the Class Z Notes and the Class A Notes.

The subordination rules among the different Classes are established in the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments, as applicable in accordance with sections 3.4.7.2 and 3.4.7.4 of the Additional Information, respectively.

There is no certainty that these subordination rules shall protect any Class of Notes from the risk of loss.

#### **1.2.2. Early Redemption of the Notes**

##### **(a) Optional Redemption**

The Seller will have the option to exercise the Optional Redemption and hence instruct the Management Company to carry out an Early Redemption for the entire issue of the Notes in whole (but not in part) upon the terms set forth in section 4.9.4 of the Securities Note. The Seller may exercise the Optional Redemption even if holders of Class C Notes suffer a loss.

The exercise of the Optional Redemption will cause the Issuer to make payments of principal on the Notes earlier than expected and will shorten the maturity of the Notes. If principal of the Notes is repaid earlier than expected, Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the relevant Class of Notes.

(b) Clean-up Call

According to section 4.4.3. of the Registration Document, the Management Company will have the power to carry out an Early Liquidation of the Fund at any time if, among others, the aggregate Outstanding Balance of the Receivables, falls below 10% of the aggregate outstanding balance thereof on the Date of Incorporation (the "**Clean-up Call Event**"), provided that the amount of the sale of the Receivables pending repayment, together with the balance then existing in the Cash Flow Account, allows for total repayment of all outstanding amounts of Class A Notes, Class Z Notes and Class B Notes.

In case of exercise of the Clean-up Call option, the Available Funds for the repayment of the Notes may not be sufficient to discharge in full the outstanding liabilities (principal and interest) in respect of Class C Notes.

### 1.2.3. Risk related to benchmarks

The Notes and the Cap Agreement are referenced to the EURIBOR which calculation and determination is subject from 1 January 2018 to *Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds* (the "**Benchmark Regulation**") published in the Official Journal of the EU on 29 June 2016, entered into force on 30 June 2016 and is applied from 1 January 2018. The Benchmark Regulation applies to "contributors", "administrators" and "users of" benchmarks (such as Euribor and Libor) in the EU, and, inter alia, (i) requires benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) ban the use of benchmarks of unauthorised administrators.

It is not possible to ascertain as at the date of this Prospectus what will be the impact of these initiatives on the determination of EURIBOR in the future, how such changes may impact the determination of EURIBOR for the purposes of the Notes and the Cap Agreement, whether this will result in an increase or decrease in EURIBOR rates or whether such changes will have an adverse impact on the liquidity or the market value of the Notes.

Ongoing international and/or national reform initiatives and the increased regulatory scrutiny of benchmarks generally could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any applicable regulations or requirements. Such factors may discourage market participants from continuing to administer or contribute to benchmarks, trigger changes in the rules or methodologies used in respect of benchmarks, and/or lead to the disappearance of benchmarks.

On a separate matter, as provided in section 4.8.13 of the Securities Notes, changes in the manner of administration of EURIBOR could result in the base rate on the Notes changing from EURIBOR to an Alternative Base Rate under certain circumstances broadly related to EURIBOR dysfunction or discontinuation. This Alternative Base Rate, subject to certain conditions being satisfied, will be implemented in substitution of EURIBOR or the then current Reference Rate, as the new Reference Rate applicable to the Notes and the Cap Agreement, except that Noteholders representing at least 10 per cent. of the Outstanding Principal Balance of the Most Senior Class of Floating Notes do not consent to the Base Rate Modification. In such scenario, a Meeting of Creditors shall be convened to vote on an Ordinary Resolution the Base Rate Modification. A resolution of Noteholders of the Most Senior Class of Floating Notes approving a Base Rate Modification will bind holders of the junior Notes as well as Other Creditors even if they have not approved such decision.

Any of the above changes could have a material adverse effect on the value of and return on the Notes.

#### **1.2.4. Eurosystem eligibility**

Class A Notes are intended to be held in a manner which will allow be recognized as eligible collateral for Eurosystem monetary policy and Intraday credit operations by the Eurosystem ("**Eurosystem Eligible Collateral**"). However, it does not necessarily mean that the Class A Notes shall be recognized as Eurosystem eligible collateral either upon issue or at any or all times during their life. Such recognition will, *inter alia*, depend upon satisfaction of the Eurosystem eligibility criteria set out in the Guidelines of the European Central Bank (the "**ECB**") of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast) as amended and applicable from time to time.

If the Class A Notes do not satisfy the criteria specified by the ECB, or if the Servicer fails to submit the required loan-level data, the Class A Notes will not be eligible collateral for the Eurosystem. Each of the Issuer, the Joint Lead Managers and the Joint Lead Arrangers gives no representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue or at any or at all times during its term, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem Eligible Collateral. Any potential investor in the Class A Notes should make its own conclusions and seek its own advice with respect to whether or not the Class A Notes constitute Eurosystem Eligible Collateral.

## **2. RISK FACTORS DERIVED FROM THE ISSUER'S LEGAL NATURE AND OPERATIONS**

### **2.1. Related to the Issuer's nature, financial situation or activity**

#### **2.1.1. Mandatory replacement of the Management Company**

If the Management Company is declared insolvent or its authorization to operate as a management company of securitisation funds is revoked, notwithstanding with the effects of such insolvency as described under section 3.7.2.3 of the Additional Information, it shall find a substitute Management Company.

If four months have elapsed from the occurrence of the event determining the substitution and no new management company has been found willing to take over management, the Fund shall be liquidated, and the Notes may be subject to early redemption in accordance with section 4.4.3 of the Registration Document.

### 2.1.2. Limitation of actions

Noteholders and other creditors of the Fund shall have no recourse whatsoever against Borrowers who have defaulted on their payment obligations, or against the Seller. Any such rights shall lie with the Management Company, representing the Fund.

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against the Management Company other than breaches of the Management Company's obligations or failure to comply with the provisions of this Prospectus, the Deed of Incorporation and the other transaction agreements. Those actions shall be resolved in the relevant ordinary declaratory proceedings depending on the amount claimed.

In particular, noteholders and all other creditors of the Fund shall have no recourse whatsoever against the Fund or against the Management Company in the following scenarios:

- (a) Event of payment default of amounts due by the Fund resulting from the existence of Receivable default or prepayment,
- (b) Breach by the Seller or by counterparties of their obligations under the corresponding Transaction Documents entered into by the Management Company for and on behalf of the Fund, or
- (c) Shortfall of the financial hedging transactions servicing the Notes.

## 2.2. Related to legal and regulatory risks

### 2.2.1. EU Securitisation Regulation: simple, transparent and standardised securitisation

On 12 December 2017, the European Parliament adopted the EU Securitisation Regulation which applies to the fullest extent to the Notes.

The transaction envisaged under this Prospectus is intended to qualify as a simple, transparent and standardised securitisation (STS)-securitisation within the meaning of article 18 of the EU Securitisation Regulation. Consequently, the transaction meets, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation and, on or about the Date of Incorporation, the Seller will submit a STS notification to ESMA in order to include such transaction in the list published by ESMA within the meaning of article 27(5) of the EU Securitisation Regulation. The Management Company, by virtue of a delegation by the Seller, shall notify the CNMV -in its capacity as competent authority, within a period of fifteen (15) days, of the submission of such mandatory STS Notification from the Seller to ESMA, and attaching said notification.

For these purposes, the Seller has appointed Prime Collateralised Securities (PCS) EU SAS ("**PCS**"), as a verification agent authorised under article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation (the "**STS Verification**"). It is important to note that the involvement of PCS as an authorised verification agent is not mandatory and the responsibility for compliance with the EU Securitisation Regulation remains with the relevant institutional investors, originators and issuers, as applicable in each case. The STS Verification will not absolve such entities from making their own assessments with respect to the EU Securitisation Regulation, and the STS Verification cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities.

No assurance can be provided that the securitisation transaction described in this Prospectus will receive the STS Verification by PCS (either before the Date of Incorporation or at any time thereafter), and if the securitisation transaction described

in this Prospectus does not receive the STS Verification, this shall not, under any circumstances, affect the liability of the Seller and the Fund in respect of their legal obligations under the EU Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in article 5 of the EU Securitisation Regulation.

None of the Arrangers, the Joint Lead Managers, or any other party to the Transaction Documents makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation at any point in time.

Non-compliance with the status of an STS-securitisation may result in higher capital requirements for investors, as well as in various administrative sanctions and/or remedial measures being imposed on the Fund or the Seller. Any of such administrative sanctions and/or remedial measures may affect the ability of the Issuer to fulfil its payment obligations under the Notes.

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## REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES

(Annex 9 of the Prospectus Delegated Regulation)

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### 1. PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL

#### 1.1. Persons responsible for the information contained in the Registration Document

Mr. Iñaki Reyero Arregui, acting in his capacity of General Manager of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., with business address at Juan Ignacio Luca de Tena 9-11, 28027 Madrid (Spain), assumes responsibility for the information contained in this Registration Document.

Mr. Iñaki Reyero Arregui acts in his capacity of General Manager of the Management Company and exercises the powers that were expressly conferred to him for the incorporation of the Fund by the board of directors of the Management Company at its meeting held on 9 March 2021.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is the promoter of FONDO DE TITULIZACIÓN, RMBS PRADO VIII (the "Fund" or the "Issuer") and will be in charge of its legal administration and representation.

#### 1.2. Statement granted by those responsible for the Registration Document

Mr. Iñaki Reyero Arregui declares that, to the best of his knowledge, the information contained in this Registration Document is in accordance with the facts and this Registration Document makes no omission likely to affect its import.

#### 1.3. Statement or report attributed to a person as an expert included in the Registration Document

No statement or report is included in this Registration Document.

#### 1.4. Information provided by a third party

No statement or report is included in this Registration Document.

#### 1.5. Competent authority approval

- (a) This Prospectus (including this Registration Document) has been approved by CNMV as Spanish competent authority under the Prospectus Regulation.
- (b) CNMV has only approved this Prospectus (including this Registration Document) as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.
- (c) The abovementioned approval should not be considered as an endorsement of the Fund that is the subject of this Prospectus.

## **2. STATUTORY AUDITORS**

### **2.1. Name and address of the Fund’s auditors**

#### **2.1.1. Auditors**

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund does not have any historical financial information.

The board of directors of the Management Company, at its meeting held on 9 March 2021, appointed for an initial period of three years (3) PRICEWATERHOUSECOOPERS AUDITORES, S.L. (“**PwC**”), with a registered address in Madrid, Paseo de la Castellana, 259 B, with Tax Identification Number B-79031290, registered with the Official Registry of Auditors (*Registro Oficial de Auditores de Cuentas, ROAC*) with number S0242 and registered with the commercial register of Madrid, in volume 9.267, section 8,054, sheet 75, page M-87,250, Entry 1, as auditors of the Fund.

The Management Company will inform CNMV and the Rating Agencies of any change that might take place in the future as regards the appointment of the auditors of the Fund.

#### **2.1.2. Accounting standards**

The Fund's income and expenses will be reported in accordance with the accounting principles in force pursuant to CNMV Circular 2/2016 of 20 April, on accounting standards, annual accounts, public accounts and confidential statistical information statements of securitisation funds, as amended (“**Circular 2/2016**”) or with the regulations applicable at any given time.

The financial year of the Fund will coincide with the calendar year. However, as an exception, the first financial year will start on the Date of Incorporation and will end on 31 December 2021, and the last financial year of the Fund will end on the date on which the Fund is scheduled to expire.

Throughout the duration of the transaction, the Fund’s annual financial statements will be subject to verification and annual audit by its auditor. The annual report and the quarterly reports of the Fund set out in article 35 of Law 5/2015 will be filed with CNMV within four (4) months following the closing date of the fiscal year of the Fund (i.e. prior to 30<sup>th</sup> April of each year).

The Fund’s annual financial statements and the corresponding auditors’ report will not be filed with the Commercial Registry (*Registro Mercantil*).

## **3. RISK FACTORS**

The risk factors specific to the Fund are those described in Section 1 of the document included at the beginning of this Prospectus, called “RISK FACTORS”.

## **4. INFORMATION ABOUT THE ISSUER**

### **4.1. Statement that the Issuer has been established as a securitisation fund**

The Issuer is a securitisation fund, devoid of legal personality, incorporated in accordance with Chapter III of the Law 5/2015 for the purposes of:

- (a) acquiring the Receivables assigned by the Seller, and
- (b) issuing the Notes.

The net equity of the Fund will be made up of closed-end assets and closed-end liabilities. Its assets shall comprise the Receivables to be acquired on the Date of Incorporation.

#### **4.2. Legal and commercial name of the Fund and its Legal Entity Identifier (LEI)**

The Fund will be incorporated under the name of:

**FONDO DE TITULIZACIÓN, RMBS PRADO VIII**

in accordance with Spanish laws and, in order to identify it, the following names may also be used, without distinction:

**RMBS PRADO VIII, FT**

**RMBS PRADO VIII, F.T.**

**FT RMBS PRADO VIII**

The Fund's LEI Code is 9845004D4A4ADAD96926.

#### **4.3. Place of registration of the Issuer and its registration number**

The incorporation of the Fund and the issuance of the Notes must be registered with the official registers of the CNMV in Spain.

This Prospectus was registered with the CNMV on 29 April 2021.

The Management Company has elected not to register the incorporation of the Fund or the issuance of the Notes with the Commercial Registry, pursuant to Article 22.5 of Law 5/2015. This is without prejudice to the registration of the Prospectus with the CNMV.

#### **4.4. Date of Incorporation and the length of life of the issuer, except where the period is indefinite**

##### **4.4.1. Date of Incorporation**

It is expected that the execution of the public deed recording the incorporation of the Fund and issue of the Notes (the "**Deed of Incorporation**") and, thus the date of incorporation of the Fund will be 4 May 2021 (the "**Date of Incorporation**"). The Deed of Incorporation will be drafted in Spanish.

The Deed of Incorporation of the Fund may be amended according to the terms of article 24 of Law 5/2015, i.e. if the Management Company has the consent of all Noteholders and other creditors (excluding non-financial creditors). However, these consents will not be necessary if, in the opinion of CNMV, the proposed amendment is of minor relevance, which the Management Company will be responsible for documenting and evidencing.

Once CNMV verifies the compliance of the legal requirements for the amendment of the Deed of Incorporation, the Management Company will execute the relevant deed of amendment and file an authorised copy with CNMV for incorporation into the relevant public register. Any amendment to the Deed of Incorporation will be communicated by the Management Company to the Rating Agencies and published by the Management Company in accordance with the provisions set forth in section 4 of the Additional Information.

The Deed of Incorporation of the Fund may also be amended at the request of CNMV.

The Management Company represents that the content of the Deed of Incorporation will not contradict that of the Prospectus and that the Deed of Incorporation will coincide with the draft deed that has been submitted to CNMV as a result of the registration of this Prospectus.

#### 4.4.2. Period of activity of the Fund

It is expected that the Fund will do business from the Date of Incorporation until the Payment Date falling in the month of March 2055, that is to say, 15<sup>th</sup> March (subject to Modified Following Business Day Convention) (the "**Legal Maturity Date**"), without prejudice to the provisions of sections 4.4.3 and 4.4.4 below.

#### 4.4.3. Early Liquidation of the Fund

The Management Company is authorised to carry out the early liquidation of the Fund (the "**Early Liquidation**") and hence the early redemption of the Notes (the "**Early Redemption**") at any time in the following instances:

(a) Voluntarily:

- (i) Upon the occurrence of a Clean-up Call Event.

For these purposes:

"**Clean-Up Call Event**" means when the Management Company exercises its right to early liquidation of the Fund if at any time, the aggregate Outstanding Balance of the Receivables falls below 10% of the aggregate outstanding balance thereof on the Date of Incorporation, in accordance with this section 4.4.3. of the Registration Document.

or,

- (ii) on any Payment Date commencing on the Step-up Date, in the event that the Seller exercises the Optional Redemption pursuant to section 4.9.4 of the Securities Note (in which case no consent of the Noteholders would be required).

The Management Company shall only be entitled to exercise the Early Liquidation if (i) in the case of the Clean-Up Call Event, the sale of the Receivables pending repayment, together with the balance then existing in the Cash Flow Account, allows for the full repayment of any outstanding amounts under the Class A Notes, the Class Z Notes and the Class B Notes following the Liquidation Priority of Payments described in section 3.4.7.4 of the Additional Information and in the Deed of Incorporation or (ii) in the case of the Optional Redemption, the conditions set forth in section 4.9.4 of the Securities Note are met.

(b) Mandatorily:

- (i) if, as stated in Article 33 of Law 5/2015, four (4) months have elapsed since the occurrence of an event giving rise to the mandatory replacement of the Management Company due to a declaration of insolvency thereof;
- (ii) in the event of revocation of the authorisation of the Management Company, without a new management company having been found that is

prepared to take over management of the Fund and that is appointed pursuant to section 3.7.2.3 of the Additional Information;

- (iii) on the Payment Date preceding at least six (6) months in advance of the Legal Maturity Date of the Fund, or if such date is not a Business Day, the Business Day immediately thereafter;
- (iv) if the Meeting of Creditors approves the Early Liquidation of the Fund with the relevant majority; or
- (v) when it is or will become unlawful for the Fund to perform or comply with any of its obligations under or in respect of the Notes.

In order for the Management Company to carry out the Early Liquidation of the Fund and therefore the Early Redemption of the Notes in those cases described in paragraphs (a) (i) or (b) (i), (ii), (iii), (iv) or (v) above, the Management Company shall sell the Receivables and any remaining assets of the Fund in accordance with the provisions below. For the avoidance of doubt, the Early Liquidation of the Fund in the case described in paragraph (a) (ii) above, will be effective in accordance with the provisions of section 4.9.4 of the Securities Note.

In this regard, the Seller shall have a pre-emptive right to acquire such Receivables at a price equal to the Outstanding Balance of the Non-Defaulted Receivables plus any accrued interests (for these purposes the Defaulted Receivables will be given a zero (0) value). Therefore, the Seller will have priority over third parties to acquire the Receivables. In order to exercise its pre-emptive right, the Management Company shall notify the Seller the relevant proposed terms of the sale of the Receivables (price, form of payment, etc.).

Upon receiving such notification, the Seller will have a period of five (5) Business Days to communicate to the Management Company its decision to repurchase or not the Receivables at the price mentioned above. In addition, the transfer of the Receivables to the Seller must be completed within fifteen (15) Business Days from the date on which the Seller communicates its decision to repurchase the Receivables. Under no circumstances will the Seller's pre-emptive right entails an undertaking or otherwise impose an obligation on the Seller to repurchase the Receivables.

In case that the Seller decides not to exercise its pre-emptive right, the Management Company shall request legally binding bids from at least three (3) third-party entities at its sole discretion among those active in the purchase and sale of similar assets. In order to assess the value of the Receivables, the Management Company shall be entitled to obtain any appraisal report it deems necessary from third-party entities.

The Management Company shall accept the highest binding bid received from the third-party entities, which will determine the value of the Receivables. The Seller shall be entitled, during a period of fifteen (15) Business Days to match the highest bid made by the third-party and repurchase the Receivables even if it has not initially exercised its pre-emptive right.

In relation to any other remaining assets of the Fund, the Management Company will request the Seller to sell them for a price equal or higher than the market price. In this regard, the Management Company may obtain the valuation reports it deems necessary from one or several entities specialized in the valuation or marketing of similar assets to those whose sale is sought. The Seller will sell the relevant assets based on the procedure that allows to obtain the higher price.

Other than in case of the Clean-Up Call Event and the Optional Redemption, the Management Company shall be entitled to sell the Receivables even if the holders of any of the Classes of Notes suffer a loss.

For the above purposes, the payment obligations under the Notes on the date in which the liquidation actions take place (the “**Early Liquidation Date**”) shall mean the Outstanding Principal Balance of the Notes on that date plus the unpaid accrued interest to that date, amounts that to all legal effects will be deemed past due and payable on the Early Liquidation Date.

The above procedure does not entitle the automatic liquidation of the underlying receivables for the purposes of Article 21.4 of the EU Securitisation Regulation. Notice of the liquidation of the Fund will be provided to the CNMV by publishing the appropriate privileged information (*información privilegiada*) or other material event (*información relevante*), as applicable, and to the Noteholders in the manner established in section 4 of the Additional Information, at least thirty (30) Business Days in advance of the date on which the Early Redemption is to take place.

For these purposes:

“**Defaulted Receivable**” means, at any time, any Receivable that (i) has instalments pending payment for twelve (12) or more months, or (ii) whose debt, in the opinion of the Servicer, has been deemed not recoverable.

“**Non-Defaulted Receivable**” means, at any time, any Receivable that is not considered as a Defaulted Receivable.

#### **4.4.4. Cancellation of the Fund**

Cancellation of the Fund shall take place:

- (a) upon full repayment of the Receivables pooled therein;
- (b) upon full repayment of all the obligations of the Fund towards its creditors;
- (c) as a consequence of the completion of the Early Liquidation process established in section 4.4.3 above;
- (d) upon reaching the Legal Maturity Date;
- (e) if the provisional credit ratings of the Rated Notes are not confirmed as final (unless they are upgraded) by the Rating Agencies on or prior to the disbursement of the Notes (for clarification purposes, the Notes will not be disbursed until the confirmation or upgrading of the provisional ratings of the Rated Notes); and
- (f) if the Management, Placement and Subscription Agreement is terminated in accordance with the provisions of section 4.2.3 of the Securities Note at any time prior to the disbursement of the Notes.

Upon the occurrence of any of the events described above, the Management Company shall inform the CNMV and the Rating Agencies in the manner provided for section 4.2.3 of the Additional Information and shall commence the appropriate actions for the cancellation of the Fund.

#### 4.4.5. Actions for the cancellation of the Fund

In those scenarios described in sections 4.4.3 and 4.4.4 of the Registration Document, the Management Company, on behalf of the Fund, shall take the following actions:

- (a) Cancel those contracts that are not necessary for the liquidation of the Fund.
- (b) Apply all the amounts obtained from the sale of the Receivables and any other asset of the Fund, if any, towards payment of the various obligations, in the form, amount and order of priority established in the Liquidation Priority of Payments described in section 3.4.7.4 of the Additional Information and in the Deed of Incorporation.
- (c) The Early Redemption of all the Notes pursuant to section 4.4.3 above shall be carried out for all outstanding amounts of the Class A Notes, Class Z Notes, the Class B Notes and the Class C Notes (other than in case of the Clean-Up Call Event and the Optional Redemption for Class C Notes) on the Early Redemption date, plus any accrued and unpaid interest from the last Payment Date to the Early Redemption date, less any tax withholdings and free of any expenses for the holder. All such amounts will, for all legal purposes, be deemed liquid, due and payable on the Early Redemption date.
- (d) Once the Fund has been liquidated and all scheduled payments have been made pursuant to the Liquidation Priority of Payments described in section 3.4.7.4 of the Additional Information and in the Deed of Incorporation, if there is any remainder (including any judicial or notary proceedings pending settlement as a result of payment default by any Borrower) (all in accordance with the provisions of section 3.4.6.2 of the Additional Information), such remainder (including the continuation and/or proceeds from such proceedings) will be for the benefit of the Seller.

In any case, the Management Company, acting on behalf of the Fund, shall not cancel the Fund until it has liquidated the Receivables and any other remaining Fund assets and distributed the Fund's liquid assets, following the Liquidation Priority of Payments provided for in section 3.4.7.4 of the Additional Information.

- (e) Within six (6) months from the liquidation of the Receivables and any other remaining assets of the Fund and the distribution of the Available Funds, and always prior to the Legal Maturity Date, the Management Company will execute a deed (*acta*) before a notary public declaring: (a) the cancellation of the Fund as well as the grounds for such termination, (b) the procedure followed for notifying the Noteholders and the CNMV, and (c) the terms of the distribution of the Available Funds following the Liquidation Priority of Payments provided for in section 3.4.7.4 of the Additional Information. In addition, the Management Company on behalf of the Fund will comply with any such further administrative steps as may be applicable at that time. The Management Company will submit such deed (*acta*) to the CNMV.

Upon the occurrence of any of the cancellation events set forth in sections 4.4.4(e) and (f) above on or before the Disbursement Date, the Fund as well as the issuance of the Notes and the contracts executed by the Management Company on behalf of the Fund shall be terminated, except for part of the Subordinated Loan Agreement, out of which the incorporation and issue expenses incurred by the Fund shall be paid. In the event of termination of the incorporation of the Fund in the scenarios mentioned in sections 4.4.4(e) and (f) above, and thus the assignment of the Receivables, (i) the obligation of the Fund to pay the price for the acquisition of the Receivables will be extinguished, (ii) the Management Company will be obliged to reimburse the Seller as regards to any rights

that may have accrued to the Fund due to the assignment of the Receivables, and (iii) the Seller will cancel the MTCs. Such termination shall be immediately reported to the CNMV, and upon the expiry of one (1) month from the occurrence of the grounds for termination, the Management Company will execute before a notary public a deed (*acta*) that shall be submitted to CNMV, IBERCLEAR, AIAF and the Rating Agencies, declaring the cancellation of the Fund and the grounds therefore.

#### **4.5. Domicile and legal personality of the Issuer; legislation applicable to its operation**

##### **4.5.1. Domicile of the Fund**

The Fund has no business address as it has no legal personality. The address of the Fund for all purposes will be considered to be that of the Management Company, which is the following:

- (a) Juan Ignacio Luca de Tena 9-11, 28027 Madrid, Spain
- (b) Fund's LEI Code: 9845004D4A4ADAD96926.
- (c) The website of the Management Company is [www.santanderdetitulizacion.com](http://www.santanderdetitulizacion.com).

##### **4.5.2. Legal personality of the Fund**

According to Article 20 of Law 5/2015, the Fund will constitute a separate set of assets and liabilities, lacking legal status, with closed-end assets and liabilities, and the Management Company will be responsible for the incorporation, management and legal representation of the Fund, and in its capacity as manager of a third party's transactions, it will represent and defend the interests of the Noteholders and the other creditors of the Fund.

The Fund will only be liable for its obligations vis-à-vis its creditors with its assets. The Fund is not be subject to the Insolvency Law.

For these purposes, "**Insolvency Law**" ("**Ley Concursal**") means the Royal Decree-Law 1/2020, of 5 May, approving the recast of the Insolvency Law, as currently worded (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*).

##### **4.5.3. Applicable legislation and country of incorporation**

The Fund will be incorporated, and the Notes issued in accordance with the laws of Spain, and specifically in accordance with the legal rules set forth in

- (a) Law 5/2015 and implementing provisions;
- (b) the Securities Market Act;
- (c) Royal Decree 878/2015 of 2 October on the registration, clearing and settlement of negotiable securities represented by book entries representations, on the legal regime of the securities central depositories and the central counterparties and the transparency requirements for security issuers admitted to trading on an official secondary market (the "**Royal Decree 878/2015**");



- (d) Royal Decree 1310/2005 of 4 November partially implementing Law 24/1988 of 28 July on the Stock Market as regards the admission to negotiation of securities on official secondary markets, public offers of sale or subscription and the prospectus required for such purposes (the "**Royal Decree 1310/2005**"); and
- (e) other legal and regulatory provisions in force and applicable from time to time.

In addition, the requirements set out in the EU Securitisation Regulation shall apply to the Fund and the Notes.

This Prospectus has been prepared in accordance with the Prospectus Regulation and following the forms established in the Prospectus Delegated Regulation.

#### 4.5.4. Tax regime of the Fund

The tax regime applicable to the securitisation funds is contained in articles 7.1.h) and 13.1 of Law 27/2014 of 27 November of Corporate Income Tax (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*) ("**Law 27/2014**"); articles 8, 9 and 61.k) of Royal Decree 634/2015, of July 10 (*Real Decreto 634/2015, de 10 de julio, por el que se aprueba el Reglamento del Impuesto sobre Sociedades*) ("**CIT Regulation**"); article 20.One.18 of Law 37/1992, on Value Added Tax, of 28 December (*Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido*) (the "**VAT Act**") modified by Law 28/2014, of 27 November and article 45.I.B).15 and 20.4 of the Revised Text of the Law on Transfer Tax and Stamp Duty approved by Royal Legislative Decree 1/1993, of 24 September (the "**Transfer Tax and Stamp Duty Act**"); general regulations regarding tax management and inspection courses of action and procedures and developing the common rules of tax application procedures, passed by Royal Decree 1065/2007, of 27 July (*Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por el Real Decreto 1065/2007, de 27 de julio*) ("**General Tax Regulations**") and, in particular, articles 42, 43 and 44; and Law 10/2014, of 26 June, on regulation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*) ("**Law 10/2014**") and in particular, the First Additional Provision of such Law. The referred regulation essentially defines the following fundamental principles:

- (a) The Fund is exempt from the concept of 'Capital Duty' ("*Operaciones Societarias*") (article 45.I.B.20.4 of the Transfer Tax and Stamp Duty Act).
- (b) The incorporation and winding up of the Fund are not subject to Stamp Duty Tax ("*Actos Jurídicos Documentados*").
- (c) According to article 7.1.h) of Law 27/2014, the Fund is a taxpayer of the Corporate Income Tax. The Fund is subject to the general provisions of the Corporate Income Tax. The amount subject to this tax is calculated in accordance with the provisions of Section IV of Law 27/2014. The general rate in force is twenty-five per cent (25%).

In this regard, rule 13 of Circular 2/2016 sets forth the criteria through which securitisation funds must carry out the pertaining value adjustments resulting from drops in the value of the financial assets. Article 13.1 of Law 27/2014 states that, the regulation of the Corporate Income Tax (CIT Regulation), will govern the circumstances determining the deductibility of value adjustments made on account of losses in the value of debt securities valued at amortized cost and included in mortgage-backed securities funds and asset-backed securities funds.

Notwithstanding, upon the amendment introduced by Royal Decree 683/2017 June 30, in article 9 of the CIT Regulation, the 7th Transitory Provision has been incorporated. According to this Transitory Provision, to the extent the wording of the Circular 2/2016 is not amended in respect of the impairment of the value of debt securities valued at amortized cost included in the securitisation funds referred to in Law 5/2015, the tax deductibility of said impairment provisions will be determined according to the wording of article 9 of the CIT Regulation as drafted in December 31, 2015.

Pursuant to article 16.6 of Law 27/2014, the limitation to the tax deductibility of financial expenses shall not be applicable to the Fund.

- (d) According to article 61.k) of the CIT Regulation, income from mortgage participating units, loans and other Receivables that constitute revenue items for the securitisation funds are not subject to withholding tax.
- (e) The Fund will be subject to VAT in accordance with the general VAT rules. The input VAT borne by the Fund shall not be deductible for VAT purposes, but they shall be treated as a deductible expense for CIT purposes.
- (f) The management services provided to the Fund by the Management Company will be exempt from VAT, pursuant to the provisions of article 20.One. 18 n) of the VAT Act.
- (g) The issuance, subscription, transfer, redemption and repayment of the Notes, depending on whether the investor entrepreneur for the purposes of Value Added tax, will be “not subject” or “exempt”, according to each case, from Value Added Tax (article 20.1.18 of the VAT Act) and Transfer Tax/Stamp Duty (article 45.I.B.15 of the Transfer Tax and Stamp Duty Act).
- (h) The assignment of the Receivables to the Fund is a transaction that is subject to but exempt from VAT in accordance with the provisions of article 20.One.18º e) of the VAT Act.
- (i) The assignment of the Receivables to the Fund is a transaction that is not subject to Transfer Tax. Likewise, it would be subject but exempt to Stamp Duty according to Transfer Tax and Stamp Duty Act and Mortgage Market Law.
- (j) The Fund will be subject to the information obligations set forth in the first additional provision of Law 10/2014.
- (k) The procedure for complying with such information obligations has been developed by the General Tax Regulations (articles 42, 43 and 44).

#### **4.6. Description of the amount of the Issuer’s authorised and issued capital**

Not applicable.

### **5. BUSINESS OVERVIEW**

#### **5.1. Brief description of the Issuer’s principal activities**

The Issuer is a securitisation fund and, as such, its main activity consists of subscribing/acquiring the MTCs representing the Receivables derived from Mortgage Loans from the Seller and issuing the Notes.

The proceeds from interest (ordinary and default) and payments of the Receivables pooled in the Fund are allocated quarterly, on each Payment Date, to the payment of interest and repayment of principal of the Notes in accordance with the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2 of the Additional Information.

In addition, the Fund, represented by the Management Company, will agree to a number of financial transactions and the provision of services in order to strengthen the financial structure of the Fund, to increase the security and regularity of the payment of the Notes, to cover the temporary mismatches in the schedule for flows of principal and interest on the Receivables and on the Notes or, in general, to enable the financial transformation which takes place in the Fund between the financial characteristics of the Mortgage Loans and the Notes.

## 6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

### 6.1. Legal Person of the Management Company

Pursuant to the provisions of Law 5/2015, securitisation funds are not separate legal entities, and securitisation fund management companies are entrusted with the incorporation, management and legal representation of these funds, as well the representation and defence of the interests of the holders of the securities issued and of the other creditors of these funds.

By virtue of the foregoing, this section presents information regarding SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. in its capacity as Management Company creating, administering, and representing FONDO DE TITULIZACIÓN, RMBS PRADO VIII.

#### 6.1.1. Corporate name and business address

Corporate name:	SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.
Business address:	Juan Ignacio Luca de Tena 9-11, 28027 Madrid
Tax Identification Number (NIF):	A-80481419
C.N.A.E. number	8199
LEI Code	9845005A96P591A00F75

#### 6.1.2. Incorporation and registration in the Commercial Registry, as well as data relating to the administrative authorizations and registration in the CNMV

SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A., was organised by means of a public deed (*escritura pública*) authorised on 21 December 1992, before the Notary of Madrid, Mr. Francisco Mata Pallarés, and recorded in his notarial book of records under number 1,310, with the prior authorisation of the Ministry of Economy and Treasury provided on 1 December 1992.

It is registered with the Commercial Registry of Madrid, at volume 4789, sheet 75, page M-78658, entry 1. It is also registered in the Special Registry of the CNMV, under number 1.

In addition, the Management Company, amongst others:

- (a) amended its bylaws by resolution of its Board of Directors adopted on 15 June 1998, notarised in a public deed (*escritura pública*) granted on 20 July 1998 before the notary of Madrid, Mr. Roberto Parejo Gamir, with number 3,070 of his public records, in order to adapt to the requirements established for asset securitisation

fund management companies by Royal Decree 926/1998. This amendment was approved by the MINISTRY OF ECONOMY AND TREASURY on 16 July 1998, pursuant to the provisions of the single transitory provision of the aforementioned Royal Decree 926/1998;

- (b) changed its registered to "SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.", by virtue of a public deed (*escritura pública*) granted on 8 March 2004 before the Notary of Madrid, Mr. José María Mateos Salgado with number 622 of his public records. It is registered with the commercial registry of Madrid at volume 4789, sheet 93, page m-78658, entry 30;
- (c) amended its bylaws to assume the management and representation of Banking Assets Funds by means of a public deed (*escritura pública*) granted on 20 December 2013 before the notary of Madrid, Mr. Jose Maria Mateos Salgado with number 4,789 of his public records;
- (d) amended its bylaws on 23 June 2016 pursuant to a capital increase of its share capital up to one million and fifty euros (€ 1,000,050) authorised by its shareholders' general meeting, complying with the new requirements of article 29.1.d) of Law 5/2015; and
- (e) changed its business address to the current one by virtue of a public deed (*escritura pública*) granted on 7 March 2019 before the notary of Madrid, Mr. José María Mateos Salgado with number 923 of his public records.
- (f) The duration of the Management Company is indefinite, in the absence of grounds for the dissolution thereof under law or its bylaws.

### 6.1.3. Brief description of the Management Company's principal activities

As required by law, article 2 of the Management Company's bylaws states that: "*the company shall have as its exclusive purpose the organisation, management and legal representation of (i) Mortgage Securitisation Funds upon the terms of article 6 of Law 19/1992, of 7 July, on the Rules for Real Estate Investment Companies and Funds and on Mortgage Securitisation Funds; (ii) Asset Securitisation Funds, in accordance with the provisions of article 12, point 1, of Royal Decree 926/1998 of 14 May, regulating Asset Securitisation Funds and Securitisation Fund Management Companies; and (iii) Banking Assets Funds (FAB) in accordance with the terms of chapter IV of Royal Decree 1559/2012 of 15 November setting the legal framework for Asset Management Companies. As a manager of third-party businesses, it is responsible for the representation and defense of the interests of the holders of the securities issued based on the Funds it administers and the other unsecured creditors, as well as the performance of to the other duties vested in Securitisation Fund management companies by the laws applicable to securitisation funds and banking assets funds.*"

On 2 April 2014, the executive committee of the CNMV approved the amendment of article 2 of the bylaws of the Management Company for the purpose of ratifying its authorisation to undertake the management and representation of *Banking Assets Funds*, as currently established by such article. This amendment to the bylaws was approved by the shareholders at its shareholders' general meeting of 13 December 2013 and raised to the status of public document by means of a public deed (*escritura pública*) granted on 20 December 2013 before the notary of Madrid, Mr. Jose María Mateos Salgado with number 4,789 of his public records. The shareholders' resolution was filed with the corresponding Commercial Registry, and registration was carried out by the corresponding Registrar on 2 June 2014 at volume 4,789, page 116, section 8, sheet m-78658, entry 58.

The total assets managed by the Management Company as of 31 March 2021 are as follows:

ASSET BACKED SECURITIES							
FUNDS	SERIES	PRINCIPAL OUTSTANDING PER SERIES	NOMINAL INTEREST		RATING AGENCY	DATE OF CONSTITUTION	COLLATERAL PRINCIPAL INITIAL
FTA SANTANDER HIPOTECARIO 1	Serie A	60.104.476,80	Euribor 3M + 0,180%		S&P / Moody's	11/06/2004	1.875.000.000,00 €
	Serie B	53.400.000,00	Euribor 3M + 0,300%				
	Serie C	46.900.000,00	Euribor 3M + 0,500%				
	Serie D	56.300.000,00	Euribor 3M + 0,950%				
	<b>Total</b>	<b>216.704.476,80</b>					
FTA UCI 11	Serie A	93.319.246,65	Euribor 3M + 0,140%		S&P	17/11/2004	850.000.000,00 €
	Serie B	6.000.000,00	Euribor 3M + 0,330%				
	Serie C	22.900.000,00	Euribor 3M + 0,750%				
<b>Total</b>	<b>122.219.246,65</b>						
FTA UCI 14	Serie A	240.476.373,75	Euribor 3M + 0,150%		S&P / Fitch	30/11/2005	1.350.000.000,00 €
	Serie B	34.100.000,00	Euribor 3M + 0,270%				
	Serie C	38.400.000,00	Euribor 3M + 0,580%				
<b>Total</b>	<b>312.976.373,75</b>						
FTA UCI 15	Serie A	300.896.597,52	Euribor 3M + 0,140%		S&P / Fitch	28/04/2006	1.430.000.000,00 €
	Serie B	32.900.000,00	Euribor 3M + 0,270%				
	Serie C	56.500.000,00	Euribor 3M + 0,530%				
	Serie D	12.879.473,04	Euribor 3M + 0,580%				
<b>Total</b>	<b>403.176.070,56</b>						
FTA SANTANDER HIPOTECARIO 2	Serie A	251.297.360,10	Euribor 3M + 0,150%		S&P / Moody's	30/06/2006	1.955.000.000,00 €
	Serie B	51.800.000,00	Euribor 3M + 0,200%				
	Serie C	32.200.000,00	Euribor 3M + 0,300%				
	Serie D	49.800.000,00	Euribor 3M + 0,550%				
	Serie E	19.600.000,00	Euribor 3M + 2,100%				
	Serie F	17.600.000,00	Euribor 3M + 1,000%				
<b>Total</b>	<b>422.397.360,10</b>						
FTA UCI 16	Serie A1	0,00	Euribor 3M + 0,060%		S&P / Fitch	18/10/2006	1.800.000.000,00 €
	Serie A2	393.948.788,28	Euribor 3M + 0,150%				
	Serie B	72.000.000,00	Euribor 3M + 0,300%				
	Serie C	41.400.000,00	Euribor 3M + 0,550%				
	Serie D	9.000.000,00	Euribor 3M + 2,250%				
<b>Total</b>	<b>530.748.788,28</b>						
FTA PYMES BANESTO 2	Serie A1	0,00	Euribor 3M + 0,130%		S&P / Moody's Fitch	17/11/2006	1.000.000.000,00 €
	Serie A2	0,00	Euribor 3M + 0,160%				
	Serie B	0,00	Euribor 3M + 0,270%				
	Serie C	14.341.550,20	Euribor 3M + 0,540%				
<b>Total</b>	<b>14.341.550,20</b>						
FTA SANTANDER FINANCIACION 1	Serie A	0,00	Euribor 3M + 0,150%		S&P / Moody's	14/12/2006	1.900.000.000,00 €
	Serie B	0,00	Euribor 3M + 0,200%				
	Serie C	0,00	Euribor 3M + 0,300%				
	Serie D	0,00	Euribor 3M + 0,550%				
	Serie E	25.569.936,28	Euribor 3M + 2,100%				
	Serie F	14.300.000,00	Euribor 3M + 1,000%				
<b>Total</b>	<b>39.869.936,28</b>						
FTA SANTANDER HIPOTECARIO 3	Serie A1	120.333.569,11	Euribor 3M + 0,060%		Fitch/ Moody's	04/04/2007	2.800.000.000,00 €
	Serie A2	429.382.646,00	Euribor 3M + 0,140%				
	Serie A3	117.104.358,00	Euribor 3M + 0,200%				
	Serie B	79.200.000,00	Euribor 3M + 0,220%				
	Serie C	47.500.000,00	Euribor 3M + 0,300%				
	Serie D	72.000.000,00	Euribor 3M + 0,550%				
	Serie E	28.000.000,00	Euribor 3M + 2,100%				
	Serie F	22.400.000,00	Euribor 3M + 0,500%				
<b>Total</b>	<b>915.920.573,11</b>						
FTA UCI 17	Serie A1	0,00	Euribor 3M + 0,100%		S&P / Fitch	07/06/2007	1.415.400.000,00 €
	Serie A2	358.569.799,78	Euribor 3M + 0,180%				
	Serie B	72.800.000,00	Euribor 3M + 0,350%				
	Serie C	28.000.000,00	Euribor 3M + 0,600%				
<b>Total</b>	<b>474.769.799,78</b>						

FUNDS	SERIES	PRINCIPAL OUTSTANDING PER SERIES	NOMINAL INTEREST	RATING AGENCY	DATE OF CONSTITUTION	COLLATERAL PRINCIPAL INITIAL
FTA PITCH	Serie 1	1.200.000.000,00	Fixed rate 5,1353%	S&P / Moody's	17/07/2007	1.200.000.000,00 €
<b>Total</b>		<b>1.200.000.000,00</b>				
FTA SANTANDER HIPOTECARIO 7	Serie A	478.303.920,00	Euribor 3M + 0,650%	Moody's	22/07/2011	2.096.100.000,00 €
	Serie B	360.000.000,00	Euribor 3M + 1,300%	DBRS		
	Serie C	63.600.000,00	Euribor 3M + 0,650%			
<b>Total</b>		<b>901.903.920,00</b>				
FTA SANTANDER HIPOTECARIO 8	Serie A	209.024.832,00	Euribor 3M + 0,650%	Moody's	15/12/2011	800.000.000,00 €
	Serie B	160.000.000,00	Euribor 3M + 1,000%	DBRS		
	Serie C	28.100.000,00	Euribor 3M + 0,650% + Extraordinary Interest			
<b>Total</b>		<b>397.124.832,00</b>				
F.T.A. SANTANDER HIPOTECARIO 9	Serie A	198.448.235,82	Euribor 3M + 0,300%	Moody's	25/06/2013	767.000.000,00 €
	Serie B	177.800.000,00	Euribor 3M + 0,400%	DBRS		
	Serie C	28.600.000,00	Euribor 3M + 0,500% + Extraordinary Interest			
<b>Total</b>		<b>404.848.235,82</b>				
F.T.A. RMBS SANTANDER 1	Serie A	354.788.861,87	Euribor 3M + 0,900%	Moody's	23/06/2014	1.495.000.000,00 €
	Serie B	359.300.000,00	Euribor 3M + 1,300%	DBRS		
	Serie C	59.800.000,00	Euribor 3M + 0,650%			
<b>Total</b>		<b>773.888.861,87</b>				
F.T.A. RMBS SANTANDER 2	Serie A	1.086.805.575,87	Euribor 3M + 0,300%	Moody's	14/07/2014	3.450.000.000,00 €
	Serie B	655.100.000,00	Euribor 3M + 0,400%	DBRS		
	Serie C	142.400.000,00	Euribor 3M + 0,500%			
<b>Total</b>		<b>1.884.305.575,87</b>				
F.T.A. RMBS SANTANDER 3	Serie A	2.334.775.278,56	Euribor 3M + 0,580%	Moody's	17/11/2014	7.475.000.000,00 €
	Serie B	1.568.400.000,00	Euribor 3M + 0,630%	DBRS		
	Serie C	313.600.000,00	Euribor 3M + 0,650%			
<b>Total</b>		<b>4.216.775.278,56</b>				
F.T.A. SCS AUTO 2014-1	Serie A	198.545.829,50	Fixed rate 2,000%	Fitch	26/11/2014	798.000.000,00 €
	Serie B	27.400.000,00	Fixed rate 2,500%	DBRS		
	Serie C	15.200.000,00	Fixed rate 3,500%			
	Serie D	14.400.000,00	Fixed rate 5,000%			
	Serie E	38.000.000,00	Fixed rate 11,000%			
<b>Total</b>		<b>293.545.829,50</b>				
F.T.A. RMBS SANTANDER 4	Serie A	1.238.771.788,00	Euribor 3M + 0,600%	DBRS	26/06/2015	2.950.000.000,00 €
	Serie B	590.000.000,00	Euribor 3M + 0,630%	S&P		
	Serie C	147.500.000,00	Euribor 3M + 0,650% + Extraordinary Interest	Scope Ratings		
<b>Total</b>		<b>1.976.271.788,00</b>				
F.T.A. RMBS SANTANDER 5	Serie A	569.505.451,76	Euribor 3M + 0,600%	DBRS	15/12/2015	1.338.700.000,00 €
	Serie B	261.400.000,00	Euribor 3M + 0,630%	S&P		
	Serie C	63.700.000,00	Euribor 3M + 0,650% + Extraordinary Interest	Scope Ratings		
<b>Total</b>		<b>894.605.451,76</b>				
F.T.A. RMBS SANTANDER 6	Serie A	3.626.921.340,00	Euribor 3M + 0,050%	DBRS	14/07/2020	4.500.000.000,00 €
	Serie B	720.000.000,00	Euribor 3M + 0,500%	Moody's		
	Serie C	225.000.000,00	Euribor 3M + 0,650% + Extraordinary Interest			
<b>Total</b>		<b>4.571.921.340,00</b>				
F.T.A. SCS AUTO 2016-1	Serie A	263.121.351,16	Fixed rate 1,250%	DBRS	16/03/2016	765.000.000,00 €
	Serie B	30.600.000,00	Fixed rate 1,650%	Moody's		
	Serie C	42.100.000,00	Fixed rate 3,250%			
	Serie D	23.000.000,00	Fixed rate 6,000%			
	Serie E	19.100.000,00	Fixed rate 8,000%			
	Serie F	15.300.000,00	Fixed rate 8,000%			
<b>Total</b>		<b>399.221.351,16</b>				
F.T. RMBS PRADO III	Serie A	177.120.603,00	Euribor 3M + 0,650%	DBRS / S&P	24/10/2016	420.000.000,00 €
<b>Total</b>		<b>177.120.603,00</b>				
F.T.A. SCS AUTO 2016-2	Serie A	552.400.000,00	Fixed rate 0,900%	Fitch	05/12/2016	650.000.000,00 €
	Serie B	26.000.000,00	Fixed rate 2,100%	Moody's		
	Serie C	35.800.000,00	Fixed rate 3,100%			
	Serie D	19.500.000,00	Fixed rate 5,100%			
	Serie E	16.300.000,00	Fixed rate 6,300%			
	Serie F	13.000.000,00	Fixed rate 11,000%			
<b>Total</b>		<b>663.000.000,00</b>				
F.T. RMBS PRADO IV	Serie A	216.942.657,00	Euribor 3M + 0,46%	DBRS	04/04/2017	390.000.000,00 €
	Serie B	85.000.000,00	Euribor 3M + 0,75%	Fitch		
<b>Total</b>		<b>301.942.657,00</b>				
F.T. PYMES MAGDALENA	CLN A	22.513.841,00	Euribor 3M + 10,400%	-	22/05/2017	950.000.000,00 €
<b>Total</b>		<b>22.513.841,00</b>				
F.T. RMBS PRADO V	Serie A	247.413.827,70	Euribor 3M + 0,38%	Fitch	13/11/2017	415.000.000,00 €
	Serie B	76.000.000,00	Euribor 3M + 0,60%	Moody's		
<b>Total</b>		<b>323.413.827,70</b>				
F.T. PYMES SANTANDER 13	Serie A	26.513.370,90	Euribor 3M + 0,300%	DBRS	22/01/2018	2.700.000.000,00 €
	Serie B	445.500.000,00	Euribor 3M + 0,500%	Moody's		
	Serie C	67.500.000,00	Euribor 3M + 0,650% + Extraordinary Interest	Scope Ratings		
<b>Total</b>		<b>539.513.370,90</b>				
F.T. RMBS PRADO VI	Serie A	279.101.195,10	Euribor 3M + 0,430%	DBRS	09/07/2018	428.000.000,00 €
	Serie B	42.800.000,00	Euribor 3M + 0,600%	Fitch		
	Serie C	34.200.000,00	Euribor 3M + 0,750%			
<b>Total</b>		<b>356.101.195,10</b>				
F.T. RMBS PRADO VII	Serie A	427.331.312,07	Euribor 3M + 0,700%	Moody's	10/11/2020	515.000.000,00 €
	Serie B	38.600.000,00	Euribor 3M + 0,800%	Fitch		
	Serie C	33.500.000,00	Euribor 3M + 0,900%	Scope		
<b>Total</b>		<b>499.431.312,07</b>				
F.T. PYMES MAGDALENA 2	CLN A	87.875.514,28	Euribor 3M + 8,850%	-	31/07/2018	2.500.000.000,00 €
<b>Total</b>		<b>87.875.514,28</b>				
F.T. PYMES SANTANDER 14	Serie A	287.575.368,30	Euribor 3M + 0,300%	Fitch	26/12/2018	2.310.000.000,00 €
	Serie B	258.500.000,00	Euribor 3M + 0,500%	Moody's		
	Serie C	63.203.613,00	Euribor 3M + 0,650% + Extraordinary Interest	Scope		
<b>Total</b>		<b>609.278.981,30</b>				
F.T. PYMES SANTANDER 15	Serie A	2.198.331.120,00	Euribor 3M + 0,300%	DBRS	10/12/2019	3.000.000.000,00 €
	Serie B	600.000.000,00	Euribor 3M + 0,500%	Moody's		
	Serie C	150.000.000,00	Euribor 3M + 0,650% + Extraordinary Interest			
<b>Total</b>		<b>2.948.331.120,00</b>				
SCS Synthetic Auto 2018-1	Serie A	32.846.515,02	Euribor 3M + 8,900%	-	17/12/2018	1.010.000.000,00 €
<b>Total</b>		<b>32.846.515,02</b>				
F.T. PYMES MAGDALENA 3	CLN A	90.524.892,50	Euribor 3M + 8,000%	-	26/06/2019	2.850.000.000,00 €
	CLN B	126.734.569,50				
<b>Total</b>		<b>217.259.262,00</b>				
F.T. PYMES MAGDALENA 4	CLN A	55.000.000,00	Euribor 3M + 1,600%	-	23/09/2020	2.200.000.000,00 €
	CLN B	143.000.000,00	Euribor 3M + 6,000%			
<b>Total</b>		<b>198.000.000,00</b>				
CIMA Spain Telecom FT	Serie Unica	35.000.000,00			24/03/2020	35.000.000,00 €
<b>Total</b>		<b>35.000.000,00</b>				
F.T.A. SCS AUTO 2019-1	Serie A	440.000.000,00	Euribor 3M + 0,450%	DBRS	14/10/2019	545.500.000,00 €
	Serie B	57.700.000,00	Euribor 3M + 0,850%	Fitch		
	Serie C	27.800.000,00	Fixed rate 1,480%			
	Serie D	10.000.000,00	Fixed rate 1,980%			
	Serie E	10.000.000,00	Fixed rate 3,190%			
	Serie F	10.000.000,00	Fixed rate 5,930%			
<b>Total</b>		<b>555.500.000,00</b>				
F.T.A. SCS AUTO 2020-1	Serie A	398.922.975,00	Euribor 3M + 0,700%	DBRS	22/09/2020	520.000.000,00 €
	Serie B	21.275.892,00	Euribor 3M + 0,950%	Moody's		
	Serie C	16.843.414,50	Euribor 3M + 1,950%	Scope		
	Serie D	15.070.423,50	Fixed rate 3,500%			
	Serie E	8.864.365,00	Fixed rate 5,600%			
	Serie F	4.160.000,00	Fixed rate 6,490%			
<b>Total</b>		<b>465.137.660,00</b>				
F.T. SANTANDER CONSUMO 4	Serie A	1.262.800.000,00	Fixed rate 0,157%	DBRS	18/02/2021	1.500.000.000,00 €
	Serie B	105.000.000,00	Fixed rate 0,607%	Moody's		
	Serie C	41.500.000,00	Fixed rate 2,200%			
	Serie D	47.800.000,00	Fixed rate 3,700%			
	Serie E	42.900.000,00	Fixed rate 4,900%			
	Serie F	30.000.000,00	Fixed rate 6,500%			
<b>Total</b>		<b>1.530.000.000,00</b>				
CIMA Spain 2021-1 Barbanza	Serie Unica	14.000.000,00			19/01/2021	14.000.000,00 €
<b>Total</b>		<b>14.000.000,00</b>				
<b>TOTAL FTA</b>		<b>30.943.802.700,86</b>				<b>67.920.500.000,00 €</b>

FONDOS DE TITULIZACION HIPOTECARIA								
FUNDS	SERIES	PRINCIPAL OUTSTANDING PER SERIES	NOMINAL INTEREST			RATING AGENCY	DATE OF CONSTITUTION	COLLATERAL PRINCIPAL INITIAL
FTH UCI 10	Serie A	66.807.013,70	Euribor 3M	+	0,160%	S&P	14/05/2004	700.000.000,00 €
	Serie B	4.921.402,50	Euribor 3M	+	0,500%			
		<b>71.728.416,20 €</b>						
FTH UCI 12	Serie A	144.941.379,84	Euribor 3M	+	0,150%	S&P	30/05/2005	900.000.000,00 €
	Serie B	9.000.000,00	Euribor 3M	+	0,270%			
	Serie C	23.800.000,00	Euribor 3M	+	0,600%			
<b>Total</b>		<b>177.741.379,84 €</b>						
	<b>TOTAL FTH</b>	<b>249.469.796,04 €</b>						<b>1.600.000.000,00 €</b>
<b>TOTAL (FTH+FTA)</b>		<b>31.193.272.496,90 €</b>						<b>69.520.500.000,00 €</b>

#### 6.1.4. Audit

The annual accounts of the Management Company, for the years ended 31 December 2020 and 31 December 2019 have been audited by PRICEWATERHOUSECOOPERS AUDITORES, S.L.

#### 6.1.5. Share Capital

##### 6.1.5.1. Nominal amount subscribed and paid-up

The share capital of the Management Company is one million and fifty Euro (€ 1,000,050), represented by fifteen thousand (15,000) registered shares having a nominal value of sixty-six euro and sixty-seven cent (€ 66.67) each, numbered consecutively from one (1) to fifteen thousand (15,000), both inclusive, all fully subscribed and paid up.

##### 6.1.5.2. Share classes

All the shares are of the same class and confer identical political and economic rights.

In accordance with the sixth transitory provision of Law 5/2015, the Management Company has complied with the requirements of article 29.1.d) of Law 5/2015, by decision of its shareholders' general meeting adopted on 23 June 2016.

#### 6.1.6. Legal Person

The Management Company is an entity registered with and supervised by CNMV.

The Management Company is an entity registered with and supervised by CNMV. The governance and management of the Management Company are entrusted by its bylaws to the shareholders acting at a shareholders' general meeting and to the board of directors. The powers of such bodies are those corresponding under the provisions of the Capital Companies Act and Law 5/2015, as regards the corporate purpose.

#### 6.1.7. Directors

The board of directors is made up of the following persons:

Chairman: Mr. José García Cantera.

Directors: Mr. Iñaki Reyero Arregui.

Mr. José Antonio Soler Ramos.

Mr. Javier Antón San Pablo.

Mr. Oscar Burgos Izquierdo.

Mrs. Catalina Mejía García.

Non-Director Secretary: Mrs. María José Olmedilla González.

The general meeting of shareholders on 5 March 2021 became aware of the resignation of (i) Mr. Javier Cuenca Carrión, and (ii) Mr. Pablo Roig García Bernalt, as members of the board of directors. However, the subsequent process (registration with the commercial registry of Madrid and notification to CNMV) is still undergoing.

**6.1.7.1. General Management**

The General Manager of the Management Company is Mr. Iñaki Reyero Arregui.

**6.1.7.2. Main activities of the persons referred to in paragraph (i) above which are performed outside of the Management Company if such activities are significant in relation to the Fund**

Name	Activity performed	Relationship under which activity is performed	Company through which the activity is provided	Position or functions held or performed in relation to the Company in question	Position or functions in Banco Santander
José García Cantera	Banking	Employee	Santander Investment, SA	Chairman	General Director
	Banking		Bank Zachodni WBK, SA	Member of the Supervisory Board	
Javier Antón San Pablo	Banking	Employee	Santander Consumer Bank, A.S., Norway	Board Member	
			Santander Benelux, S.A.	Chairman	
			Santander Consumer Bank UK, PLC.	Board Member	
			Santander Consumer Finance Benelux B.V.	Member of the Supervisory Board	
Iñaki Reyero Arregui	Banking	Employee			
José Antonio Soler Ramos	Financial Intermediation	Employee	Open Bank, S.A.	Board member	General Subdirector
			Altamira Santander Real Estate S.A.	Board Chairman	
			Luir 6 S.A.U.	Board Chairman	
Oscar Burgos Izquierdo	Banking	Employee	Aliseda Real Estate S.A.U.	Board Chairman	Director
			SIVASA	Board Chairman	
			Recovery Team S.L.	Board Chairman	
Catalina Mejía García	Banking	Employee			Director



The persons listed in this section are not direct or indirect holders of any shares, debentures or other securities giving the holder thereof the right to acquire shares of the Management Company.

The professional address of all the persons mentioned in this section 6.1.e) is the following:

**SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.**  
 Juan Ignacio Luca de Tena 9-11,  
 28027 Madrid, Spain  
 LEI Code: 9845005A96P591A00F75

**6.1.8. Entities from which the Management Company has borrowed more than ten percent (10%)**

The Management Company has not received any loan or credit facility from any person or entity.

**6.1.9. Significant litigations and conflicts**

As at the date of registration of this Prospectus, the Management Company is not involved in any situation of insolvency and there is no significant litigation or dispute that may affect its financial-economic situation or hereafter affect its ability to carry out the duties of management and administration of the Fund, as established in this Prospectus.

**6.1.10. Economic information relating to the Management Company**

The Management Company keeps its books in accordance with the General Chart of Accounts (*Plan General Contable*) approved by Royal Decree 1514/2007 of 16 November.

Information from the audited balance sheet and income statement for fiscal years 2018, 2019 and the unaudited information for the fiscal year 2020 are provided below.

<i>(in thousand EUR)</i>	<b>31/12/2020</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Equity</b>	5,000	5,000	5,000
<b>Capital</b>	1,000	1,000	1,000
<b>Reserves</b>	4,000	4,000	4,000
<b>Trading results-Profit</b>	3,288	2,252	1,167
<b>Total Equity</b>	8,288	7,252	6,167

The Management Company' total equity and share capital are sufficient to carry on its business as required by Article 29.1 d) of Law 5/2015.

**7. PRINCIPAL SHAREHOLDERS OF THE MANAGEMENT COMPANY**

(a) The ownership of the shares of the Management Company is distributed among the companies listed below, with a statement of the percentage interest in the share capital of the Management Company belonging to each of them:

<b>Shareholders</b>	<b>Share capital %</b>
SANTANDER INVESTMENT, S.A.	19%
BANCO SANTANDER, S.A.	81%

- (b) Description of the nature of such control and measures taken in order to ensure that such control is not abused.

For the purposes of article 5 of the Securities Market Act, the Management Company is part of the Banco Santander group in accordance with article 42 of the Commercial Code.

- (c) In accordance with article 29.1.j) of Law 5/2015, the Management Company adheres to the Banco Santander group's *general code of conduct*, which can be viewed on its website:

[http://www.santander.com/csgs/Satellite/CFWCSancomQP01/es\\_ES/Corporativo/Accionistas-e-Inversores/Gobierno-corporativo/Codigos-de-conducta.html](http://www.santander.com/csgs/Satellite/CFWCSancomQP01/es_ES/Corporativo/Accionistas-e-Inversores/Gobierno-corporativo/Codigos-de-conducta.html)

- (d) The *code of conduct in the securities markets*, which can be viewed on its website and on CNMV's website:

<http://cnmv.es/Portal/verDoc.axd?t={694ecedc-7aee-4d44-82bd-91fcb810eb38}>

## **8. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES**

### **8.1. Statement regarding the commencement of operations and financial statements of the Issuer prior to the date of the Registration Document**

The Management Company declares that as at the date of registration of this Registration Document, the Fund has not yet been incorporated and, therefore, has not commenced operations, nor has drawn up any financial statements.

### **8.2. Historical financial information**

#### **8.2.1. Historical financial information where an issuer has commenced operations and financial statements have been prepared**

Not applicable.

#### **8.2.2. Historical financial information on issues of asset-backed securities having a denomination per unit of at least € 100,000**

Not applicable.

### **8.3. Legal and arbitration proceedings**

No legal or arbitration proceedings as of the date of this Prospectus.

### **8.4. Material adverse change in the Issuer's financial position**

No material adverse change in the Issuer's financial position as of the date of this Prospectus.

**9. DOCUMENTS AVAILABLE**

The following documents (or a copy thereof) shall be on display during the period of validity of this Registration Document and/or throughout the life of the Fund:

- (a) this Prospectus;
- (b) the Deed of Incorporation; and
- (c) letters disclosing final ratings to the Rated Notes issued by the Rating Agencies.

A copy of all the aforementioned documents may be consulted, at the website of the Management Company (<https://www.santanderdetitulizacion.com>).

A copy of the Prospectus will be available to the public on the web page of the CNMV ([www.cnmv.es](http://www.cnmv.es)) and on the web page of AIAF ([www.aiaf.es](http://www.aiaf.es)).

Information and reports required under the EU Securitisation Regulation and their processes of reporting are described in section 4.2.2 of the Additional Information.

*(Remainder of the page left intentionally blank).*

## SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES

(Annex 15 of the Prospectus Delegated Regulation)

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### **1. PERSONS RESPONSIBLE. THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL**

#### **1.1. Persons responsible for the information contained in the Securities Note**

Mr. Iñaki Reyero Arregui, acting in his capacity of general manager of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., with business address at Juan Ignacio Luca de Tena 9-11, 28027 Madrid (Spain), assumes responsibility for the information contained in this Securities Note and in the Additional Information.

Mr. Iñaki Reyero Arregui acts in his capacity of general manager of the Management Company and exercises the powers that were expressly conferred to him for the incorporation of the Fund by the board of directors of the Management Company at its meeting held on 9 March 2021.

UNIÓN DE CRÉDITOS DE CRÉDITOS INMOBILIARIOS, S.A., E.F.C., as Seller, assumes responsibility for the information contained in the Securities Note and the Additional Information.

In addition, BANCO SANTANDER, S.A. and BNP PARIBAS, as Joint Lead Arrangers, assume responsibility for the information contained in section 4.10 of the Securities Note taking into account the assumptions contained thereunder and except that any inaccuracy results from the information provided by UNIÓN DE CRÉDITOS DE CRÉDITOS INMOBILIARIOS, S.A., E.F.C. for the purposes of preparing such section 4.10 in which case UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., E.F.C. shall solely be responsible for the accuracy of the information set out in section 4.10 of the Securities Note.

#### **1.2. Statement granted by those responsible for the Securities Note and the Additional Information**

Mr. Iñaki Reyero Arregui, in the name and on behalf of the Management Company, declares that, to the best of his knowledge, the information contained in this Securities Note and in the Additional Information is in accordance with the facts and the Securities Note and in the Additional Information make no omission likely to affect its import.

The Seller declares that, to the best of its knowledge, the information contained in the Securities Note and the Additional Information is in accordance with the facts and the Securities Note and the Additional Information make no omission likely to affect its import.

The Joint Lead Arrangers declare that, to the best of their knowledge, the information contained in the section 4.10 of the Securities Note is in accordance with the facts and the section 4.10 of the Securities Note make no omission likely to affect its import.

#### **1.3. Statement attributed to a person as an expert**

Not applicable.

**1.4. Information provided by a third party**

No information sourced from a third party is included in the Securities Note.

**1.5. Competent authority approval**

- (a) This Prospectus (including this Securities Note) has been approved by the CNMV as competent authority under the Prospectus Regulation.
- (b) CNMV has only approved this Prospectus (including this Securities Note) as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.
- (c) The abovementioned approval should not be considered as an endorsement of the quality of the Notes that are the subject of this Prospectus.
- (d) Investors should make their own assessment as to the suitability of investing in the Notes.

**2. RISK FACTORS**

The specific risk factors regarding the Receivables and the Notes are those described in sections 1 and 2, respectively, of the document incorporated at the beginning of this Prospectus under the heading "RISK FACTORS".

**3. ESSENTIAL INFORMATION**

**3.1. Interest of the natural and legal persons involved in the issue**

**3.1.1. SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. ("Management Company")** participates as:

- (a) Management Company of the Fund. As coordinator of the Rating Agencies and of the relationship with the supervisory authorities and market operators, as legal and financial advisor on the structure of the transaction and as a depository of the multiple title representing the MTCs issued by the Seller on the Mortgage Loans (the "**Multiple Title**").

**Additional information**

Type of company	Securitisation fund management company ( <i>sociedad gestora de fondos de titulización</i> ) incorporated in Spain.
Business address	Juan Ignacio Luca de Tena 9-11, 28027 Madrid (Spain).
Tax Identification Number (NIF)	A-80481419.
Registration	With the Commercial Registry of Madrid at volume 4,789, sheet 75, page m-78658, 1st entry. Likewise, it is also registered in the special register of the CNMV, under number 1.
Credit rating	Has not been assigned any credit rating by rating agencies.
LEI Code	9845005A96P591A00F75.
Other information	A brief description of this company and of its duties is provided in section 6 of the Registration Document and section 3.7.2 of the Additional Information.

**3.1.2. UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO ("UCI" or the "Seller")** participates as:

- (a) Seller of the Mortgage Loans,
- (b) issuer of the MTCs,

- (c) subscriber of any Class A Notes that are not subscribed by qualified investors,
- (d) subscriber of all Class Z notes, Class B Notes and Class C Notes,
- (e) Servicer of the Mortgage Loans pursuant to Article 26.3 of Royal Decree 716/2009 of 24 April implementing certain aspects of Law 2/1981 of 25 March on regulation of the mortgage market and other rules of the mortgage and financial systems (the “**Royal Decree 716/2009**”), and
- (f) Subordinated Loan Provider.

The Seller will assign to the Fund the title of the underlying Receivables by means of the assignment the MTCs and will be in charge of the management and administration of the underlying Receivables. Such assignment of the title to the Fund of the underlying Receivables shall not be subject to severe claw-back provisions in the event of the Seller’s insolvency.

In its capacity as Seller:

- (a) will retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent. of the securitized exposures in the Securitisation, in accordance with option (d) of article 6(3) of the EU Securitisation Regulation as described in section 3.4.3.1 of the Additional Information;
- (b) will not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable legislation;
- (c) will procure that any change to the manner in which such retained interest is held in accordance with paragraph (b) above will be notified to the Management Company to be disclosed in the Investors Report;
- (d) shall be liable for the fulfilment of the disclosure obligations under article 7 of the EU Securitisation Regulation and the applicable legislation, without prejudice to its appointment as the Reporting Entity in charge of the fulfilment of those disclosure obligations as set forth in section 4.2.1 of the Additional Information; and
- (e) has also been designated as Reporting Entity responsible for submitting the information required by article 7 of the EU Securitisation Regulation.

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#### **Additional information**

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Type of company	Credit financial entity ( <i>establecimiento financiero de crédito</i> ) incorporated in Spain.
Business address	Calle Retama 3,28045 Madrid (Spain).
Tax Identification Number (NIF)	A39025515.
Registration	With the Commercial Registry of Madrid at volume 4071 sheet 149, page M-67739, 1 <sup>st</sup> entry. Likewise, it is also registered with the register of the Bank of Spain under number 8512.
Credit rating	The latest credit ratings made public by the rating agencies DBRS and Fitch, respectively, for the unsubordinated and unsecured short- and long-term debt of UCI are the following: <ul style="list-style-type: none"> <li>- DBRS Ratings GmbH: A (Low) (Long-Term) and R-1 (Low) (Short-Term) (confirmed both in October 2020) with a stable outlook.</li> <li>- FITCH RATINGS IRELAND LIMITED.: BBB (long-term) and F2 (short-term) (confirmed both in December 2020) with a negative outlook.</li> </ul>
LEI Code	95980020140005209368.
Other information	N/A.

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**3.1.3. BANCO SANTANDER, S.A. (“Banco Santander”)** participates as:

- (a) Joint Lead Arranger;
- (b) Joint Lead Manager;
- (c) Back-Up Servicer Facilitator; and
- (d) Fund Accounts Provider.

In its capacity as Joint Lead Arranger, and upon the terms set forth in article 35.1 of Royal Decree 1310/2005, it receives the mandate of the Management Company in order to direct operations concerning the design of the temporary and commercial financial conditions of the issue, as well as the coordination with subscribers.

In its capacity as Joint Lead Manager has agreed on a best-efforts basis and upon the satisfaction of certain conditions precedent to procure subscription for and/or placement of the Class A Notes during the Subscription Period in the terms established in section 4.2.3 of the Securities Note.

Banco Santander expects to receive fees for its role as Joint Arranger and Joint Lead Manager.

**Additional information**

Type of company	Credit institution incorporated in Spain.
Business address	Paseo de Pereda 9-12, 39004 Santander (Spain), and with its operational headquarters located at: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte, Madrid (Spain).
Tax Identification Number (NIF)	A-39000013.
Registration	It is registered with the register of the Bank of Spain under number 0049 and C.N.A.E. (Spanish National Classification of Economic Activities) no. 651.
Credit rating	The latest credit ratings made public by the rating agencies DBRS, Fitch, Moody’s and Standard & Poor’s, respectively, for the unsubordinated and unsecured short- and long-term debt of Banco Santander are the following: <ul style="list-style-type: none"> <li>- DBRS Ratings GmbH: A (High) (Long-Term Issuer Rating) and R-1 (Middle) (Short-Term Issuer Rating) (confirmed both in October 2020) with a stable outlook.</li> <li>- FITCH RATINGS IRELAND LIMITED.: A- (long-term) and F2 (short-term) (confirmed both in October 2020 with a negative outlook.</li> <li>- MOODY’S INVESTORS SERVICE ESPAÑA, S.A.: A2 (long-term) and P-1 (short-term) (confirmed both in October 2020) with a stable outlook.</li> <li>- SCOPE RATINGS GMBH: AA- (long-term) and S-1+ (short-term) (confirmed both in September 2019) with a stable outlook.</li> <li>- S&amp;P GLOBAL RATINGS EUROPE LIMITED: A (long-term) and A-1 (short-term) (confirmed both in December 2020) with a negative outlook.</li> </ul>
LEI Code	5493006QMFDYWIAM13.

Moody’s Investors Service España, S.A. is incorporated in Spain, registered and authorised on 31 October 2011 by ESMA as *European Union Credit Rating Agency* in accordance with the provisions of CRA Regulation

S&P Global Ratings Europe Limited is incorporated in Ireland, registered and authorised on 31 October 2011 by ESMA as *European Union Credit Rating Agency* in accordance with the provisions of CRA Regulation.

**3.1.4. BNP PARIBAS (“BNP Paribas”) participates as:**

- (a) Joint Lead Arranger;
- (b) Joint Lead Manager; and
- (c) Cap Counterparty.

In its capacity as Joint Lead Arranger, and upon the terms set forth in article 35.1 of Royal Decree 1310/2005, it receives the mandate of the Management Company in order to direct operations concerning the design of the temporary and commercial financial conditions of the issue, as well as the coordination with subscribers.

In its capacity as Joint Lead Manager has agreed on a best-efforts basis and upon the satisfaction of certain conditions precedent to procure subscription for and/or placement of the Class A Notes during the Subscription Period in the terms established in section 4.2.3 of the Securities Note.

BNP Paribas expects to receive fees for its role as Joint Lead Arranger and Joint Lead Manager.

**Additional information**

Type of company	BNP PARIBAS was incorporated in France as a société anonyme under French law, and licensed as a bank
Business address	16, boulevard des Italiens – 75009, Paris, France.
Registration	Commercial register (RCS): Paris n° 662 042 449.
Credit rating	The latest credit ratings made public by the rating agencies, for the unsubordinated and unsecured short- and long-term debt are the following: <ul style="list-style-type: none"> <li>- <u>DBRS Ratings GmbH</u>: long-term debt rating of AA (low) and short-term debt rating of R-1 (middle), both confirmed in July 2020 and with a stable outlook.</li> <li>- <u>FITCH RATINGS IRELAND LIMITED</u>: long-term debt rating of AA- and short-term debt rating of F1+, both confirmed in October 2020 and with a negative outlook.</li> <li>- <u>MOODY’S FRANCE SAS</u>: long-term debt rating of Aa3 and short-term debt rating of P-1, both confirmed in December 2020 and with a stable outlook.</li> <li>- <u>S&amp;P GLOBAL RATINGS EUROPE LIMITED</u>: long-term debt rating of A+ and short-term debt rating of A-1, both confirmed in April 2020 and with a negative outlook.</li> </ul>
LEI Code	ROMUWSFPU8MPRO8K5P83.

Moody’s France SAS is incorporated in France, registered and authorised on 31 October 2011 by ESMA as *European Union Credit Rating Agency* in accordance with the provisions of CRA Regulation.

**3.1.5. BNP PARIBAS SECURITIES SERVICES, SUCURSAL EN ESPAÑA (“BP2S”) participates as:**

- (a) Paying Agent.

**Additional information**

Type of company	Bank.
Business address	c/ Emilio Vargas 4 – 28043 Madrid, Spain.
Registration	BNP Paribas Securities Services, a company incorporated as a Société en Commandite par Actions (“Partnership Limited by Shares”) under the laws of France whose registered office is located 3 rue d’Antin, 75002 Paris, France, acting through its branch in Spain, with offices in calle Emilio Vargas 4 - 28043 Madrid, Spain.
Credit rating	The latest credit ratings made public by the rating agencies, for the unsubordinated and unsecured short- and long-term debt are the following: <ul style="list-style-type: none"> <li>- <u>DBRS Ratings GmbH</u>: long-term debt rating of AA (low) and short-term debt rating of R-1 (middle), both confirmed in July 2020 and with a stable outlook.</li> </ul>



	<ul style="list-style-type: none"> <li>- <u>FITCH RATINGS IRELAND LIMITED</u>: long-term debt rating of AA- and short-term debt rating of F1+, both confirmed in October 2020 and with a negative outlook.</li> <li>- <u>MOODY'S FRANCE SAS</u>: long-term debt rating of Aa3 and short-term debt rating of P-1, both confirmed in December 2020 and with a stable outlook.</li> <li>- <u>S&amp;P GLOBAL RATINGS EUROPE LIMITED</u>: long-term debt rating of A+ and short-term debt rating of A-1, both confirmed in April 2020 and with a negative outlook.</li> </ul>
LEI Code	549300WCGB70D06XZS54.

**3.1.6. DBRS Ratings GmbH, Branch in Spain ("DBRS")** intervenes as credit rating agency, rating the Rated Notes, i.e.:

- (a) Class A Notes;
- (b) Class Z Notes; and
- (c) Class B Notes.

**Additional information**

Business address	Calle del Pinar, 5, 28006 Madrid, Spain.
ESMA registration	Registered and authorized by the ESMA on 14 December 2018 as a credit rating agency in the European Union pursuant to the terms of the CRA Regulation.
LEI Code	54930033N1HPUEY7I370.

**3.1.7. FITCH RATINGS IRELAND LIMITED ("Fitch")** intervenes as credit rating agency, rating the Rated Notes, i.e.:

- (a) Class A Notes;
- (b) Class Z Notes; and
- (c) Class B Notes.

**Additional information**

Business address	Avenida Diagonal, 601 - P.2 08028 Barcelona, Spain.
ESMA registration	Registered and authorized by the ESMA on 31 October 2011 as a credit rating agency in the European Union pursuant to the terms of the CRA Regulation.
LEI Code	213800RENFIIODKETE60.

**3.1.8. Scope Ratings GMBH ("Scope")** intervenes as credit rating agency, rating the Rated Notes, i.e.:

- (a) Class A Notes;
- (b) Class Z Notes; and
- (c) Class B Notes.

**Additional information**

Business address	Lennéstrasse 5 D 10785 Berlin, Germany.
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ESMA registration	Registered and authorized by the ESMA on May 24, 2011 as a credit rating agency in the European Union pursuant to the terms of the CRA Regulation.
LEI Code	391200WU1EZUQFHDWE91.

- 3.1.9. CUATRECASAS, GONÇALVES PEREIRA S.L.P.** (“Cuatrecasas”) acts as legal adviser in respect of the transaction structure and has reviewed the legal regime and tax rules applicable to the Fund (established in section 4.5.4 of the Registration Document), and issues the legal opinion required under article 20.1 of the EU Securitisation Regulation.

<b>Additional information</b>	
Business address	Paseo de Gracia, 111 – 08008 Barcelona, Spain.
Tax Identification Number (NIF)	B-59942110.
Registration	Limited liability professional company incorporated in Spain, with Tax Identification Number B-59942110, registered office at Paseo de Gracia, 111 - 08008 Barcelona and registered in the Commercial Registry of Barcelona at Volume 40,693, folio 168, sheet number B-23,850.

- 3.1.10. ALLEN & OVERY (“A&O”)** acts as legal advisor of the Joint Lead Arrangers and the Joint Lead Managers and has reviewed the Prospectus and the structure of the transaction for the benefit of the Joint Lead Arrangers and the Joint Lead Managers.

<b>Additional information</b>	
Business address	Calle Serrano, 73, 28006, Madrid, Spain.
Tax Identification Number (NIF)	N-0067503-C.

- 3.1.11. DELOITTE, S.L.** participates as:

- (a) independent company for the verification of a series of attributes of the assignable portfolio of Loans of the Fund, for the purposes of complying with the provisions of EU Securitisation Regulation; and
- (b) in addition, has verified the accuracy of the data disclosed in the stratification tables included in section 2.2.2.1 of the Additional Information, and the CPR (*constant prepayment rates*) tables included in section 4.10 of the Securities Notes (altogether with (a) the “**Special Securitisation Reports on the Preliminary Portfolio**”).

<b>Additional information</b>	
Type of company	Limited liability company incorporated in Spain.
Business address	Plaza Pablo Ruiz Picasso, 1 (Torre Picasso), 28020 Madrid (Spain).
Tax Identification Number (NIF)	B-79104469.
Registration	With the Commercial Registry of Madrid at volume 9418, book 8172, sheet 88021-1, page 163, 1st entry.

- 3.1.12. PRICEWATERHOUSECOOPERS AUDITORES, S.L.** participates as auditor of the Fund.

<b>Additional information</b>	
Type of company	Limited liability company incorporated in Spain.
Business address	Paseo de la Castellana 259, Madrid (Spain).
Tax Identification Number (NIF)	B-79031290.
Registration	With the Commercial Registry of Madrid at volume 9.267, Section 8.054, sheet 75, page M-87.250, 1st entry. Likewise, it is also registered with the Official Register of Auditors of Accounts (R.O.A.C.) under the number S0242.

**3.1.13. PRIME COLLATERALISED SECURITIES (EU) SAS** (the “**Third-Party Verification Agent (STS)**” or “**PCS**”) shall:

- (a) act as a verification agent authorized under article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation (the “**STS Verification**”);
- (b) prepare an assessment of compliance of the Notes with the relevant provisions of article 243 and article 270 of the Regulation (EU) No 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (“**CRR**”) (the “**CRR Assessment**”); and
- (c) prepare an assessment of compliance with the criteria set forth in the LCR Delegated Regulation, as amended by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 (the “**LCR Assessment**” and together with the STS Verification, and the CRR Assessment, the “**PCS Assessments**”).

**Additional information**

Business address	4 Place del ´Opéra, Paris, 75002.
Registration	Has obtained authorization as a third-party verification agent as contemplated in article 28 of EU Securitisation Regulation.
NCA	French Autorité des Marchés Financiers

**3.1.14. INTEX SOLUTIONS, Inc.** (“**INTEX**”), on behalf of the Seller, shall provide a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.

**Additional information**

Business address	41 Lothbury Street, London EC2R 7HG.
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**3.1.15. Bloomberg Finance LP** (“**Bloomberg**”), on behalf of the Seller, shall provide a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.

**Additional information**

Business address	731 Lexington Avenue New York, NY 10022 United States
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**3.1.16. EUROPEAN DATA WAREHOUSE** (“**EDW**”) is a company created with the support of the European Central Bank, founded and governed by market participants. It operates as a service company to respond to the need to providing information to investors in asset-backed securities.

**Additional information**

Business address	Cronbert, Platz 2, 60593 Frankfurt am Main (Germany).
LEI Code	529900IUR3CZBV87LI37.

EDW has been appointed by the Management Company, on behalf of the Fund, as provider of the website which conforms to the requirements set out in article 7.2 of the EU Securitisation Regulation and, when registered by ESMA as securitisation repository in accordance with articles 10 and 12 of the EU Securitisation Regulation as securitisation repository to satisfy the reporting obligations under article 7 of the EU Securitisation Regulation.

In this regard, EDW has stated its intention to become registered as a securitisation repository authorized and supervised by ESMA.

However, as of the date of registration of this Prospectus, no official securitisation repository has been named or registered with ESMA in accordance with article 10 and 12 of EU Securitisation Regulation.

**3.1.17. Additional information**

BANCO SANTANDER, S.A. and BNP PARIBAS each hold a 50% interest in the share capital of UCI, S.A., which in turn is the parent company of the 100% controlled subsidiary UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., E.F.C.

There is no knowledge of the existence of any other relationship involving direct or indirect ownership or control between the aforementioned legal persons that participate in the securitisation transaction.

In addition, it should be noted that certain 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 Fund, the Seller or its affiliates and the Management Company in the ordinary course of business. 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.

In particular, the Joint Lead Arrangers and Joint Lead Managers are each part of global investment banking and securities and investment management firms that provide a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business.

The Joint Lead Arrangers and the Joint Lead Managers and their affiliates may play various roles in relation to the offering of the Notes. Each Joint Lead Arranger, each Joint Lead Manager and/or each of their affiliates may also act in its own commercial interest in its various capacities (e.g., as Back-Up Servicer Facilitator; Cap Counterparty; or Fund Accounts Provider), without regard to whether its interests' conflict with those of the holders of the Notes or any other party. To the maximum extent permitted by applicable law, the duties of the Joint Lead Arrangers, the Joint Lead Managers and/or their affiliates 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. Neither the Joint Lead Arrangers, the Joint Lead Managers nor their affiliates shall have any obligation to account to the Fund, any Transaction Party or any Noteholder for any profit as a result of any other business that it may conduct with either the Fund or any Transaction Party.

The Joint Lead Arrangers and the Joint Lead Managers may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions). The Joint Lead Arrangers and the Joint Lead Managers expect to earn fees and other revenues from these transactions.

Nothing in the Transaction Documents shall prevent any of the parties to the Transaction Documents from rendering services similar to those provided for in the Transaction Documents to other persons, firms or companies or from carrying on any business similar to or in competition with the business of any of the parties to the Transaction Documents.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction: (a) having previously engaged or in the future engaging in transactions with other parties to the transaction; (b) having multiple roles in this transaction; and/or (c) carrying out other roles or transactions for third parties.

To the maximum extent permitted by applicable law, none of the Joint Lead Arrangers, the Joint Lead Managers and/or their affiliates are 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 in so doing may act in its own commercial interests and without notice to, and without regard to, the interests of any such person.

Nothing in the Transaction Documents shall prevent any of the Transaction Parties from rendering services similar to those provided for in the Transaction Documents to other persons, firms or companies or from carrying on any business similar to or in competition with the business of any of the parties to the Transaction Documents.

### **3.2. The use and estimated net amount of the proceeds**

The amount of the issuance of Class A Notes, Class Z Notes, Class B Notes and Class C Notes will be used by the Fund to pay, *inter alia*, the purchase price of the Receivables.

The estimated net amount of the proceeds from the issue of the Notes is around FOUR HUNDRED EIGHTY MILLION EUROS (€ 480,000,000).

## **4. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING**

### **4.1. Total amount of the securities being admitted to trading**

The total of the Notes issued amounts to FOUR HUNDRED AND EIGHTY MILLION (€ 480,000,000), represented by FOUR THOUSAND AND EIGHT HUNDRED (4,800) Notes each with a nominal value of ONE HUNDRED THOUSAND (€ 100,000), distributed in four (4) classes of Notes (Class A; Class Z; Class B; Class C), distributed as indicated below in section 4.2.

### **4.2. Description of the type and the class of the securities being offered and admitted to trading and ISIN. Note Issue Price and Underwriting and Placement of the Notes. Description of the type and class of the securities**

#### **4.2.1. Description of the type and the class of the securities being admitted to trading and ISIN**

The Notes will have the legal nature of negotiable fixed-income securities with a specified yield and are subject to the rules established in the Securities Market Act and the Regulations in implementation thereof and are issued pursuant to Law 5/2015. The Notes are redeemable through early redemption or upon final maturity, and will be distributed as follows:

- (a) Class A, with ISIN code ES0305545008, having a total nominal amount of THREE HUNDRED EIGHTY-TWO MILLION EUROS (€ 382,000,000), made up of THREE THOUSAND EIGHT HUNDRED AND TWENTY (3,820) Notes each

with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries (the “**Class A**” or “**Class A Notes**”);

- (b) Class Z, with ISIN code ES0305545016, having a total nominal amount of FIFTY MILLION EUROS (€ 50,000,000), made up of FIVE HUNDRED (500) Notes each with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries (the “**Class Z**” or “**Class Z Notes**”);
- (c) Class B, with ISIN code ES0305545024, having a total nominal amount of TWENTY-SIX MILLION FOUR HUNDRED THOUSAND EUROS (€ 26,400,000), made up of TWO HUNDRED AND SIXTY-FOUR (264) Notes each with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries (the “**Class B**” or “**Class B Notes**”); and
- (d) Class C, with ISIN code ES0305545032, having a total nominal amount of TWENTY-ONE AND SIX HUNDRED THOUSAND EUROS (€ 21,600,000), made up of TWO HUNDRED AND SIXTEEN (216) Notes each with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries (the “**Class C**” or “**Class C Notes**”).

#### 4.2.2. **Note Issue price**

The issue price of each Note of the Class Z, Class B and the Class C shall be at par equal to ONE HUNDRED THOUSAND EUROS (€100,000.00) per Note, free of taxes and subscription costs for the subscriber.

The issue price of each Note in Class A shall be the result of applying 101.237% of their nominal value, free of taxes and subscription costs for the subscriber.

The expenses and taxes inherent to the Note issue shall be borne by the Fund.

#### 4.2.3. **Underwriting and Placement of the Notes**

The Management Company, in the name and on behalf of the Fund, shall enter into a management, placement and subscription agreement with the Seller, BNP Paribas and Banco Santander on the Date of Incorporation (the “**Management, Placement and Subscription Agreement**”).

In accordance with the Management, Placement and Subscription Agreement:

- (a) The Joint Lead Managers will, on a best-efforts basis and upon the satisfaction of the conditions precedent, procure subscription for and place:

- (1) the Class A Notes,

during the Subscription Period with qualified investors for the purposes of article 39 of Royal Decree 1310/2005. No underwriting commitment by the Joint Lead Managers is agreed in the Management, Placement and Subscription Agreement.

- (b) The Seller will subscribe:

- (1) the Class Z Notes,
- (2) the Class B Notes, and

(3) the Class C Notes.

(c) If applicable, the Seller will subscribe the Class A Notes not placed among qualified investors by the Joint Lead Managers.

The obligations of the Joint Lead Managers under the Management, Placement and Subscription Agreement are subject to the fulfilment of several conditions precedents, among others, the receipt by the Joint Lead Managers and the Joint Lead Arrangers of a confirmation from the Management Company before the start of the Subscription Period that no Material Adverse Change has occurred in respect of itself and the Fund.

The Joint Lead Managers may give a termination notice to the Management Company at any time prior to the disbursement of the Notes, provided that the Notes have not been disbursed, upon occurrence of one of the following events:

- (a) Breach of obligations: any party (other than the Joint Lead Managers) fails to perform any of its obligations under the Management, Placement and Subscription Agreement; in particular, upon the occurrence of certain events, such as:
  - (i) The Seller selects not to, or otherwise fails to, subscribe for and purchase the Class Z Notes, the Class B Notes and the Class C Notes by the end of the Subscription Period; or
  - (ii) The Seller elects not to, or otherwise fails to, subscribe for, and purchase any remaining Class A Notes that the Joint Lead Managers have not procured subscription for by the end of the relevant time limit.
- (b) Force majeure: since the date of the Management, Placement and Subscription Agreement there has been, in the reasonable opinion of the Joint Lead Managers in consultation with the Seller and the Management Company, an event that could not be foreseen or, even if foreseen, is inevitable rendering it impossible to perform the subscription or disbursement of the Notes or the success of the placement of the Notes pursuant to article 1,105 of the Civil Code (*force majeure*).
- (c) Material Adverse Change: There has been in the opinion of the Joint Lead Managers a Material Adverse Change, provided that the definition of Material Adverse Change will only be applicable with respect to the Seller.

“**Material Adverse Change**” means, any adverse change or event in (i) the condition (financial or otherwise), business, prospects, results of operations or general affairs or (ii) the national or international financial, political or economic conditions or currency exchange rates or exchange controls since the Date of Incorporation which would be likely to prejudice materially the success of the offering and distribution of the Notes or dealing in the Notes in the secondary market or which is otherwise material in the context of the issue of the Notes.

The Subscription Period will begin at 10.00 CET on the Subscription Date (e.g. the Disbursement Date on 6 May 2021) and will end on the same day at 12.00 CET.

#### 4.2.4. Selling Restrictions

The distribution of this Prospectus and the offer, sale, and delivery of the Notes in certain jurisdictions may be restricted by law and by the Transaction Documents, in particular, as provided for by the Management, Placement and Subscription

Agreement. Persons into whose possession this Prospectus (or any part of it) comes are required by the Fund to inform themselves about, and to observe, any such restrictions. Neither this Prospectus nor any part of it constitutes an offer or may be used for the purpose of an offer to sell any of the Notes, or a solicitation of an offer to buy any of the Notes, by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Fund that any recipient of this Prospectus should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the Mortgage Loans portfolio and of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Fund.

Other than as expressly indicated in section 4.10 of the Securities Notes, to the fullest extent permitted by law, neither the Joint Lead Arrangers nor the Joint Lead Managers accept any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Joint Lead Arrangers or the Joint Lead Managers or on their behalf, in connection with the Fund, the Seller, any other Transaction Party or the issue and offering of the Notes. Therefore, other than as expressly indicated in section 4.10 of the Securities Notes, each of the Joint Lead Arrangers and the Joint Lead Managers accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement.

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other prospectus, form of application, advertisement, other offering material or other information relating to the Fund or the Notes may be issued, distributed or published in any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

The Notes have not been, and will not be, registered under the Securities Act or the "blue sky" laws of any state of the U.S. or other jurisdiction and the securities, may not be offered, sold or delivered 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, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. The Notes are in dematerialised form and are subject to U.S. tax law requirements. The Notes are being offered for sale outside the United States in accordance with Regulation S under the Securities Act. Neither the United States Securities and Exchange Commission, nor any state securities commission or any other regulatory authority, has approved or disapproved the Notes or determined that this Prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

Neither the Joint Lead Arrangers nor the Joint Lead Managers nor any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Date of Incorporation or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

#### **4.2.5. VOLCKER RULE**

Under section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules (the "**Volcker Rule**"), U.S. banks, non-U.S. banks with U.S. branches or



agencies, companies that control U.S. banks, and their affiliates (collectively, the "**Relevant Banking Entities**" as defined under the Volcker Rule) are prohibited from, among other things, acquiring or retaining any ownership interest in, or acting as sponsor in respect of, certain investment entities referred to in the Volcker Rule as covered funds, except as may be permitted by an applicable exclusion or exception from the Volcker Rule. In addition, in certain circumstances, the Volcker Rule restricts Relevant Banking Entities from entering into certain credit exposure related transactions with covered funds. Full conformance with the Volcker Rule has been required since 21 July 2015.

Key terms are broadly defined under the Volcker Rule, including "banking entity", "ownership interest", "sponsor" and "covered fund". In particular, "banking entity" is defined to include certain non-U.S. affiliates of U.S. banking entities. A "covered fund" is defined to include an issuer that would be an investment company under the Investment Company Act 1940 but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of the Investment Company Act, subject to certain exclusions found in the Volcker Rule's implementing regulations. An "ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in the covered fund, as well as through any right of the holder to participate in the selection or removal of an investment advisor, manager, or general partner, trustee, or member of the board of directors of the covered fund.

The Issuer is not required to register, and will not be registered as a result of the offer and sale of the Notes, as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), under the Investment Company Act. Additionally, the Issuer should not now, and immediately following the issuance of the Notes, be a "covered fund" for purposes of Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or the final regulations issued on 10 December 2013 by the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Commodity Futures Trading Commission and the Securities and Exchange Commission (commonly referred to as the Volcker Rule). This conclusion is based primarily on the Issuer's status as a non-U.S. entity that will be owned by non-U.S. persons and the exemption provided under Section 3(C)(5) of the Investment Company Act.

If the Issuer is considered a "covered fund", the liquidity of the market for the Notes may be materially and adversely affected, since Relevant Banking Entities could be prohibited from, or face restrictions in, investing in the Notes. The Volcker Rule and any similar measures introduced in another relevant jurisdiction may, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving, including through revisions to the Volcker Rule that were issued on 25 June 2020 and become effective on 1 October 2020. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "Relevant Banking Entity" and is considering an investment in the Notes should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each purchaser must determine for itself whether it is a Relevant Banking Entity. Neither the Issuer nor the Joint Lead Arrangers or the Management Company or any of the Joint Lead Managers makes any representation regarding the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

#### **4.3. Legislation under which the securities have been created**

The Notes are issued in accordance with the laws of Spain, and particularly in accordance with the legal provisions set forth in:

- (a) Law 5/2015 and implementing provisions;
- (b) the Securities Market Act;
- (c) Royal Decree 1310/2005;
- (d) Royal Decree 878/2015; and
- (e) any such other legal and regulatory provisions as may be in force and applicable from time to time.

In addition, the requirements set out in the EU Securitisation Regulation shall apply to the Fund and the Notes.

This Securities Note has been prepared in accordance with the Prospectus Regulation and following the Annex 15 of the Prospectus Delegated Regulation.

#### **4.4. Indication as to whether the securities are in registered or bearer form and whether the securities are in certificated or book-entry form**

The Notes will be exclusively represented by book-entries (*anotaciones en cuenta*) in accordance with the provisions of Royal Decree 878/2015. The Notes will be created as such by virtue of their corresponding book-entry and will be made out to the bearer. The Deed of Incorporation shall have the effects provided for in article 7 of the Securities Market Act.

The denomination, number of units, nominal value and other characteristics and conditions of the Notes represented in book-entry form are those included in the Deed of Incorporation and this Prospectus.

The Noteholders will be identified as such (for their own account or that of third parties) as recorded in the book-entry register maintained by IBERCLEAR (and its participant entities), with a registered office in Madrid, at Plaza de la Lealtad 1, 28014, which has been appointed as the entity in charge of the book-entry registry of the Notes.

Clearing and settlement of the Notes will be performed in accordance with the rules of operation that are or may hereafter be established by IBERCLEAR regarding securities admitted to trading in the AIAF FIXED-INCOME MARKET (“**AIAF**”) and represented by the book-entries.

#### **4.5. Currency of the issue**

The Notes will be denominated in EUROS.

#### **4.6. The relative seniority of the securities in the issuer’s capital structure in the event of insolvency, including, where applicable, information on the level of subordination of the securities and the potential impact on the investment in the event of a resolution under BRRD**

##### **4.6.1. Order of priority of securities and extent of subordination**

In accordance with the Pre-Enforcement Priority of Payments described in section 3.4.7.2 of the Additional Information and in the Deed of Incorporation:

- (a) Class A will not be deferred as regards the payment of interest and principal in respect to any other Class of Notes;
- (b) Class Z Notes will be deferred as regards the payment of interest and principal, in respect to the Class A Notes;
- (c) Class B Notes will be deferred as regards the payment of interest and principal with respect to the Class A Notes and Class Z Notes; and
- (d) Class C Notes will be deferred as regards the payment of interest and principal with respect to the Class A Notes, Class Z Notes and Class B Notes.

**4.6.2. Summary of the priority of the payment of interest on the Notes in the priority of payments of the Fund**

Interest	Place in the application of Available Funds in the <u>Pre-Enforcement Priority of Payments</u> set forth in section 3.4.7.2 of the Additional Information.	Place in the application of the Available Funds in the <u>Liquidation Priority of Payments</u> set forth in section 3.4.7.4 of the Additional Information.
<b>Class A</b>	3 <sup>rd</sup>	3 <sup>rd</sup>
<b>Class Z</b>	4 <sup>th</sup>	5 <sup>th</sup>
<b>Class B</b>	No Class B Interest Deferral Trigger Event: 5 <sup>th</sup> Class B interest Deferral Trigger Event: 9 <sup>th</sup>	7 <sup>th</sup>
<b>Class C</b>	11 <sup>th</sup>	9 <sup>th</sup>

**4.6.3. Summary of the priority of the payments of principal on the Notes in the priority of payments of the Fund**

Principal	Place in the application of Available Funds in the <u>Pre-Enforcement Priority of Payments</u> set forth in section 3.4.7.2 of the Additional Information.	Place in the application of the Available Funds in the <u>Liquidation Priority of Payments</u> set forth in section 3.4.7.4 of the Additional Information.
<b>Class A</b>	7 <sup>th</sup>	4 <sup>th</sup>
<b>Class Z</b>	8 <sup>th</sup>	6 <sup>th</sup>
<b>Class B</b>	10 <sup>th</sup>	8 <sup>th</sup>
<b>Class C</b>	12 <sup>th</sup>	9 <sup>th</sup>

**4.6.4. Potential impact on the investment in the event of a resolution under BRRD**

BRRD does not apply to the Fund, as Issuer.

**4.7. Description of the rights, including any limitations of these, attached to the securities and procedure for the exercise of said rights**

Pursuant to current legislation in force, the Notes described in this Securities Note do not create any present and/or future political rights for the investor acquiring them in relation to the Fund or its Management Company. This is consistent with the nature of the *FONDO DE TITULIZACIÓN* as a separate estate (*patrimonio separado*) devoid of legal personality.

The economic rights of the investor associated with the acquisition and holding of the Notes will be those deriving from the interest rates, yields and redemption prices with which the Notes are issued as set forth in sections 4.8 and 4.9 below.

The Noteholders are subject, with respect to the payment of interest and principal repayment of the Notes, to the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments, as applicable, set forth in sections 3.4.7.2 and 3.4.7.4 of the Additional Information, respectively.

The Noteholders will have no recourse against the Management Company, other than from non-performance of its duties or non-compliance with the provisions of the Deed of Incorporation, this Prospectus and the applicable laws and regulations. In this regard, no action of the Noteholders against the Management Company shall be based on (i) delinquency or prepayment of the Receivables; (ii) non-fulfilment by the counterparties of the transactions entered into in the name and on behalf of the Fund; or (iii) the insufficiency of the credit enhancements to cover the payments of the Notes.

The Noteholders shall have no actions against the Borrowers that have failed to comply with their payment obligations. Pursuant to applicable law, the Management Company is the only authorised representative of the Fund as regards third parties and in any legal proceedings (but this is without prejudice to any rights of representation that may be granted by the Management Company to third parties).

Each of the Noteholders by purchasing or subscribing the Notes agrees with the Fund that:

- (a) sums payable to each Noteholder in respect of the Fund's obligations to such Noteholder shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Noteholder and (b) the aggregate amounts of the Available Funds, net of any sums which are payable to other persons in priority to or *pari passu* with such Noteholder in accordance with the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments, as applicable, set forth in sections 3.4.7.2 and 3.4.7.4 of the Additional Information, respectively;
- (b) on the Legal Maturity Date following final distribution of the Available Funds, the Noteholders shall have no further claim against the Fund in respect of any unpaid amounts and such unpaid amounts shall be discharged in full;
- (c) none of the Management Company, the Joint Lead Arrangers, the Joint Lead Managers, or any other Transaction Parties shall be responsible for any of the Fund's liabilities; and
- (d) in particular, the Noteholders shall not have any right of action against the Management Company other than by reason of non-performance of its duties or non-compliance with the provisions of the Deed of Incorporation and the applicable laws and regulations.

Various potential and actual conflicts of interest may arise between the interests of the Noteholders, on the one hand, and the interests of any of the Transaction Parties, on the other hand, as a result of the various businesses and activities of the Transaction Parties, and none of such persons is required to resolve such conflicts of interest in favour of the Noteholders except for the obligations legally vested on the Management Company, who, pursuant to article 26.1.f) of Law 5/2015 must have in place procedural and organisational measures to prevent potential conflicts of interests.

The Management Company will be liable to the Noteholders and other creditors of the Fund for all damages caused thereto by a breach of its obligations. It will be liable for the penalties applicable thereto pursuant to the provisions of Law 5/2015.

The obligations of the Seller and of the other entities participating in the transaction are limited to those included in the corresponding Transaction Documents to which each of them are parties, the most significant ones being described in this Prospectus and in the Deed of Incorporation.

All matters, disputes, actions and claims concerning the Fund or the Notes issued and that may arise during the operation or liquidation thereof, whether among the Noteholders or between the Noteholders and the Management Company, will be submitted to the Tribunals of the City of Madrid, waiving any other forum to which the parties may be entitled.

#### **4.8. Nominal interest rate and provisions relating to interest payable**

The return on the Notes will be determined through a variable interest rate as provided below:

##### **4.8.1. Nominal interest**

The Notes will accrue annual nominal variable or fixed (as applicable) interest rate payable quarterly on each Payment Date, provided that the Fund has sufficient liquidity in the Cash Flow Account, in accordance with the Pre-Enforcement Priority of Payments established in section 3.4.7.2 of the Additional Information (or, as applicable, the Liquidation priority of Payments established in section 3.4.7.4 of the Additional Information).

Withholding, contributions or taxes now or hereafter applicable to the principal, interest or returns on the Notes shall be the sole responsibility of the Noteholders, and the amount thereof will be deducted by the Management Company, on behalf of the Fund, through the Paying Agent in the manner provided by law.

##### **4.8.2. Interest Accrual Periods**

The term of the issue of the Notes will be divided into successive Interest Accrual Periods comprising the days elapsed between each Payment Date, including the First Payment Date and excluding the final Payment Date in each interest accrual period the “**Interest Accrual Periods**”. However, the first Interest Accrual Period will have a duration longer than three months, equivalent to the days actually elapsed between the Disbursement Date, inclusive, and the First Payment Date, exclusive (the “**First Interest Accrual Period**”).

##### **4.8.3. Determination**

The nominal interest rate applicable to the Notes for each Interest Accrual Period will be determined by the Management Company, on behalf of the Fund, on the Rate Setting Date, which will be the second Business Day according to the Trans-European Automated *Real-time Gross Settlement Express Transfer System* (TARGET2) schedule prior to each Payment Date, at approximately 11:00 CET on such day, and will apply to the next Interest Accrual Period.

The nominal interest rate of the Notes for the First Interest Accrual Period will be determined as established in section 4.8.6 (a) below, based on the Reference Interest Rate at approximately 11:00 CET on the Date of Incorporation.

The Noteholders will be notified of the nominal interest rates determined for the following Interest Accrual Periods on the dates and in the manner established in section 4 of the Additional Information through publication, either in the daily bulletin (*boletín diario*) of the AIAF or in any other publication that may hereafter replace it or another with similar characteristics, or by publication in a daily newspaper with broad circulation in Spain.

#### 4.8.4. Interest rate of each Class of Notes

For the purposes of this section, the 'Reference Interest Rate' and the 'Capped Reference Interest Rate' are described in section 4.8.6.

The Nominal Interest Rate for (i) the Floating Rate Notes determined for each Interest Accrual Period will be the higher of (i) zero percent (0%) and (ii) the sum of the Reference Interest Rate, calculated as stipulated below and the margin applicable to each Class of Notes, and (ii) for the Fixed Rate Notes determined for each Interest Accrual Period, will be the following:

- (a) Class A Notes ("**Class A Interest Rate**"):
  - Until the Payment Date falling on 15 June 2026 (the "**Step-up Date**") (included): a floating rate equal to the Reference Interest Rate plus the Class A Margin, per annum.
  - From the Step-up Date (excluded): a floating rate equal to the Capped Reference Interest Rate plus the Class A Margin, per annum.
- (b) Class Z Notes ("**Class Z Interest Rate**"): a fixed rate equal to 0.10 per cent. per annum.
- (c) Class B Notes ("**Class B Interest Rate**"): a floating rate equal to the Capped Reference Interest Rate plus the Class B Margin, per annum.
- (d) Class C Notes ("**Class C Interest Rate**"): a floating rate equal to the Capped Reference Interest Rate plus the Class C Margin, per annum.

All of the foregoing will be rounded off to the nearest one thousandth of one point.

#### 4.8.5. Margin

The margin applicable to the Reference Interest Rate as specified above for calculating the Nominal Interest Rate for the Floating Rate Notes will be as follows, for each applicable Class of Notes:

- (a) Class A Notes ("**Class A Margin**"):
  - margin of +0.70% per annum until (and including) the Step-up Date; and
  - margin of +1.20% per annum from (but excluding) the Step-up Date and until (and including) the Legal Maturity Date.
- (b) Class B Notes ("**Class B Margin**"):
  - margin of +0.80% per annum until (and including) the Legal Maturity Date.
- (c) Class C Notes ("**Class C Margin**"):
  - margin of +0.90% per annum until (and including) the Legal Maturity Date.

#### 4.8.6. Benchmark rate

The "**Reference Interest Rate**" is calculated as follows:

The benchmark for determining the Nominal Interest Rate applicable to the Floating Rate Notes shall be (i) the EURIBOR rate at three (3) months, which is provided by the European Money Markets Institute, based in Belgium; or, (ii) where necessary, its substitute rate as set forth below.

The Reference Interest Rate will be determined as follows:

- (a) the rate offered in the Eurozone interbank market for three-month euro deposits (except for the First Interest Accrual Period) appearing on the Reuters-EuriborØ1 page or (A) such other page as may replace the Reuters-EuriborØ1 page for similar service for the purpose of displaying such information or (B) if that service ceases to display similar information, such other page or such equivalent service that displays this information (or, if more than one, the one which is used by the Paying Agent) or may replace the Reuters-EuriborØ1 page (the “**Screen Rate**”) at or about 11:00 CET on the Rate Setting Date.

By way of exception, the Reference Interest Rate for the First Interest Accrual Period will be from the result of the linear interpolation of the 3-month EURIBOR rate and the 6-month EURIBOR rate quoted at approximately 11:00 CET on the Rate Setting Date, considering the number of days of the First Interest Accrual Period, according to the following formula.

$$R = E_2 + \left[ \frac{E_3 - E_2}{d_3 - d_2} \right] \times (d_t - d_2)$$

Where:

<i>R</i>	<i>Reference Interest Rate for the First Interest Accrual Period</i>
<i>dt</i>	<i>Number of days of the First Interest Accrual Period</i>
<i>d2</i>	<i>Number of days corresponding to the 3-month Euribor</i>
<i>d3</i>	<i>Number of days corresponding to the 6-month Euribor</i>
<i>E2</i>	<i>3-month Euribor rate</i>
<i>E3</i>	<i>6-month Euribor rate</i>

- (b) if the Screen Rate for euro deposits is unavailable at the time in respect of the relevant period, then the rate for any relevant period will be the arithmetic mean (rounded to four decimal places with the mid-point rounded upwards) of the rates communicated to the Paying Agent at its request by BNP PARIBAS, S.A., BANCO BILBAO VIZCAYA ARGENTARIA, S.A. LONDON BRANCH, BANCO SANTANDER, S.A., LONDON BRANCH and CECABANK, S.A, LONDON BRANCH (the “**Reference Banks**”) as the rate at which euro deposits in respect of the relevant period in a representative amount are offered by the Reference Bank to leading banks in the eurozone interbank market at or about 11:00 CET on the Rate Setting Date.
- (c) if, at the relevant time, the Screen Rate is unavailable and only two of the Reference Banks provide such quoted rate to the Paying Agent, the relevant rate will be determined on the basis of the quoted rate of that two Reference Banks able to provide such quotations; or
- (d) if, at the relevant time, the Screen Rate is unavailable and only one or none of the Reference Banks provides the Paying Agent with such a quoted rate,

the rate will be the rate in effect for the immediately preceding Interest Accrual Period to which paragraph (a) refers.

On the first Rate Setting Date, if the Reference Rate is not published in accordance with the provisions of paragraphs (a) to (d) above, the interest rate applied will be the interest rate published on the last Business Day on which such Reference Interest Rate was published.

The Management Company will keep copies of the Screen Rate printouts sent by the Paying Agent or, if appropriate, the quote statements from the banks referred to in section (b) above, as documents evidencing the determination of the EURIBOR rate.

On each of the Rate Setting Dates, the Paying Agent will notify the Management Company of the Reference Interest Rate that will serve as the basis for the calculation of the nominal interest rate applicable to the Notes.

The “**Capped Reference Interest Rate**” is the lower of:

- (a) The Reference Interest Rate, or
- (b) 2.5 per cent. per annum.

**4.8.7. Base**

The nominal interest rate will accrue on the effective days elapsed in each Interest Accrual Period for which it has been determined and will be calculated on the basis of a year of three hundred and sixty (360) days.

**4.8.8. Payment dates**

Interests accrued for the Notes will be payable quarterly, on each “**Payment Date**”, i.e., on the 15<sup>th</sup> day of March, June, September and December each year until total redemption, provided that the Fund has sufficient funds in the Cash Flow Account, in accordance with the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments established for the Notes in sections 3.4.7.2 and 3.4.7.4 of the Additional Information.

In the event that any Payment Date is not a Business Day, interests under the Notes corresponding to the Interest Accrual Period in progress will accrue up to (but not including) the following Business Day and will be paid on such following Business Day.

The “**First Payment Date**” will take place on 15 September 2021, and interest will accrue at the corresponding nominal interest rate from the Disbursement Date (inclusive) to the First Payment Date (exclusive) (i.e., 15 September 2021).

**4.8.9. Interest payable**

The interest payable on each Payment Date for each Interest Accrual Period will be calculated in accordance with the following formula:

$$I=(P\times R\times d)/360$$

Where:

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I	Interest payable on a specific Payment Date.
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P	Outstanding Principal Balance of each Class of Notes on the Determination Date preceding such Payment Date. Determination Date means the date on which the Management Company will carry out the calculations required to determine the Outstanding Principal Balance of the Notes and the Outstanding Balance of the Receivables in the name of the Fund. The Determination Dates will be those which correspond to the fifth (5th) Business Day before each Payment Date.
R	Nominal interest rate expressed as an annual percentage.
d	Number of calendar days in the Interest Accrual Period.

The Noteholders will be notified of the interest through the CNMV, AIAF and IBERCLEAR, calculated as established above, and the amount of the interest accrued and unpaid as described in section 4 of the Additional Information, at least two (2) calendar days in advance of each Payment Date.

#### **4.8.10. Payment**

Payment of the accrued interest will take place on each Payment Date, provided that the Fund has sufficient funds in the Cash Flow Account, in accordance with the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments provided for in sections 3.4.7.2 and 3.4.7.4 of the Additional Information.

In the event that, on a Payment Date, the Fund is totally or partially unable to pay the interest accrued on the Notes in accordance with the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments set forth in sections 3.4.7.2 or 3.4.7.4 of the Additional Information, respectively, the unpaid amounts will be paid on the following Payment Date on which the Fund has sufficient liquidity to do so immediately before the payment of the same Class for the new period and without accruing additional or default interest in accordance with the aforementioned Pre-Enforcement Priority of Payments, or Liquidation Priority of Payments. In any case, the Fund cannot defer the payment of interest on the Notes beyond the Legal Maturity Date.

#### **4.8.11. No default interests**

Amounts deferred will not accrue default interest

#### **4.8.12. Benchmark Regulation**

As at the date of this Prospectus, EURIBOR is provided and administered by the European Money Markets Institute (“EMMI”). EMMI is included on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant to article 36 of the Benchmark Regulation.

#### **4.8.13. Fallback provisions**

- (a) Notwithstanding anything to the contrary, the following provisions will apply if the Management Company, in the name and on behalf of the Fund (acting on the advice of the Seller) determines that any of the following events (each a “**Base Rate Modification Event**”) has occurred:
- (i) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published; or
  - (ii) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed); or

- (iii) 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 or will be changed in an adverse manner); or
  - (iv) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner; or
  - (v) a public statement by the supervisor of the EURIBOR administrator which means that EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or
  - (vi) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Notes; or
  - (vii) the reasonable expectation of the Management Company, in the name and on behalf of the Fund (acting on the advice of the Seller) that any of the events specified in sub-paragraphs (i), (ii), (iii), (iv), (v) or (vi) above will occur or exist within six (6) months of the proposed effective date of such Base Rate Modification.
- (b) Following the occurrence of a Base Rate Modification Event, the Management Company, in the name and on behalf of the Fund (acting on the advice of the Seller) will appoint a rate determination agent to carry out the tasks referred to in this section 4.8.13 (the "**Rate Determination Agent**").
- (c) The Rate Determination Agent shall determine an alternative base rate (the "**Alternative Base Rate**") to be substituted for EURIBOR as the Reference Rate of the Notes and those amendments to the Transaction Documents to be made by the Management Company, in the name and on behalf of the Fund, as are necessary or advisable to facilitate such change (the "**Base Rate Modification**"), provided that no such Base Rate Modification will be made unless the Rate Determination Agent has determined and confirmed to the Management Company in writing (such certificate, a "**Base Rate Modification Certificate**") that:
- (i) such Base Rate Modification is being undertaken due to the occurrence of a Base Rate Modification Event and, in each case, such modification is required solely for such purpose and it has been drafted solely to such effect; and
  - (ii) such Alternative Base Rate is:
    - (A) a base rate published, endorsed, approved, or recognised by the relevant regulatory authority or any stock exchange on which the Notes are listed, or any relevant committee or other body established, sponsored, or approved by any of the foregoing; or
    - (B) a base rate utilised in a material number of publicly listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification; or
    - (C) a base rate utilised in a publicly listed new issue of Euro denominated asset backed floating rate notes where the

originator of the relevant assets is the Seller or an affiliate of the Seller banking group; or

- (D) such other base rate as the Rate Determination Agent reasonably determines (and in relation to which the Rate Determination Agent has provided reasonable justification of its determination to the Management Company),

provided that, for the avoidance of doubt (I) in each case, the change to the Alternative Base Rate will not, in the Management Company's opinion, be materially prejudicial to the interest of the Noteholders; (II) for the avoidance of doubt, the Management Company may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this paragraph (c) are satisfied, and (III) the Alternative Base Rate shall fulfil the Benchmark Regulation.

By subscribing the Notes, each Noteholder acknowledges and agrees with any amendments to the Transaction Documents made by the Management Company, in the name and on behalf of the Fund, which may be necessary or advisable in order to facilitate the Base Rate Modification.

If the definition, methodology, formula or any other form of calculation related to the EURIBOR were modified, (including any modification or amendment derived of the compliance of the Benchmark Regulation) the modifications shall be considered made for the purposes of the Reference Rate relating to EURIBOR without the need to modify the terms of the Reference Rate without the need to notify to the Noteholders, as such references to the EURIBOR rate shall be made to the EURIBOR rate such as this had been modified.

- (d) It is a condition to any such Base Rate Modification that:
  - (i) the Seller pays (or arranges for the payment of) all fees, costs, and expenses (including legal fees) properly incurred by the Management Company and each other applicable party including, without limitation, any of the Transaction Parties, in connection with such modifications. For the avoidance of doubt, such costs shall not include any amount in respect of any reduction in the interest payable to a Noteholder; and
  - (ii) with respect to each Rating Agency, the Management Company has notified such Rating Agency of the proposed modification and, in the Management Company's reasonable opinion, formed on the basis of due consideration and consultation with such Rating Agency (including, as applicable, upon receipt of oral confirmation from an appropriately authorised person at such Rating Agency), 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 the Rated Notes on rating watch negative (or equivalent).
  - (iii) When implementing any modification pursuant to this section 4.8.13, the Rate Determination Agent, the Management Company and the Seller, as applicable, shall act in good faith and (in the absence of gross negligence or wilful misconduct), shall have no responsibility whatsoever to the Noteholders or any other party.

- (iv) If a Base Rate Modification is not made as a result of the application of paragraph (c) above, and for so long as the Management Company (acting on the advice of the Seller) considers that a Base Rate Modification Event is continuing, the Management Company may or, upon request of the Seller, must, initiate the procedure for a Base Rate Modification as set out in this section 4.8.4.
- (v) Any modification pursuant to this section 4.8.13 must comply with the rules of any stock exchange on which the Notes are from time to time listed or admitted to trading and may be made on more than one occasion.
- (vi) As long as a Base Rate Modification is not deemed final and binding in accordance with this section 4.8.13, the Reference Rate applicable to the Notes will be equal to the last Reference Rate available on the relevant applicable screen rate pursuant to paragraph 4.8.6 (a) above.
- (vii) This section 4.8.13 shall be without prejudice to the application of any higher interest under applicable mandatory law.
- (viii) The Management Company, acting in the name and on behalf of the Fund, has given at least 10 Business Days' prior written notice of the proposed Base Rate Modification to the Paying Agent before publishing a Base Rate Modification Noteholder Notice.
- (ix) The Management Company, acting in the name and on behalf of the Fund, has provided to the Noteholders a Base Rate Modification Noteholder Notice, at least 40 calendar days prior to the date on which it is proposed that the Base Rate Modification would take effect (such date being no less than 10 Business Days prior to the next Determination Date).
- (x) Noteholders representing at least 10 per cent. of the Outstanding Principal Balance of the Most Senior Class of Floating Notes on the Base Rate Modification Record Date have not directed the Management Company (acting on behalf of the Fund) in writing (or otherwise directed the Paying Agent in accordance with the then current practice of any applicable clearing system through which such Most Senior Class of Floating Notes may be held) within such notification period that such Noteholders of the Most Senior Class of Floating Notes do not consent to the Base Rate Modification.

Noteholder negative consent rights

If Noteholders representing at least 10 per cent. of the Outstanding Principal Balance of the Most Senior Class of Floating Notes on the Base Rate Modification Record Date have directed the Management Company (acting on behalf of the Fund) in writing (or otherwise directed the Paying Agent in accordance with the current practice of any applicable clearing system through which such Most Senior Class of Floating Notes may be held) within the notification period referred to above that such Noteholders of the Most Senior Class of Floating Notes do not consent to the proposed Base Rate Modification, then the proposed Base Rate Modification will not be made unless an Ordinary Resolution is passed in favour of such proposed Base Rate Modification in accordance with section 4.11 of this Securities Note (Meeting of Noteholders) by each Class of Noteholders.

For these purposes:

**“Base Rate Modification Noteholder Notice”** means a written notice from the Management Company, acting in the name and on behalf of the Issuer, to notify Noteholders of a proposed Base Rate Modification confirming the following:

- (a) the date on which it is proposed that the Base Rate Modification shall take effect;
- (b) the period during which Noteholders of the Most Senior Class of Floating Notes who are Noteholders on the Base Rate Modification Record Date may object to the proposed Base Rate Modification (which notice period shall commence at least 40 calendar days prior to the date on which it is proposed that the Base Rate Modification would take effect and continue for a period of not less than 30 calendar days) and the method by which they may object;
- (c) the Base Rate Modification Event or Events which has or have occurred;
- (d) the Alternative Base Rate which is proposed to be adopted pursuant section 4.8.13(c) of the Securities Note and the rationale for choosing the proposed Alternative Base Rate;
- (e) details of any modifications that the Management Company, acting in the name and on behalf of the Issuer, has agreed will be made to any hedging agreement to which it is party for the purpose of aligning any such hedging agreement with proposed Base Rate Modification or, where it has not been possible to agree such modifications with hedging counterparties, why such agreement has not been possible and the effect that this may have on the transaction (in the view of the Rate Determination Agent); and
- (f) details of (i) any amendments which the Management Company, acting in the name and on behalf of the Issuer, proposes to make to these conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Management Company, acting in the name and on behalf of the Issuer, proposes to enter to facilitate the changes envisaged pursuant to section 4.8.13.

**“Base Rate Modification Record Date”** means the date specified to be the Base Rate Modification Record Date in the Base Rate Modification Noteholder Notice.

**4.8.14. Description of any market disruption or settlement disruption events that affect the underlying**

Not applicable.

**4.8.15. Adjustment rules with relation to events concerning the underlying**

Not applicable.

**4.8.16. Calculation Agent**

The Management Company shall determine the Interest Rate applicable to the Notes for the Interest Accrual Period (and in respect of the Notes, based on the information provided by the Paying Agent).

## 4.9. Redemption of the securities

### 4.9.1. Redemption price.

The redemption price of the Notes will be ONE HUNDRED THOUSAND EUROS (€ 100,000) per Note, equivalent to their nominal value, free of charges and taxes for the Noteholder, payable progressively on each principal Payment Date, as set out in the following sections.

Each and every one of the Notes of each Class will be repaid in the same amount by means of a reduction in the nominal value of each Note.

### 4.9.2. Date and forms of redemption.

Subject to the Management Company redeeming the Notes prior to the Legal Maturity Date of the Fund in accordance with section 4.4.3 of the Registration Document, the final maturity of the Notes will take place on the sooner of the date on which they are redeemed in full or the Legal Maturity Date of the Fund (subject to Modified Following Business Day Convention).

The Notes will be redeemed by means of reducing their nominal value on each Payment Date until their full redemption in accordance with the redemption rules set forth in section 4.9.3 below and following the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments set forth in sections 3.4.7.2 and 3.4.7.4, respectively, of the Additional Information, provided that there are sufficient Available Funds for such purposes.

### 4.9.3. Redemption of the Notes

Prior to the occurrence of a Turbo Amortisation Event, the Available Funds will be applied:

- (a) *firstly*, to the redemption of the Class A Notes up to the Class A Target Amortisation Amount,
- (b) *secondly*, once Class A Notes have been fully redeemed, to the redemption of Class Z Notes up to the Class Z Target Amortisation Amount,
- (c) *thirdly*, once the Class Z Notes have been fully redeemed, to the redemption of Class B Notes up to the Class B Target Amortisation Amount, and
- (d) *fourthly*, once Class B Notes have been fully redeemed, to the redemption of Class C Notes up to the Class C Target Amortisation Amount.

#### 4.9.3.1. Redemption Rules for the Class A Notes

On each Payment Date, prior to the occurrence of a Turbo Amortisation Event, the Available Funds for the repayment of the Outstanding Principal Balance of the Class A Notes shall equal the Class A Target Amortisation Amount.

For these purposes:

- (a) “**Class A Target Amortisation Amount**” (“**Importe Objetivo de Amortización de los Bonos de la Clase A**”) means an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class A Notes, the Class Z Notes, the Class B Notes and the Class C Notes and (ii) the aggregate of the Outstanding Balance of

the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the corresponding Payment Date.

- (b) **“Outstanding Principal Balance of the Class A Notes”** (**“Saldo Vivo de los Bonos de la Clase A”**) means, on each day, the principal amount of the Class A Notes upon issue less the aggregate amount of all principal payments on the Class A Notes that have been repaid on or prior to such date.

Notwithstanding the above, if a Turbo Amortisation Event occurs, the Available Funds for the repayment of the Outstanding Principal Balance of the Class A Notes from that Payment Date and until the Legal Maturity Date shall equal the amount of the Available Funds after the payment of items (1) to (6) (inclusive) of the Pre-Enforcement Priority of Payments.

For these purposes, **“Turbo Amortisation Event”** (**“Evento de Amortización Acelerada de los Bonos”**) means:

- (a) the Determination Date preceding any Payment Date, including the Determination Date preceding the First Payment Date, on which the Cumulative Default Ratio is equal to or higher than the following percentages:
1. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 1 year after the Date of Incorporation: 1.00%;
  2. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 2 years after the Date of Incorporation: 2.00%;
  3. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 3 years after the Date of Incorporation: 3.00%;
  4. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 4 years after the Date of Incorporation: 4.00%;
  5. Until Determination Date (inclusive) immediately preceding the Payment Date falling 5 years after the Date of Incorporation: 5.00%;
- (b) Any Payment Date occurring after the Step-up Date.

For these purposes, **“Cumulative Default Ratio”** (**“Ratio de Fallidos Acumulado”**) means on any Determination Date, the cumulative balance of the Defaulted Receivables since the Date of Incorporation divided by the Outstanding Balance of the Receivables on the Date of Incorporation.

#### **4.9.3.2. Redemption Rules for the Class Z Notes**

The Available Funds for the repayment of the Outstanding Principal Balance of the Class Z Notes shall be equal to the Class Z Target Amortisation Amount.

- (a) For these purposes: **“Class Z Target Amortisation Amount”** (**“Importe Objetivo de Amortización de los Bonos de la Clase Z”**) means, once the Class A Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class Z Notes, Class B Notes and Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the Payment Date.

- (b) **“Outstanding Principal Balance of the Class Z Notes”** (**“Saldo Vivo de los Bonos de la Clase Z”**): means, on each day, the principal amount of the Class Z Notes upon issue less the aggregate amount of all principal payments on the Class Z Notes that have been repaid on or prior to such date.

Notwithstanding the above, if a Turbo Amortisation Event occurs, the Available Funds for the repayment of the Outstanding Principal Balance of the Class Z Notes from that Payment Date and until the Legal Maturity Date shall equal the amount of the Available Funds after the payment of items (1) to (7) (inclusive) of the Pre-Enforcement Priority of Payments.

#### **4.9.3.3. Redemption Rules for the Class B Notes**

The Available Funds for the repayment of the Outstanding Principal Balance of the Class B Notes shall equal the Class B Target Amortisation Amount.

For these purposes:

- (a) **“Class B Target Amortisation Amount”** (**“Importe Objetivo de Amortización de los Bonos de la Clase B”**) means, once the Class A Notes and the Class Z Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class B Notes and the Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the corresponding Payment Date.
- (b) **“Outstanding Principal Balance of the Class B Notes”** (**“Saldo Vivo de los Bonos de la Clase B”**): means, on each day, the principal amount of the Class B Notes upon issue less the aggregate amount of all principal payments on the Class B Notes that have been repaid on or prior to such date.

Notwithstanding the above, if a Turbo Amortisation Event occurs, the Available Funds for the repayment of the Outstanding Principal Balance of the Class B Notes from that Payment Date until the Legal Maturity Date shall equal the amount of the Available Funds after the payment of items (1) to (9) (inclusive) of the Pre-Enforcement Priority of Payments.

#### **4.9.3.4. Redemption Rules for the Class C Notes**

The Available Funds for the repayment of the Outstanding Principal Balance of the Class C Notes shall equal the Class C Target Amortisation Amount.

For these purposes:

- (a) **“Class C Target Amortisation Amount”** (**“Importe Objetivo de Amortización de los Bonos de la Clase C”**) means, once the Class A Notes, the Class Z Notes and the Class B Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the corresponding Payment Date.
- (b) **“Outstanding Principal Balance of the Class C Notes”** (**“Saldo Vivo de los Bonos de la Clase C”**): means, on each day, the principal amount of the Class C Notes upon issue less the aggregate amount of all principal



payments on the Class C Notes that have been repaid on or prior to such date.

Notwithstanding the above, if a Turbo Amortisation Event occurs, the Available Funds for the repayment of the Outstanding Principal Balance of Class C Notes from that Payment Date until the Legal Maturity Date shall equal the amount of the Available Funds after the payment of items (1) to (11) (inclusive) of the Pre-Enforcement Priority of Payments.

**4.9.3.5. Early redemption of all the Notes issued**

Regardless of the obligation of the Fund to make partial redemptions on each Payment Date or redeem the Notes in full on the Legal Maturity Date or as stated in the foregoing sections, the Management Company is authorised at any time to carry out the Early Liquidation of the Fund and hence the Early Redemption of the Notes in accordance with the provisions section 4.4.3 of the Registration Document, and to distribute the Available Funds for Liquidation in accordance with the Liquidation Priority of Payments set out in section 3.4.7.4 of the Additional Information.

**4.9.4. Optional Redemption**

The Seller will have the option (but not the obligation) to request the Management Company to redeem on any Payment Date occurring from the Step-up Date (each an "**Optional Redemption Date**") the Notes in whole (but not in part) at their Outstanding Principal Balance together with all accrued but unpaid interest thereon up to and including the relevant Payment Date in accordance with the Liquidation Priority of Payments set out in section 3.4.7.4 of the Additional Information (an "**Optional Redemption**") and, consequently, repurchase all outstanding Receivables pooled in the Fund.

In order for the Management Company to carry out the Optional Redemption, the Seller and the Management Company shall take the following actions:

- (a) the Seller shall provide with written notice to the Management Company requesting the Management Company to redeem the Notes and, consequently, its intention to repurchase all outstanding Receivables pooled in the Fund; and
- (b) the Management Company, acting on behalf of the Fund, shall give at least 15 days' prior written notice to Noteholders and to the Cap Counterparty by publishing the appropriate privileged information (*información privilegiada*) or other material event (*información relevante*), as applicable, with CNMV.

The Management Company shall notify the Noteholders that:

- (a) the Seller has requested the Management Company, on behalf of the Fund, to redeem the Notes on the corresponding Payment Date;
- (b) the Management Company, acting on behalf of the Fund, intends to carry out the Option Redemption of the Notes on the corresponding Payment Date; and
- (c) the Fund shall have the necessary funds on such Payment Date to discharge its outstanding liabilities in respect of the Class A Notes, the Class Z Notes and the Class B Notes together with all accrued but unpaid interest thereon, i.e., at par value, and any amount ranking prior thereto or *pari passu* therewith pursuant to the Liquidation Priority of Payments.

The Management Company, acting on behalf of the Fund, shall carry out the Optional Redemption of the Notes at the request of the Seller even if creditors with lower ranking than to the Class A Notes, the Class Z Notes and Class B Notes, such as Class C Noteholders, suffer a loss.

The effectiveness of the repurchase by the Seller of the Receivables pooled at the Fund following the Optional Redemption will be subject to (i) receipt by the Fund of the purchase price of the Receivables from the Seller, which will form part of the Available Funds for Liquidation and (ii) the repurchase price shall be sufficient to discharge all the outstanding liabilities in respect of the Class A Notes, the Class Z Notes and Class B Notes (including all accrued but unpaid interest) and any amount ranking prior thereto or *pari passu* therewith pursuant to the Liquidation Priority of Payments.

#### **4.10. Indication of investor yield and calculation method**

The average yield, duration and final maturity of the Notes depend on several factors, of which the most significant are the following:

- (a) The repayment schedule of each of the Mortgage Loans established in the corresponding Mortgage Loan agreements.
- (b) The ability of the Borrowers to totally or partially repay the Mortgage Loans in advance and the speed at which this repayment takes place during the life of the Fund. Therefore, the repayment of the Mortgage Loans by the Borrowers, subject to ongoing changes, and estimated in this Prospectus through the use of several assumptions regarding the behaviour of the future CPR, will directly influence the speed of the redemption of the Notes, and, therefore, the average life and duration of the Notes.
- (c) The interest rates applicable to the Mortgage Loans, which will cause the amount of the repayment in each Mortgage Loan instalment to vary.
- (d) The payment default ratio by the Borrowers under the Mortgage Loans.
- (e) The payment will always be made in accordance with the Pre-Enforcement Priority of Payments or, where applicable, the Liquidation Priority of Payments described in sections 3.4.7.2 and 3.4.7.4 of the Additional Information and in the Deed of Incorporation, respectively.

In order to calculate the tables included in this section, the following hypothetical values, taking into consideration the Receivables, have been assumed for the factors described above:

- (a) The interest rate of the Mortgage Loans used to calculate the repayments and interest on each of the selected Mortgage Loans is the interest rate of each of the selected Mortgage Loans on 5 April 2021, without considering limitations based on the Consumer Price Index (“CPI”) of instalment amounts. Therefore, the interest rate of each of the selected Mortgage Loans will remain constant until the final maturity date of each Mortgage Loan;
- (b) The annualised default rate and annualised delinquency rate (all loans that are once delinquent are considered ultimately becoming defaulted) of the Mortgage Loan portfolio during the lifetime of the transaction is 1.25 with 50% recovery at 12 months since the Mortgage Loans have been Defaulted Receivables. No Class B Interest Deferral Trigger Event will occur;
- (c) The Disbursement Date is 6 May 2021;

- (d) The annual conditional prepayment rate (CPRs) (3%, 4.5% and 7%) hold constant over the life of the Notes, being 4.5% CPR the most likelihood scenario;
- (e) Any funds credited in the Cash Flow Account shall accrue a 0% yield;
- (f) All Notes will be fully redeemed on the Payment Date occurring on the Step-up Date 15 June 2026 (this assumes the exercise of the Optional Redemption by the Seller on such Payment Date), and therefore, a Turbo Amortisation Event does not occur;
- (g) The weighted average rate of the Class A Notes, the Class Z Notes, the Class B Notes and the Class C Notes from the First Interest Payment Date compared with the weighted average interest rate of the Mortgage Loans is set out in the table below;
- (h) The calculation of the Average Life, the Internal Rate of Return ("**IRR**") and the duration of the Notes have been calculated on an Act/365 basis and no adjustment in accordance with the Business Day Convention was made;
- (i) The structure incorporates a Cap Rate of 3.00%.
- (j) Ordinary Expenses of EUR 100,000 per annum and variable costs of 0.02% per annum with quarterly payments (with a minimum of EUR 10,000 per quarter and maximum of EUR 80,000 per annum, for variable costs).

	Reference	Spread until Step-up Date	Interest Rate until Step-up Date	Spread from Step-up Date	Interest Rate from Step-up Date
<b>Class A Notes</b>	-0.538%	0.700%	0.162%	1.200%	0.662%
<b>Class Z Notes</b>	n.a.	n.a.	0.100%	n.a.	0.100%
<b>Class B Notes</b>	-0.538%	0.800%	0.262%	0.800%	0.262%
<b>Class C Notes</b>	-0.538%	0.900%	0.362%	0.900%	0.362%
WA Interest Rate from the Notes			<b>0.170%</b>		<b>0.568%</b>
Weighted Average Interest Rate from the Mortgage Loans = <b>2.052%</b>					
Weighted Average Interest Rate for the Notes from the First Interest Payment Date (excluded) till the Step-up Date (included) = <b>0.170%</b>					
Weighted Average Interest Rate for the Notes from the Step-up Date (excluded) till Clean-up Call Date = <b>0.568%</b>					

The adjusted actual duration of the Notes will also depend on their variable interest rate, and in all of the tables where interest rates are shown in this section, they are assumed constant for Class A Notes at 0.170%, for Class Z Notes at 0.100%, for Class B Notes at 0.270% and for Class C Notes at 0.370% for the First Payment Date and 0.162% for Class A Notes, 0.100% for Class Z Notes, 0.262% for Class B Notes and 0.362% for Class C Notes for the other Payment Dates, taking as a reference -0.530% for the First Payment Date (the linear interpolation between three-month and six-month EURIBOR on 26<sup>th</sup> April 2021) and -0.538% for the other Payment Dates (three-month EURIBOR on 26<sup>th</sup> April 2021), plus: a margin of 0.700% for the Class A Notes, a margin of 0.800% for the Class B Notes and a margin of 0.900% for the Class C Notes.

Variables (b) and (d) above, which are used in the tables below, are based on prudential hypothesis according to the historical data of previous experiences of the Seller in the context of other RBMS securitisations formalized in the past (considering the better quality of the Preliminary Portfolio in comparison to the Seller's global portfolio).

In preparing the below tables; each Mortgage Loan has been analysed on an individual basis bearing economic characteristics as at 5 April 2021 (periodicity of the instalments, nominal interest, etc.).

As a consequence, variables (b) and (d) disclosed above causes a cumulative loss ratio at maturity of:

- (a) 2.55% with a CPR of 3%,
- (b) 2.43% with a CPR of 4.5%; and
- (c) 2.24% with a CPR of 7%.

The cumulative loss ratio described above is built upon the Receivables default rate, the Receivables recovery rate and a lag period between the default and the recovery of the Receivables. All these three variables plus the different constant prepayment rate from the Mortgage Loans disclosed in the scenarios (3%, 4.5%, 7%) give out the different cumulative loss ratios disclosed above. As a general rule the higher the constant prepayment rate of the loans the lower the Cumulative Default Ratio.

The average life of the Notes, IRR and duration for different CPR, assuming the hypothesis described above, would be as follows:

<b>CPR</b>	<b>3%</b>	<b>4.5%</b>	<b>7%</b>
<b>Class A Notes *</b>			
Average Life (years)	4.10	3.92	3.63
IRR	-0.14%	-0.15%	-0.18%
Duration (years)	4.09	3.90	3.61
Final maturity	15-Jun-26	15-Jun-26	15-Jun-26
	(years)	5.11	5.11
Loss Ratio at maturity	2.55%	2.43%	2.24%
<b>Class Z Notes</b>			
Average Life (years)	5.11	5.11	5.11
IRR	0.10%	0.10%	0.10%
Duration (years)	5.10	5.10	5.10
Final maturity	15-Jun-26	15-Jun-26	15-Jun-26
	(years)	5.11	5.11
Loss Ratio at maturity	2.55%	2.43%	2.24%
<b>Class B Notes</b>			
Average Life (years)	5.11	5.11	5.11
IRR	0.27%	0.27%	0.27%
Duration (years)	5.08	5.08	5.08
Final maturity	15-Jun-26	15-Jun-26	15-Jun-26
	(years)	5.11	5.11
Loss Ratio at maturity	2.55%	2.43%	2.24%
<b>Class C Notes</b>			
Average Life (years)	5.11	5.11	5.11
IRR	0.37%	0.37%	0.37%
Duration (years)	5.07	5.07	5.07
Final maturity	15-Jun-26	15-Jun-26	15-Jun-26
	(years)	5.11	5.11
Loss Ratio at maturity	2.55%	2.43%	2.24%

\* Considering an issue price of 101.237% for the Class A Notes.

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**FLows FOR EVERY BOND WITHOUT WITHHOLDING FOR THE HOLDER (AMOUNTS IN EUR) CPR 3%**

Payment Date	Class A Notes			Class Z Notes			Class B Notes			Class C Notes		
	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow
<b>TOTALS:</b>	<b>100,000.00</b>	<b>673.73</b>	<b>100,673.73</b>	<b>100,000.00</b>	<b>518.33</b>	<b>100,518.33</b>	<b>100,000.00</b>	<b>1,358.03</b>	<b>101,358.03</b>	<b>100,000.00</b>	<b>1,876.37</b>	<b>101,876.37</b>
06-May-21												
15-Sep-21	2,607.92	59.40	2,667.32	0	36.67	36.67	0.00	96.07	96.07	0.00	132.73	132.73
15-Dec-21	1,936.36	39.88	1,976.24	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-22	1,919.33	38.66	1,957.99	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-22	2,147.49	38.72	2,186.21	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-22	2,241.79	37.84	2,279.62	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-22	2,211.94	36.51	2,248.44	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-23	2,182.54	35.21	2,217.75	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-23	2,153.29	35.09	2,188.38	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-23	2,123.99	34.20	2,158.19	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-23	2,094.82	32.95	2,127.77	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-24	2,065.60	32.10	2,097.70	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Jun-24	2,036.77	32.28	2,069.05	0	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
16-Sep-24	2,009.71	30.42	2,040.13	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Dec-24	1,982.65	29.59	2,012.25	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-25	1,955.81	28.78	1,984.60	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Jun-25	1,930.71	27.98	1,958.69	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-25	1,904.66	27.19	1,931.85	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Dec-25	1,877.95	26.41	1,904.36	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Mar-26	1,850.53	25.64	1,876.17	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-26	60,766.13	24.88	60,791.02	100000	25.28	100,025.28	100,000.00	66.23	100,066.23	100,000.00	91.51	100,091.51

**FLows FOR EVERY BOND WITHOUT WITHHOLDING FOR THE HOLDER (AMOUNTS IN EUR) CPR 4.5%**

Payment Date	Class A Notes			Class Z Notes			Class B Notes			Class C Notes		
	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow
<b>TOTALS:</b>	<b>100,000.00</b>	<b>643.57</b>	<b>100,643.57</b>	<b>100,000.00</b>	<b>518.33</b>	<b>100,518.33</b>	<b>100,000.00</b>	<b>1,358.03</b>	<b>101,358.03</b>	<b>100,000.00</b>	<b>1,876.37</b>	<b>101,876.37</b>
06-May-21												
15-Sep-21	3,245.48	59.40	3,304.88	0.00	36.67	36.67	0.00	96.07	96.07	0.00	132.73	132.73
15-Dec-21	2,394.83	39.62	2,434.46	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-22	2,361.25	38.22	2,399.47	0.00	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-22	2,569.04	38.09	2,607.13	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-22	2,643.20	37.02	2,680.22	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-22	2,595.26	35.54	2,630.80	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-23	2,548.21	34.10	2,582.31	0.00	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-23	2,501.74	33.80	2,535.54	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-23	2,455.65	32.76	2,488.42	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-23	2,410.12	31.40	2,441.52	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-24	2,364.96	30.42	2,395.38	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Jun-24	2,320.60	30.42	2,351.02	0.00	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
16-Sep-24	2,278.34	28.50	2,306.83	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Dec-24	2,236.47	27.56	2,264.04	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-25	2,195.20	26.65	2,221.85	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Jun-25	2,155.94	25.75	2,181.69	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-25	2,116.17	24.87	2,141.04	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Dec-25	2,076.15	24.00	2,100.15	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Mar-26	2,035.84	23.15	2,058.99	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-26	54,495.53	22.32	54,517.85	100,000.00	25.28	100,025.28	100,000.00	66.23	100,066.23	100,000.00	91.51	100,091.51

**FLows FOR EVERY BOND WITHOUT WITHHOLDING FOR THE HOLDER (AMOUNTS IN EUR) CPR 7%**

Payment Date	Class A Notes			Class Z Notes			Class B Notes			Class C Notes		
	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow
<b>TOTALS:</b>	<b>100,000.00</b>	<b>595.55</b>	<b>100,595.55</b>	<b>100,000.00</b>	<b>518.33</b>	<b>100,518.33</b>	<b>100,000.00</b>	<b>1,358.03</b>	<b>101,358.03</b>	<b>100,000.00</b>	<b>1,876.37</b>	<b>101,876.37</b>
06-May-21												
15-Sep-21	4,323.08	59.40	4,382.48	0.00	36.67	36.67	0.00	96.07	96.07	0.00	132.73	132.73
15-Dec-21	3,160.03	39.18	3,199.21	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-22	3,090.71	37.47	3,128.18	0.00	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-22	3,256.92	37.02	3,293.94	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-22	3,290.47	35.67	3,326.15	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-22	3,205.89	33.94	3,239.83	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-23	3,123.44	32.27	3,155.70	0.00	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-23	3,042.78	31.69	3,074.47	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-23	2,963.70	30.43	2,994.13	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-23	2,886.33	28.89	2,915.22	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-24	2,810.49	27.71	2,838.20	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Jun-24	2,736.54	27.43	2,763.97	0.00	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
16-Sep-24	2,665.63	25.43	2,691.06	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Dec-24	2,596.16	24.34	2,620.50	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-25	2,528.27	23.28	2,551.55	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Jun-25	2,463.23	22.24	2,485.47	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-25	2,398.70	21.24	2,419.94	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Dec-25	2,334.94	20.25	2,355.20	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Mar-26	2,271.90	19.30	2,291.20	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-26	44,850.79	18.37	44,869.16	100,000.00	25.28	100,025.28	100,000.00	66.23	100,066.23	100,000.00	91.51	100,091.51



The average life of the Notes and until the Clean-up Call occurs, IRR and duration for different CPR (3%, 4.5% and 7% respectively), assuming the hypothesis described above (other than factor (f) set forth on section 4.10 of the Securities Notes about the exercise of the Optional Redemption on the Step-up Date) would be as follows:

<b>CPR</b>	<b>3%</b>	<b>4.5%</b>	<b>7%</b>
<b>Class A Notes *</b>			
Average Life (years)	6.74	5.90	4.85
IRR	0.18%	0.12%	0.04%
Duration (years)	6.68	5.86	4.83
Final maturity	17-Mar-36	15-Sep-34	15-Sep-32
	(years)		
	14.87	13.37	11.37
Loss Ratio at maturity	5.52%	4.84%	3.92%
<b>Class Z Notes</b>			
Average Life (years)	16.55	15.10	13.01
IRR	0.10%	0.10%	0.10%
Duration (years)	16.41	14.99	12.93
Final maturity	15-Sep-39	15-Mar-38	17-Mar-36
	(years)		
	18.37	16.87	14.87
Loss Ratio at maturity	5.52%	4.84%	3.92%
<b>Class B Notes</b>			
Average Life (years)	19.46	18.11	15.95
IRR	0.27%	0.27%	0.27%
Duration (years)	18.97	17.69	15.62
Final maturity	16-Dec-41	17-Sep-40	15-Dec-37
	(years)		
	20.63	19.38	16.62
Loss Ratio at maturity	5.52%	4.84%	3.92%
<b>Class C Notes</b>			
Average Life (years)	20.87	19.38	16.62
IRR	0.36%	0.36%	0.36%
Duration (years)	20.52	19.07	16.36
Final maturity	17-Mar-42	17-Sep-40	15-Dec-37
	(years)		
	20.88	19.38	16.62
Loss Ratio at maturity	5.52%	4.84%	3.92%

\* Considering an issue price of 101.237% for the Class A Notes.

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**FLows FOR EVERY Bond WITHOUT WITHHOLDING FOR THE HOLDER (AMOUNTS IN EUR) CPR 3%**

Payment Date	Class A Notes			Class Z Notes			Class B Notes			Class C Notes		
	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow
<b>TOTALS:</b>	<b>100,000.00</b>	<b>2,444.69</b>	<b>102,444.69</b>	<b>100,000.00</b>	<b>1,677.76</b>	<b>101,677.76</b>	<b>100,000.00</b>	<b>5,168.13</b>	<b>105,168.13</b>	<b>100,000.00</b>	<b>2,051.54</b>	<b>102,051.54</b>
06-May-21												
15-Sep-21	2,607.92	59.40	2,667.32	0.00	36.67	36.67	0.00	96.07	96.07	0.00	132.73	132.73
15-Dec-21	1,936.36	39.88	1,976.24	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-22	1,919.33	38.66	1,957.99	0.00	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-22	2,147.49	38.72	2,186.21	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-22	2,241.79	37.84	2,279.62	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-22	2,211.94	36.51	2,248.44	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-23	2,182.54	35.21	2,217.75	0.00	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-23	2,153.29	35.09	2,188.38	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-23	2,123.99	34.20	2,158.19	0.00	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-23	2,094.82	32.95	2,127.77	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-24	2,065.60	32.10	2,097.70	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Jun-24	2,036.77	32.28	2,069.05	0.00	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
16-Sep-24	2,009.71	30.42	2,040.13	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Dec-24	1,982.65	29.59	2,012.25	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-25	1,955.81	28.78	1,984.60	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Jun-25	1,930.71	27.98	1,958.69	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-25	1,904.66	27.19	1,931.85	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Dec-25	1,877.95	26.41	1,904.36	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Mar-26	1,850.53	25.64	1,876.17	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-26	1,822.96	24.88	1,847.84	0.00	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-26	2,008.75	99.72	2,108.47	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-26	1,981.35	95.27	2,076.62	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-27	1,953.44	90.95	2,044.39	0.00	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-27	1,921.13	89.66	2,010.79	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-27	1,891.12	86.41	1,977.53	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-27	1,864.39	82.31	1,946.70	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-28	1,837.02	79.19	1,916.21	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Jun-28	1,807.86	76.95	1,884.81	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-28	1,781.93	73.89	1,855.82	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-28	1,756.52	70.11	1,826.63	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-29	1,731.69	66.43	1,798.12	0.00	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-29	1,703.05	64.98	1,768.03	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
17-Sep-29	1,674.25	63.45	1,737.70	0.00	26.11	26.11	0.00	68.41	68.41	0.00	0.00	0.00
17-Dec-29	1,649.41	58.62	1,708.03	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-30	1,625.22	54.02	1,679.23	0.00	24.44	24.44	0.00	64.04	64.04	0.00	0.00	0.00
17-Jun-30	1,595.36	54.89	1,650.25	0.00	26.11	26.11	0.00	68.41	68.41	0.00	0.00	0.00
16-Sep-30	1,570.62	50.47	1,621.09	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
16-Dec-30	1,546.19	47.84	1,594.03	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
17-Mar-31	1,521.65	45.25	1,566.91	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
16-Jun-31	1,498.29	42.71	1,541.00	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Sep-31	1,476.17	40.20	1,516.38	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Dec-31	1,454.20	37.73	1,491.94	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-32	1,432.28	35.30	1,467.58	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Jun-32	1,410.70	33.26	1,443.97	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-32	1,389.15	30.88	1,420.03	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-32	1,367.47	28.22	1,395.68	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-33	1,345.12	25.64	1,370.76	0.00	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-33	1,322.95	23.94	1,346.89	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-33	1,301.70	21.70	1,323.40	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-33	1,280.22	19.28	1,299.50	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-34	1,259.64	16.95	1,276.60	0.00	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-34	1,237.84	15.20	1,253.04	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-34	1,217.09	13.11	1,230.20	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-34	1,195.76	10.93	1,206.68	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-35	1,173.60	8.83	1,182.43	0.00	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-35	1,151.65	7.04	1,158.68	0.00	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
17-Sep-35	1,128.93	5.20	1,134.13	0.00	26.11	26.11	0.00	68.41	68.41	0.00	0.00	0.00
17-Dec-35	1,111.01	3.15	1,114.15	0.00	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
17-Mar-36	768.43	1.29	769.72	2,478.16	25.28	2,503.44	0.00	66.23	66.23	0.00	0.00	0.00
16-Jun-36	0.00	0.00	0.00	8,207.11	24.65	8,231.76	0.00	66.23	66.23	0.00	0.00	0.00
15-Sep-36	0.00	0.00	0.00	8,060.77	22.58	8,083.34	0.00	66.23	66.23	0.00	0.00	0.00
15-Dec-36	0.00	0.00	0.00	7,916.67	20.54	7,937.21	0.00	66.23	66.23	0.00	0.00	0.00
16-Mar-37	0.00	0.00	0.00	7,780.55	18.54	7,799.09	0.00	66.23	66.23	0.00	0.00	0.00
15-Jun-37	0.00	0.00	0.00	7,639.18	16.57	7,655.75	0.00	66.23	66.23	0.00	0.00	0.00
15-Sep-37	0.00	0.00	0.00	7,490.44	14.80	7,505.24	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-37	0.00	0.00	0.00	7,349.66	12.75	7,362.41	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-38	0.00	0.00	0.00	7,205.39	10.77	7,216.16	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-38	0.00	0.00	0.00	7,064.65	9.17	7,073.82	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-38	0.00	0.00	0.00	6,923.25	7.36	6,930.61	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-38	0.00	0.00	0.00	6,777.48	5.53	6,783.01	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-39	0.00	0.00	0.00	6,641.23	3.78	6,645.01	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-39	0.00	0.00	0.00	6,485.40	2.16	6,487.57	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-39	0.00	0.00	0.00	1,980.07	0.51	1,980.57	8,217.39	66.96	8,284.35	0.00	0.00	0.00
15-Dec-39	0.00	0.00	0.00	0.00	0.00	0.00	11,657.14	60.79	11,717.93	0.00	0.00	0.00
15-Mar-40	0.00	0.00	0.00	0.00	0.00	0.00	11,325.99	53.07	11,379.06	0.00	0.00	0.00
15-Jun-40	0.00	0.00	0.00	0.00	0.00	0.00	10,997.95	46.07	11,044.02	0.00	0.00	0.00
17-Sep-40	0.00	0.00	0.00	0.00	0.00	0.00	10,713.60	39.54	10,753.14	0.00	0.00	0.00
17-Dec-40												

**FLows FOR EVERY BOND WITHOUT WITHHOLDING FOR THE HOLDER (AMOUNTS IN EUR) CPR 4.5%**

Payment Date	Class A Notes			Class Z Notes			Class B Notes			Class C Notes		
	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow
<b>TOTALS:</b>	<b>100,000.00</b>	<b>1,975.78</b>	<b>101,975.78</b>	<b>100,000.00</b>	<b>1,531.10</b>	<b>101,531.10</b>	<b>100,000.00</b>	<b>4,811.58</b>	<b>104,811.58</b>	<b>100,000.00</b>	<b>1,970.89</b>	<b>101,970.89</b>
06-May-21												
15-Sep-21	3,245.48	59.40	3,304.88	0	36.67	36.67	0.00	96.07	96.07	0.00	132.73	132.73
15-Dec-21	2,394.83	39.62	2,434.46	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-22	2,361.25	38.22	2,399.47	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-22	2,569.04	38.09	2,607.13	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-22	2,643.20	37.02	2,680.22	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-22	2,595.26	35.54	2,630.80	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-23	2,548.21	34.10	2,582.31	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-23	2,501.74	33.80	2,535.54	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-23	2,455.65	32.76	2,488.42	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-23	2,410.12	31.40	2,441.52	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-24	2,364.96	30.42	2,395.38	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Jun-24	2,320.60	30.42	2,351.02	0	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
16-Sep-24	2,278.34	28.50	2,306.83	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Dec-24	2,236.47	27.56	2,264.04	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-25	2,195.20	26.65	2,221.85	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Jun-25	2,155.94	25.75	2,181.69	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-25	2,116.17	24.87	2,141.04	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Dec-25	2,076.15	24.00	2,100.15	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Mar-26	2,035.84	23.15	2,058.99	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-26	1,995.78	22.32	2,018.10	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-26	2,163.37	88.82	2,252.19	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-26	2,123.34	84.23	2,207.57	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-27	2,083.21	79.79	2,163.01	0	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-27	2,039.53	78.04	2,117.57	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-27	1,998.28	74.59	2,072.87	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-27	1,960.33	70.44	2,030.77	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-28	1,922.20	67.16	1,989.36	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Jun-28	1,882.85	64.64	1,947.50	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-28	1,846.73	61.46	1,908.18	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-28	1,811.36	57.70	1,869.06	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-29	1,776.84	54.07	1,830.90	0	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-29	1,739.40	52.26	1,791.67	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
17-Sep-29	1,702.19	50.39	1,752.58	0	26.11	26.11	0.00	68.41	68.41	0.00	0.00	0.00
17-Dec-29	1,668.55	45.93	1,714.48	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-30	1,635.64	41.72	1,677.36	0	24.44	24.44	0.00	64.04	64.04	0.00	0.00	0.00
17-Jun-30	1,598.81	41.74	1,640.55	0	26.11	26.11	0.00	68.41	68.41	0.00	0.00	0.00
16-Sep-30	1,566.05	37.73	1,603.78	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
16-Dec-30	1,534.09	35.11	1,569.20	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
17-Mar-31	1,502.36	32.54	1,534.90	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
16-Jun-31	1,471.98	30.03	1,502.01	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Sep-31	1,442.96	27.57	1,470.52	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Dec-31	1,414.34	25.15	1,439.49	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-32	1,386.02	22.78	1,408.81	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Jun-32	1,358.33	20.69	1,379.02	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-32	1,330.86	18.39	1,349.25	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-32	1,303.47	15.96	1,319.43	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-33	1,275.78	13.63	1,289.41	0	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-33	1,248.72	11.78	1,260.50	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-33	1,222.53	9.66	1,232.20	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-33	1,196.33	7.51	1,203.85	0	25.28	25.28	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-34	1,171.12	5.45	1,176.57	0	25.00	25.00	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-34	1,145.38	3.59	1,148.97	0	25.56	25.56	0.00	66.96	66.96	0.00	0.00	0.00
15-Sep-34	976.77	1.65	978.43	1,098.74	25.56	1,124.29	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-34	0.00	0.00	0.00	8,367.83	25.00	8,392.83	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-35	0.00	0.00	0.00	8,160.97	22.63	8,183.61	0.00	65.50	65.50	0.00	0.00	0.00
15-Jun-35	0.00	0.00	0.00	7,958.85	21.05	7,979.90	0.00	66.96	66.96	0.00	0.00	0.00
17-Sep-35	0.00	0.00	0.00	7,753.78	19.43	7,773.21	0.00	68.41	68.41	0.00	0.00	0.00
17-Dec-35	0.00	0.00	0.00	7,578.73	16.85	7,595.58	0.00	66.23	66.23	0.00	0.00	0.00
17-Mar-36	0.00	0.00	0.00	7,404.61	14.93	7,419.55	0.00	66.23	66.23	0.00	0.00	0.00
16-Jun-36	0.00	0.00	0.00	7,232.86	13.06	7,245.92	0.00	66.23	66.23	0.00	0.00	0.00
15-Sep-36	0.00	0.00	0.00	7,065.79	11.23	7,077.03	0.00	66.23	66.23	0.00	0.00	0.00
15-Dec-36	0.00	0.00	0.00	6,902.06	9.45	6,911.51	0.00	66.23	66.23	0.00	0.00	0.00
16-Mar-37	0.00	0.00	0.00	6,746.12	7.70	6,753.82	0.00	66.23	66.23	0.00	0.00	0.00
15-Jun-37	0.00	0.00	0.00	6,587.54	6.00	6,593.54	0.00	66.23	66.23	0.00	0.00	0.00
15-Sep-37	0.00	0.00	0.00	6,424.74	4.38	6,429.12	0.00	66.96	66.96	0.00	0.00	0.00
15-Dec-37	0.00	0.00	0.00	6,269.67	2.71	6,272.38	0.00	66.23	66.23	0.00	0.00	0.00
15-Mar-38	0.00	0.00	0.00	4,447.70	1.11	4,448.82	3,154.70	65.50	3,220.20	0.00	0.00	0.00
15-Jun-38	0.00	0.00	0.00	0.00	0.00	0.00	11,291.62	64.84	11,356.46	0.00	0.00	0.00
15-Sep-38	0.00	0.00	0.00	0.00	0.00	0.00	11,010.04	57.28	11,067.33	0.00	0.00	0.00
15-Dec-38	0.00	0.00	0.00	0.00	0.00	0.00	10,724.72	49.37	10,774.08	0.00	0.00	0.00
15-Mar-39	0.00	0.00	0.00	0.00	0.00	0.00	10,455.62	41.80	10,497.43	0.00	0.00	0.00
15-Jun-39	0.00	0.00	0.00	0.00	0.00	0.00	10,154.82	35.73	10,190.55	0.00	0.00	0.00
15-Sep-39	0.00	0.00	0.00	0.00	0.00	0.00	9,666.68	28.93	9,695.61	0.00	0.00	0.00
15-Dec-39	0.00	0.00	0.00	0.00	0.00	0.00	9,368.69	22.21	9,390.90	0.00	0.00	0.00
15-Mar-40	0.00	0.00	0.00	0.00	0.00	0.00	9,057.01	16.01	9,073.01	0.00	0.00	0.00
15-Jun-40	0.00	0.00	0.00	0.00	0.00	0.00	8,750.77	10.12	8,760.89	0.00	0.00	0.00
17-Sep-40	0.00	0.00	0.00	0.00	0.00	0.00	6,365.33	4.35	6,369.68	100,000.00	5,236.93	105,236.93

**FLows FOR EVERY BOND WITHOUT WITHHOLDING FOR THE HOLDER (AMOUNTS IN EUR) CPR 7%**

Payment Date	Class A Notes			Class Z Notes			Class B Notes			Class C Notes		
	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow	Principal Repayment	Gross Interest	Total Flow
<b>TOTALS:</b>	<b>100,000.00</b>	<b>1,417.71</b>	<b>101,417.71</b>	<b>100,000.00</b>	<b>1,319.08</b>	<b>101,319.08</b>	<b>100,000.00</b>	<b>4,236.94</b>	<b>104,236.94</b>	<b>100,000.00</b>	<b>1,967.87</b>	<b>101,967.87</b>
06-May-21												
15-Sep-21	4,323.08	59.40	4,382.48	0	36.67	36.67	0.00	96.07	96.07	0.00	132.73	132.73
15-Dec-21	3,160.03	39.18	3,199.21	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-22	3,090.71	37.47	3,128.18	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-22	3,256.92	37.02	3,293.94	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-22	3,290.47	35.67	3,326.15	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-22	3,205.89	33.94	3,239.83	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-23	3,123.44	32.27	3,155.70	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-23	3,042.78	31.69	3,074.47	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-23	2,963.70	30.43	2,994.13	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-23	2,886.33	28.89	2,915.22	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-24	2,810.49	27.71	2,838.20	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Jun-24	2,736.54	27.43	2,763.97	0	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
16-Sep-24	2,665.63	25.43	2,691.06	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Dec-24	2,596.16	24.34	2,620.50	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-25	2,528.27	23.28	2,551.55	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Jun-25	2,463.23	22.24	2,485.47	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-25	2,398.70	21.24	2,419.94	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Dec-25	2,334.94	20.25	2,355.20	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Mar-26	2,271.90	19.30	2,291.20	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-26	2,210.04	18.37	2,228.41	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-26	2,346.17	17.24	2,363.41	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-26	2,284.77	16.43	2,301.20	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-27	2,224.21	15.62	2,239.83	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-27	2,161.68	14.81	2,176.49	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-27	2,102.05	14.00	2,116.05	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-27	2,046.03	13.19	2,059.22	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-28	1,990.77	12.38	2,003.15	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-28	1,935.41	11.57	1,946.98	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-28	1,883.45	10.76	1,894.21	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-28	1,832.75	9.95	1,842.70	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-29	1,783.50	9.14	1,792.64	0	25.00	25.00	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-29	1,732.95	8.33	1,741.28	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
17-Sep-29	1,683.35	7.52	1,690.87	0	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
17-Dec-29	1,636.87	6.71	1,643.58	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-30	1,591.77	5.90	1,597.67	0	24.44	24.44	0.00	64.04	64.04	0.00	89.50	89.50
17-Jun-30	1,545.05	5.09	1,550.14	0	26.11	26.11	0.00	68.41	68.41	0.00	94.52	94.52
16-Sep-30	1,501.47	4.28	1,505.75	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Dec-30	1,459.44	3.47	1,462.91	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-31	1,418.24	2.66	1,420.90	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
16-Jun-31	1,378.71	1.85	1,380.56	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Sep-31	1,340.81	1.04	1,341.85	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Dec-31	1,303.81	0.23	1,304.04	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-32	1,267.59	-0.58	1,267.01	0	25.28	25.28	0.00	66.23	66.23	0.00	91.51	91.51
15-Jun-32	1,232.51	-1.37	1,231.14	0	25.56	25.56	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-32	957.37	-2.16	955.21	1,838.65	25.56	1,864.21	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-32	0.00	-2.95	-2.95	8,890.54	24.81	8,915.36	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-33	0.00	-3.74	-3.74	8,620.62	22.32	8,642.93	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-33	0.00	-4.53	-4.53	8,360.53	20.61	8,381.14	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-33	0.00	-5.32	-5.32	8,108.03	18.47	8,126.50	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-33	0.00	-6.11	-6.11	7,859.18	16.22	7,875.41	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-34	0.00	-6.90	-6.90	7,619.95	14.08	7,634.03	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-34	0.00	-7.69	-7.69	7,382.42	12.45	7,394.87	0.00	66.96	66.96	0.00	92.51	92.51
15-Sep-34	0.00	-8.48	-8.48	7,153.25	10.56	7,163.81	0.00	66.96	66.96	0.00	92.51	92.51
15-Dec-34	0.00	-9.27	-9.27	6,926.11	8.64	6,934.75	0.00	66.23	66.23	0.00	91.51	91.51
15-Mar-35	0.00	-10.06	-10.06	6,700.63	6.81	6,707.44	0.00	65.50	65.50	0.00	90.50	90.50
15-Jun-35	0.00	-10.85	-10.85	6,481.85	5.25	6,487.10	0.00	66.96	66.96	0.00	92.51	92.51
17-Sep-35	0.00	-11.64	-11.64	6,264.45	3.67	6,268.12	0.00	68.41	68.41	0.00	94.52	94.52
17-Dec-35	0.00	-12.43	-12.43	6,070.94	1.97	6,072.91	0.00	66.23	66.23	0.00	91.51	91.51
17-Mar-36	0.00	-13.22	-13.22	1,722.85	0.44	1,723.28	7,875.26	66.23	7,941.49	0.00	92.51	92.51
16-Jun-36	0.00	-14.01	-14.01	0.00	0.00	0.00	10,790.27	61.01	10,851.28	0.00	94.52	94.52
15-Sep-36	0.00	-14.80	-14.80	0.00	0.00	0.00	10,454.86	53.87	10,508.73	0.00	92.51	92.51
15-Dec-36	0.00	-15.59	-15.59	0.00	0.00	0.00	10,040.76	46.94	10,087.70	0.00	91.51	91.51
16-Mar-37	0.00	-16.38	-16.38	0.00	0.00	0.00	9,629.83	40.29	9,670.13	0.00	90.50	90.50
15-Jun-37	0.00	-17.17	-17.17	0.00	0.00	0.00	9,325.41	33.91	9,359.32	0.00	90.50	90.50
15-Sep-37	0.00	-17.96	-17.96	0.00	0.00	0.00	9,020.77	28.04	9,048.82	0.00	90.50	90.50
15-Dec-37	0.00	-18.75	-18.75	0.00	0.00	0.00	32,862.83	21.76	32,884.59	100,000.00	4,224.34	104,224.34

The Management Company expressly states that the tables on debt service of the Notes described above are merely theoretical and for descriptive purposes, and do not represent any obligation to pay by the Fund, considering that:

- (a) The Outstanding Principal Balance of the Notes on each Payment Date and, therefore, the interest to be paid on each of them will depend on prepayment and payment default levels on the Mortgage Loans.
- (b) It is assumed that:
  - (i) on the first set of tables the Management Company will carry out the Early Liquidation of the Fund (and, thus, the Early Redemption of the Notes) on the Step-up Date; and
  - (ii) on the second set of tables the Management Company will carry put the Early Liquidation (and, thus, the Early Redemption of the Notes) on the Clean-up Call date.

The above tables showing the debt service for each Class of Notes assuming different CPRs, are consistent with the cash flow model provided by INTEX and Bloomberg.

#### 4.11. Representation of the security holders

Pursuant to Article 26 of Law 5/2015, the Management Company will act with utmost diligence and transparency in defence of the best interests of the Noteholders and the other creditors of the Fund.

Additionally, the Meeting of Creditors will be established upon and by virtue of the Deed of Incorporation and will remain in force and in effect until repayment of the Notes in full or cancellation of the Fund. The provisions relating to the Meeting of Creditors are contained in the Rules.

The terms and conditions of the rules for the Meeting of Creditors (the “**Rules**” or the “**Rules for the Meeting of Creditors**”) are the following:

<b>RULES FOR THE MEETING OF CREDITORS</b>	
<b>TITLE I</b>	
<b>GENERAL PROVISIONS</b>	
<b>Article 1</b>	
<b>General</b>	
1.1	According to Article 37 of Law 5/2015, the Meeting of Creditors will be validly constituted upon execution of the Deed of Incorporation of the Fund.
1.2	The contents of these Rules are deemed to form part of each Note issued by the Fund.
1.3	The Rules also govern the relationship of the Noteholders with the Subordinated Loan Provider and the Cap Counterparty (the “ <b>Other Creditors</b> ”). No creditor of the Fund other than the Noteholders and Other Creditors shall have the right to vote at any Meeting of Creditors.
1.4	Any matter relating to the Meeting of Creditors which is not regulated under these Rules shall be regulated in accordance with Article 37 of the Law 5/2015 and, if applicable, in accordance with the provisions contained in the Capital Companies Act, as amended, relating to the Security-holders’ Syndicate.
1.5	Any and all Noteholders and Other Creditors are members of the Meeting of Creditors and shall be subject to the provisions established in these Rules (as these may be modified by the Meeting of Creditors from time to time).
1.6	The Meeting of Creditors shall be convened by the Management Company and have the objective of defending the interests of the Noteholders and Other Creditors, without

distinction between the Noteholders and Other Creditors. Any information given to Noteholders must be given to the Other Creditors.

## **Article 2**

### **Definitions**

All capitalised terms of these Rules not otherwise defined herein shall have the same meaning set forth in the Prospectus and the Deed of Incorporation.

- **“Early Liquidation Resolution”** means an Extraordinary Resolution to decide on the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015. -
- **“Extraordinary Resolution”** means a resolution in relation to a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.
- **“Ordinary Resolution”** means a resolution in relation to any matter other than a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.
- **“Written Resolution”** means a resolution in writing signed by or on behalf of all Noteholders and Other Creditors who are then entitled to receive notice of a meeting in accordance with the Rules for the Meeting of Creditors, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders or by or on behalf of one or more of the Other Creditors;
- **“Resolution”** means a resolution passed by the Noteholders or Other Creditors (i) at a Meeting of Creditors of one or several Classes of Notes and/or Other Creditors or (ii) by virtue of a Written Resolution.
- **“Transaction Party”** means any person who is a party to a Transaction Document and **“Transaction Parties”** means some or all of them;
- **“Transaction Documents”** means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management, Placement and Subscription Agreement; (iii) the Subordinated Loan Agreement; (iv) the Cap Agreement; (v) the Reinvestment Agreement; (vi) the Payment Agency Agreement; and (vii) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

## **Article 3**

### **Separate and combined meetings**

- 3.1 An Ordinary Resolution or an Extraordinary Resolution which, in the opinion of the Management Company, affects the Noteholders of one or more Classes of Notes and/or the Other Creditors but does not give rise to an actual or potential conflict of interest between the Noteholders of different Classes of Notes and/or Other Creditors shall be transacted at a separate Meeting of Creditors for the Noteholders of each Class of Notes or the Other Creditors, or at a single Meeting of Creditors of the Noteholders of all Classes of Notes and the Other Creditors, as the Management Company shall determine at its absolute discretion.
- 3.2 An Ordinary Resolution or an Extraordinary Resolution which affects the Noteholders of different Classes of Notes and/or the Other Creditors and gives rise to an actual or potential conflict of interest between the Noteholders of any such Classes of Notes and/or the Other Creditors shall be transacted at separate Meetings of Creditors of the Noteholders of each of the affected Classes of Notes and, if applicable, of the Other Creditors.

## **Article 4**

### **Meetings convened by Noteholders and Other Creditors**

- 4.1 A Meeting of Creditors shall be convened by the Management Company upon the request in writing of:

(i) Noteholders of a Class or Classes holding no less than 10 per cent of the aggregate Outstanding Principal Balance of Notes of the relevant Class or Classes or

(ii) Other Creditors holding no less than 10 per cent of the outstanding principal amount due to such Other Creditors.

Noteholders and Other Creditors can also participate in a Meeting of Creditors convened by the Management Company to consider any matter affecting their interests.

- 4.2 However, unless the Management Company, on behalf of the Fund, has an obligation to take such action under these Rules, the Noteholders and the Other Creditors are not entitled to instruct or direct the Management Company to take any actions without the consent of the Meeting of Creditors.

## **TITLE II**

### **MEETING PROVISIONS**

## **Article 5**

**Convening of Meeting**

- 5.1 The Management Company:
- (i) may, at its discretion and at any time, convene a Meeting of Creditors in relation to one or several Classes of Notes and/or the Other Creditors; and
  - (ii) shall convene a meeting in relation to one or several Classes of Notes and/or the Other Creditors if so instructed by the relevant percentage of Noteholders or Other Creditors set forth in section 4.1 above.
- 5.2 Whenever the Management Company is about to convene any such meeting, it shall immediately give notice of the date thereof and of the nature of the matters to be transacted thereat, through the publication of a privileged information (*información privilegiada*) or other material event (*información relevante*), as applicable, with the CNMV.
- 5.3 The resources required and the costs incurred for each Meeting of Creditors shall be provided for and borne by the Fund as Extraordinary Expenses.
- 5.4 For each Meeting of Creditors, the Management Company shall designate a representative and, therefore, no commissioner (*comisario*) shall be appointed for any Meeting of Creditors.

**Article 6**

**Notice**

- 6.1 The Management Company shall give at least 21 calendar days' notice by means of the procedure established in section 4.3 of the Additional Information (exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the initial Meeting of Creditors (the "**Initial Meeting**") to the Noteholders and Other Creditors. In any case, the Initial Meeting shall take place in the maximum term of 90 calendar days as from the date in which the notice is given.
- 6.2 Without prejudice to the above, in the event that the relevant quorum for the Initial Meeting is not met, the Management Company may adjourn such Initial Meeting for 10 calendar days ("**Adjourned Meeting**"), within the maximum 90 calendar days' term set forth in section 6.1 above.

**Article 7**

**Quorums at Initial Meeting and Adjourned Meetings**

Quorums at Initial Meetings:

- 7.1 The quorum at any Initial Meeting for one or several Classes of Notes and/or Other Creditors convened to vote on an Ordinary Resolution shall be at least one or more persons holding or representing a representing 50,01% of the Outstanding Balance of the Notes of each of the Class or Classes convened.
- 7.2 The quorum at any Initial Meeting for one or several Classes of Notes convened to decide on:
- (i) an Extraordinary Resolution (other than an Early Liquidation Resolution) shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Class or Classes convened;
  - (ii) an Early Liquidation Resolution in accordance with Article 23.2 b) of Law 5/2015, in which case it shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Class or Classes and seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditors.

Quorums at Adjourned Meetings:

- 7.3 The quorum at any Adjourned Meeting for one or several Classes of Notes convened to decide on an Ordinary Resolution shall be at least one or more persons being or representing Noteholders of the relevant Class or Classes convened (irrespective of the aggregate Outstanding Balance of the Notes held by the Noteholders of such Class or Classes).
- 7.4 The quorum at any Adjourned Meeting for one or several Classes of Notes convened to decide on:
- (i) an Extraordinary Resolution (other than an Early Liquidation Resolution) shall be at least one or more persons holding or representing not less than thirty-three per cent (33%) of the Outstanding Balance of the Notes of the relevant Class or Classes convened;
  - (ii) an Early Liquidation Resolution in accordance with Article 23.2 b) of Law 5/2015 shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Class or Classes and seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditors.
- 7.5 There is no minimum quorum of Other Creditors for a valid quorum of any Initial Meeting or Adjourned Meeting convened to decide on an Ordinary Resolution or an Extraordinary

Resolution (other than an Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015, in which case one or more persons holding or representing not less than seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditors shall attend).

- 7.6 For the purposes of calculating the relevant quorum and the required majority, the entitlement of the Noteholders and Other Creditors to attend the meeting or to vote shall be determined by reference to the Outstanding Principal Balance of the Notes of the relevant Class or Classes or the outstanding principal due to each of the Other Creditors on the immediately preceding Payment Date to the convening of the Meeting.

**Article 8**

**Required Majority**

- 8.1 An Ordinary Resolution or an Extraordinary Resolution is validly passed at any Initial Meeting and/or Adjourned Meeting when:

- (i) in respect of an Ordinary Resolution or an Extraordinary Resolution (other than an Early Liquidation Resolution), not less than seventy-five per cent (75%) of the votes cast by the Noteholders of each of the Classes of Notes and/or the Other Creditors attending the meeting have been cast in favour thereof, or
- (ii) in respect of an Early Liquidation Resolution, not less than seventy-five per cent (75%) of the total outstanding principal held by the Noteholders and not less than seventy-five per cent (75%) of the total outstanding principal held by the Other Creditors have been cast in favour thereof, also taking into account those not attending the relevant meeting.

- 8.2 For the purposes of calculating the relevant required majority, the voting rights of the Noteholders and Other Creditors shall be determined by reference to the Outstanding Balance of the Notes of the relevant Class or Classes or the outstanding principal due to each of the Other Creditors on the immediately preceding Payment Date to the convening of the Meeting.

**Article 9**

**Written Resolution**

- 8.1 A Written Resolution in relation to an Ordinary Resolution or an Extraordinary Resolution is validly passed when it has been signed by or on behalf of:

- (i) the Noteholders holding one hundred per cent (100%) of the Outstanding Balance of the Notes of the relevant Class or Classes affected by such resolution; and/or
- (ii) by and on behalf of the and Other Creditors holding one hundred per cent (100%) of the outstanding principal held by the Other Creditors.

**Article 10**

**Matters requiring an Extraordinary Resolution**

Any Reserved Matter must be approved by an Extraordinary Resolution.

**Article 11**

**Reserved Matters**

The following are “Reserved Matters”:

- (i) to change any date fixed for the payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest due on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;
- (ii) to change the currency in which amounts due in respect of the Notes are payable;
- (iii) to alter the priority of payment of interest or principal in respect of the Notes;
- (iv) to change the quorum required at any Meeting of Creditors or the majority required to pass an Extraordinary Resolution;
- (v) to authorise the Management Company or (if relevant) any other Transaction Party to perform any act or omission which is not expressly regulated under the Deed of Incorporation and other Transaction Documents;
- (vi) to approve the cancellation of the Fund in accordance with Article 23.2.b) of Law 5/2015;
- (vii) to approve any proposal by the Management Company for any relevant modification of the Deed of Incorporation or any arrangement in respect of the obligations of the Fund under or in respect of the Notes;
- (viii) to instruct the Management Company or any other person to do all that may be necessary to give effect to any Extraordinary Resolution;
- (ix) to give any other authorisation or approval which under the Deed of Incorporation or the Notes is required to be given by Extraordinary Resolution;



- (x) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution; and
- (xii) to amend this definition of Reserved Matters.

For the avoidance of doubt, the approval of a Base Rate Modification shall not be considered a Reserved Matter.

## **Article 12**

### ***Relationships between Noteholders and Other Creditors***

- 12.1 Resolutions of the Class A Notes will bind holders of the Class Z Notes, Class B Notes and the Class C Notes as well as Other Creditors, save where they relate to a Reserved Matter. However, neither holders of the Class Z Notes, Class B Notes, Class C Notes nor Other Creditors may bind the Class A Notes.
- 12.2 Resolutions of the Class Z Notes will bind holders of the Class B Notes and the Class C Notes as well as Other Creditors, save where they relate to a Reserved Matter. However, neither holders of the Class B Notes, Class C Notes nor Other Creditors may bind the Class B Notes.
- 12.3 Resolutions of the Class B Notes will bind holders of the Class C Notes as well as Other Creditors, save where they relate to a Reserved Matter. However, neither holders of the Class C Notes nor Other Creditors may bind the Class Z Notes.
- 12.4 No Extraordinary Resolution involving a Reserved Matter (other than an Early Liquidation Resolution, which shall be approved in accordance with the rules in Article 8.1 (ii) above) that is passed by the holders of one Class of Notes or Other Creditors shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes then outstanding.
- 12.5 Any resolution passed at a Meeting of Creditors duly convened and held in accordance with these Rules and the Deed of Incorporation shall be binding upon all Noteholders and the Other Creditors, whether or not present at such meeting and whether or not voting.
- 12.6 In addition, so long as any Notes are outstanding and there is, in the Management Company's sole opinion, a conflict between the interests of the Noteholders and the Other Creditors, the Management Company shall have regard solely to the interests of the Noteholders in the exercise of its discretion.
- 12.7 The Management Company shall not be obliged to solve any conflict of interest between Noteholders of different Classes of Notes. No challenge or claim may be pursued against the Management Company for any action taken as a result of the implementation of any Ordinary or Extraordinary or Written Resolution duly passed by the Meeting of Creditors according to the Rules, even if it could result in any conflict of interests between Noteholders of the same or different Classes and/or Other Creditors, and regardless the rights of the conflicted parties to claim to each other.

## **Article 13**

### ***Domicile***

- 13.1 The Meeting of Creditors' domicile is located at the Management Company's registered office, i.e., Juan Ignacio Luca de Tena 9-11, 28027 Madrid.
- 13.2 However, the Meeting of Creditors may meet whenever appropriate at any other venue in the city of Madrid, with express specification in the notice of call to meeting.

## **TITLE III**

### **GOVERNING LAW AND JURISDICTION**

## **Article 14**

### **Governing law and jurisdiction**

- 14.1 These Rules and any non-contractual obligations arising therefrom or in connection therewith are governed by, and will be construed in accordance with, the laws of Spain.
- 14.2 All disputes arising out of or in connection with these Rules, including those concerning the validity, interpretation, performance and termination hereof, shall be exclusively settled by the Courts of the city of Madrid.

#### **4.12. Resolutions, authorisations, and approvals by virtue of which the securities have been created and/or issued**

##### **4.12.1. Corporate resolutions**

- (a) Resolutions to create the Fund, acquire the Mortgage Loans, subscribe the MTCs and issue the Notes:

The board of directors of the Management Company, at its meeting held on 9 March 2021, passed, *inter alia*, to (i) incorporate the Fund, (ii) subscribe / acquire MTCs representing the Receivables arising from the Mortgage Loans to be pooled in the Fund, (iii) issue the Notes and (iv) appoint PwC as Auditor of the Fund.

- (b) Resolutions to assign the Mortgage Loans:

The board of directors of the Seller at its meeting held on 19 November 2020, approved the issue of the MTCs representing the Receivables arising from the Mortgage Loans and their subscription / acquisition by the Fund. Such resolution is in force.

##### **4.12.2. Registration by the CNMV**

In accordance with the provisions of article 22.1.d) of Law 5/2015, as a condition precedent for the incorporation of the Fund, this Prospectus has to be approved by and registered with the CNMV.

This Prospectus has been registered in the official registers of the CNMV on 29 April 2021.

##### **4.12.3. Certification of the Deed of Incorporation of the Fund:**

Once the CNMV files the Prospectus, the Management Company and the Seller will grant the Deed of Incorporation of the Fund. The Deed of Incorporation will be executed before the Subscription Date of the Notes.

The Management Company represents that the contents of the Deed of Incorporation will be consistent with the draft of the Deed of Incorporation delivered to the CNMV, and in no case will the terms of the Deed of Incorporation contradict, modify, alter or invalidate the rules set forth in this Prospectus.

The Management Company will submit:

- (a) a copy of the Deed of Incorporation (in PDF format) to the CNMV for filing with its official registers, and
- (b) a copy of the Deed of Incorporation to IBERCLEAR.

##### **4.13. The issue date of the securities**

Issuance of the Notes shall be made under the Deed of Incorporation on 4 May 2021 (the "**Date of Incorporation**").

##### **4.13.1. Group of potential investors**

The placement of the Notes shall be made amongst qualified investors as defined in article 39 of Royal Decree 1310/2005 (i.e., for information purposes exclusively,

*inter alia*, legal persons authorised or regulated to operate in financial markets, including credit institutions, investment services companies, insurance companies, collective investment institutions and their management companies, pension funds and their management companies and other authorised or regulated financial entities).

By subscribing the Notes, each Noteholder agrees to the terms of the Deed of Incorporation and this Prospectus.

#### **4.13.2. MIFID II/MIFIR and PRIIPS**

The new regulatory framework established by Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (“**MIFID II**”) and by Regulation 600/2013/UE of the European Parliament and of Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (“**MIFIR**”) has been mainly implemented in Spain through Royal Decree 14/2018, of 28 September and Royal Decree 1464/2018, of 21 December. The potential investors in the Notes must carry out their own analysis on the risks and costs which MIFID II/MIFIR or their future technical standards may imply for the investment in Notes.

Therefore, the Notes shall not be offered, sold, or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a “retail investor” means a person who is one (or more) of: (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 2016/97/EC on insurance distribution, 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 (KID) required by Regulation (EU) No 1286 of the European Parliament and of the Council of 26 November 2014 on key information documents for package retail and insurance-based investment products (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.

For the above purposes, the term “offer” includes communication in any form and by any means, of sufficient information on the terms of the offer and on the Notes offered such as enables an investor to decide whether to purchase or subscribe for the Notes.

#### **4.13.3. Disbursement date and form.**

The Disbursement Date will be 6 May 2021.

The disbursement of the subscription amounts of the Notes will be affected in accordance with the Management, Placement and Subscription Agreement.

The subscription price of Class Z Notes, Class B Notes and Class C Notes will be at par and the subscription price of Class A Notes will be above par as provided in section 4.2.2. of this Securities Note..

On the Disbursement Date:

- (a) the Joint Lead Managers will pay to the Fund the subscription price of:
  - (1) the Class A Notes,

placed amongst qualified investors, for value that same day, by crediting the Paying Agent account.

- (b) the Seller will pay to the Fund the subscription price of:
- (1) the Class Z Notes,
  - (2) the Class B Notes,
  - (3) the Class C Notes, and
  - (4) if applicable, the subscription price of the Class A Notes not placed by the Joint Lead Managers with qualified investors,

for value that same day, by crediting the Paying Agent account.

**4.14. Restrictions on free transferability of securities**

The Notes shall be freely transferred by any means allowed by law and in accordance with AIAF standards. The ownership of each Note will be transferred by book-entry transfer. The registration of the transfer in favour of the acquirer in the book-entry register will have the same effects as the transfer of the certificates and, as from such time, the transfer may be challenged by third parties.

**4.15. If different from the Issuer, identity, and contact data of the securities offeror and (or person applying for admission of securities to trading**

Not applicable.

**5. ADMISSION TO TRADING AND DEALING ARRANGEMENTS**

**5.1. Indication of the Market where the securities will be traded**

On Disbursement Date, the Management Company will immediately request the admission of all the Notes issued to trading on the AIAF, which is an official secondary securities market pursuant to article 43.2.d) of the Securities Market Act.

The Management Company, will also on behalf of the Fund, request the inclusion of the issue of the Notes in IBERCLEAR so that clearance and settlement may be carried out under the operating rules established (or that may be approved in the future) by IBERCLEAR regarding the securities admitted to trading on the AIAF and represented by book-entries.

The Management Company undertakes to complete the registration of the Notes on the AIAF within thirty (30) days from the Disbursement Date.

The Management Company, in the name and on behalf of the Fund, confirms that it is aware of the requirements and conditions for the listing, maintenance and de-listing of securities with the AIAF in accordance with applicable regulations as well as the requirements of its governing bodies, and the Management Company undertakes to comply with them.

In the event that the Management Company fails to meet the thirty (30) days deadline for admission of the Notes to trading, it undertakes to:

- (a) publish a privileged information (*información privilegiada*) or other material event (*información relevante*), as applicable, with CNMV;
- (b) make the corresponding announcement in the EDW website for the purposes of article 7 of the EU Securitisation Regulation
- (c) make the corresponding announcement in the Daily Bulletin of the AIAF or in any other media generally accepted by the market which guarantees adequate dissemination of the information, in time and content,

Where it shall communicate the reasons for such breach and the new expected date for the admission of the Notes to trading, all of it without prejudice to the Management Company possibly incurring in liability if the breach is due to reasons attributable to it.

It is not expected that there will be an agreement with any entity to provide liquidity for the Notes during the term of the issue.

## 5.2. Paying agent and depository institutions

The Management Company, on behalf of the Fund, will appoint BP2S as Paying Agent.

The Management Company, in the name and on behalf of the Fund, shall enter into with BP2S a payment agency agreement (the "**Payment Agency Agreement**") to service the issue of the Notes, the most significant terms of which are summarised in section 3.4.8.2 of the Additional Information.

## 6. EXPENSES OF THE ADMISSION TO TRADING

### 6.1. An estimate of the total expenses related to the admission to trading

The estimated expenses for the incorporation of the Fund and the issue and admission to trading of the Notes are the following:

<b>Costs of incorporation and issuance (expenses relating to documentation, advertising, official charges and others):</b>	(in €)
CNMV	48.000,00
AIAF	25.258,75
IBERCLEAR	605,00
Management, placement, and underwriting fee	50.000,00
Other costs and partial financing of the acquisition of the Receivables *	1.276.136,25
<b>Total</b>	<b>1,400,000</b>

\* "**Other costs**" includes Rating Agencies, legal advisors, Auditors, Joint Lead Arrangers, Joint Lead Managers, expenses incurred by the Management Company, Third-Party Verification Agent, Intex, Bloomberg, EDW, notarial services, translation fees, Cap Upfront Premium and the partial financing of the acquisition of the Receivables represented by the MTCs (for the difference of the subscription or acquisition price of the MTCs (equal to the Outstanding Balance of the Receivables) and the nominal amount of the Notes).

These expenses will be paid out of the Subordinated Loan Agreement.

## 7. ADDITIONAL INFORMATION

### 7.1. Statement of the capacity in which the advisors have acted

CUATRECASAS acts as legal advisor with respect to the structure of the transaction, has reviewed the legal regime and tax rules applicable to the Fund set forth in section 4.5.4 of the Registration Document in its capacity as an independent third party, and shall issue the legal opinion required under article 20.1 of the EU Securitisation Regulation.

ALLEN & OVERY acts as legal advisor of the Joint Lead Arrangers and the Joint Lead Managers and has reviewed the Prospectus and the structure of the transaction for the benefit of the Joint Lead Arrangers and the Joint Lead Managers.

PCS has been designated as the Third-Party Verification Agent (STS) and shall prepare the PCS Assessments.

DELOITTE, S.L. has issued the Special Securitisation Report on the Preliminary Portfolio for the purposes of (a) complying with the provisions of article 22 of the EU Securitisation Regulation, and (b) verification of the accuracy of the data disclosed in the stratification tables included in section 2.2.2.1 of the Additional Information, and the CPR tables included in section 4.10 of this Securities Notes.

### 7.2. Other information in the Securities Note which has been audited or reviewed by auditors or where auditors have produced a report

Not applicable.

### 7.3. Credit ratings assigned to the securities at the request or with the cooperation of the issuer in the rating process. A brief explanation of the meaning of the ratings if this has previously been published by the rating provider

#### 7.3.1. Provisional ratings of the Rated Notes

On the registration date of this Prospectus, the Rated Notes included in this Securities Note were given the following provisional ratings by the Rating Agencies:

	DBRS	Fitch	Scope
<b>Class A Notes</b>	AAA (sf)	AAA (sf)	AAA (sf)
<b>Class Z Notes</b>	AAA (sf)	AAA (sf)	AA- (sf)
<b>Class B Notes</b>	A (high) (sf)	A+ (sf)	BBB+ (sf)

A failure by the Rating Agencies to confirm any of the provisional ratings as final (unless they are upgraded) before the disbursement of the Notes, and in any case before the disbursement of the Notes, will be immediately reported to the CNMV and made public as provided in section 4 of the Additional Information. This circumstance will result in termination of the incorporation of the Fund, the Notes issue and all agreements (except for the Subordinated Loan Agreement in relation to the expenses for the incorporation of the Fund and the issue of the Notes), and the assignment of the Receivables.

#### 7.3.2. Ratings considerations

##### 7.3.2.1. Meaning

The meaning of the ratings assigned to the Rated Notes by the Rating Agencies can be reviewed at those Rating Agencies' websites:

- (a) www.dbrsmorningstar.com;
- (b) www.fitchratings.com; and
- (c) www.scooperatings.com.

The ratings assigned by the Rating Agencies do not constitute an evaluation of the likelihood of Borrowers prepaying principal, nor indeed of the extent to which such payments differ from what was originally forecast and should not prevent potential investors from conducting their own analysis of the Notes to be acquired. The ratings are not by any means a rating of the level of actuarial performance.

The Rating Agencies may revise, suspend, or withdraw the final ratings assigned to the Rated Notes at any time, based on any information that may come to their notice. Those events, which shall not constitute early liquidation events of the Fund, shall forthwith be notified to both the CNMV and the Noteholders, in accordance with the provisions of section 4.2 of the Additional Information.

#### **7.3.2.2. Registration of the Rating Agencies**

- (a) On 14 December 2018, DBRS was registered and authorised by ESMA as *European Union Credit Rating Agency* in accordance with the provisions of CRA Regulation.
- (b) On 31 October 2011, Fitch was registered and authorized by the ESMA as *European Union Credit Rating Agency* in accordance with the provisions of CRA Regulation.
- (c) On 24 May 2011, Scope was registered and authorized by ESMA as *European Union Credit Rating Agency* in accordance with the provisions of CRA Regulation.

#### **7.3.2.3. Description of each Rating Agency ratings**

##### **DBRS**

The DBRS® long-term rating scale provide an opinion on the risk of default. That is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. All rating categories other than AAA and D also contain subcategories “(high)” and “(low)”. The absence of either a “(high)” and “(low)” designation indicates the rating is in middle of the category. Descriptions on the meaning of each individual relevant rating is as follows:

- (a) **AAA (sf)**: Highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.
- (b) **AA (sf)**: Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significant vulnerable to future events.
- (c) **A(sf)**: Good Credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.
- (d) **BBB (sf)**: Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

- (e) **BB (sf)**: Speculative, non-investment-grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.
- (f) **B(sf)**: Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.
- (g) **CCC / CC / C (sf)**: Very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although CC and C ratings are normally applied to obligations that are seen as highly likely to default or subordinated to obligations rated in the CCC to B range. Obligations in respect of which default has not technically taken place but is considered inevitable may be rated in the C category.
- (h) **D(sf)**: When the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods, a downgrade to D may occur. DBRS® may also use SD (*Selective Default*) in cases where only some securities are impacted, such as the case of a “distressed exchange”. See Default Definition for more information.

### **Fitch**

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

- (a) **AAA (sf)**: Highest Credit Quality. AAA’ ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
- (b) **AA (sf)**: Very High Credit Quality. ‘AA’ ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
- (c) **A(sf)**: High Credit Quality. ‘A’ rating denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
- (d) **BBB (sf)**: Good Credit Quality. ‘BBB’ ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.
- (e) **BB (sf)**: Speculative. ‘BB’ ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.
- (f) **B(sf)**: Highly Speculative. ‘B’ ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

Within rating categories, Fitch may use modifiers. The modifiers “+” or “-” may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to ‘AAA’ ratings and ratings below the ‘CCC’ category.



### **Scope**

Scope's long-term rating scale is the following:

- (a) **AAA**: at the AAA level reflect an opinion of exceptionally strong credit quality.
- (b) **AA**: at the AA level reflect an opinion of very strong credit quality.
- (c) **A**: at the A level reflect an opinion of strong credit quality.
- (d) **BBB**: at the BBB level reflect an opinion of good credit quality.
- (e) **BB**: at the BB level reflect an opinion of moderate credit quality.
- (f) **B**: at the B level reflect an opinion of weak credit quality.
- (g) **CCC**: at the CCC level reflect an opinion of very weak credit quality.
- (h) **CC**: at the CC level reflect an opinion of extremely weak credit quality.
- (i) **C**: at the C level reflect an opinion of exceptionally weak credit quality.

Scope's long-term ratings are expressed with symbols from 'AAA to C', with '+' and '-' as additional sub-categories for each category from AA to B (inclusive), that is, 20 levels in total with 19 sub-categories for performing issues and issuers plus the Default category.

Scope's rating of structured finance instruments carries a SF suffix (e.g. BBB+SF). Such a symbol identifies ratings assigned to structured finance instruments as defined by Regulation (EU) No. 1060/2009 on Credit Rating Agencies of the European Parliament and the European Council.

#### **7.3.3. Final rating considerations**

The Rating Agencies differentiates structured finance ratings from fundamental ratings (i.e., ratings on nonfinancial corporate, financial institution, and public sector entities) on the long-term scale by adding the suffix (sf) to the structured finance ratings.

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## **ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION TO ASSET-BACKED SECURITIES**

(Annex 19 of the Prospectus Delegated Regulation)

### **1. THE SECURITIES**

#### **1.1. STS notification**

The securitisation transaction described in this Prospectus is intended to qualify as a simple, transparent, and standardised securitisation (STS securitisation) within the meaning of article 18 of the EU Securitisation Regulation. Consequently, the Seller, as Seller, will submit on or about the Date of Incorporation (and in any case within 15 days from the Date of Incorporation), a STS notification to ESMA in accordance with article 27 of the EU Securitisation Regulation (the “**STS Notification**”), pursuant to which compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation shall be notified to ESMA in order to request that the securitisation transaction described in this Prospectus is included in the list administered by ESMA within the meaning of article 27(5) of the EU Securitisation Regulation (<https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>). The Management Company, by virtue of a delegation by the Seller, shall notify the CNMV -in its capacity as competent authority- of the submission of such mandatory STS Notification to ESMA, attaching such notification.

#### **1.2. STS compliance**

None of the Management Company, on behalf of the Fund, the Seller (in its capacity as originator), each Joint Lead Arranger, each Joint Lead Manager or any other party to the Transaction Documents gives any explicit or implied representation or warranty that this securitisation transaction shall be recognized or designated as ‘STS’ or ‘simple, transparent and standardised’ within the meaning of article 18 of the EU Securitisation Regulation after the date of notification to ESMA.

The status of the STS Notification is not static and investors should conduct their own research regarding the status of the STS Notification on the ESMA website (<https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>).

The Seller, as originator, shall be responsible for the fulfilment of the requirements in articles 19 to 22 of the EU Securitisation Regulation and shall immediately notify ESMA and inform its competent authority when the transaction no longer meets the requirements of article 19 to 22 of the EU Securitisation Regulation.

The Seller, as originator, has used the services of PCS, as Third-Party Verification Agent (STS) in connection with an STS Verification. It is expected that the STS Verification prepared by PCS (i) will be issued on or prior to the Date of Incorporation of the Fund, and (ii) will be available for investors on the PCS website (<https://www.pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at <https://www.pcsmarket.org/disclaimer>.

The STS Verification is not a recommendation to buy, sell or hold securities, is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and are not a credit rating whether generally or as defined under

the CRA Regulation or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended). PCS is not an "expert" as defined in the Securities Act.

There can be no assurance that the securitisation transaction described in this Prospectus will receive the STS Verification and if the securitisation transaction described in this Prospectus does not receive the STS Verification, this shall not, under any circumstances, affect the liability of the Seller and the Fund in respect of its legal obligations under the EU Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in article 5 of the EU Securitisation Regulation.

Investors should conduct their own research regarding the nature of the STS Verification and must read the information available in <http://pcsmarket.org>. In the provision of STS Verification, PCS bases its decision on information provided directly and indirectly by the Seller. For the avoidance of doubt, the PCS website and the contents thereof do not form part of this Prospectus.

### **1.3. The minimum denomination of an issue**

The Fund, which is represented by the Management Company, will be incorporated with the Receivables that the Seller will assign to the Fund on the Date of Incorporation, the principal amount of which will be equal to or slightly higher FOUR HUNDRED AND EIGHTY MILLION EUROS (€ 480,000,000), amount which represents the nominal value of the issue of Class A Notes, Class Z Notes, Class B Notes and Class C Notes.

### **1.4. Confirmation that the information relating to an undertaking/obligor not involved in the issue has been accurately reproduced from the information published by the undertaking/obligor**

Not applicable.

## **2. THE UNDERLYING ASSETS**

### **2.1. Confirmation that the securitised assets backing the issue have characteristics that demonstrate the capacity to produce funds to service any payments due and payable on the securities**

The Seller confirms that the flows of principal, ordinary interest and any other amounts generated by the Receivables are sufficient to meet the payments due and payable under the Notes in accordance with the contractual nature thereof.

However, in order to cover any eventual payment defaults of the Borrowers, credit enhancement operations will be put in place in order to increase the security or regularity of the payments of the Notes and mitigate or neutralize differences in interest rates on the Mortgage Loans, and which are described in section 3.4.2 of this Additional Information. Such enhancements, however, may prove to be insufficient in exceptional circumstances.

Not all the Notes issued have the same risk of default.

### **2.2. Assets backing the issue**

The Fund will pool in its assets certain Receivables arising from Mortgage Loans granted by the Seller to individuals who were resident in Spain at the time of execution of the relevant Mortgage Loan agreement for (i) the acquisition of finished residences in Spain or (ii) the subrogation in the financing provided to developers for the construction of residences in Spain for sale (the "**Mortgage Loans**").

None of the Mortgage Loans have been granted to real estate developers or to finance renovation of residences. All Mortgage Loans are secured with finished residences.

The assignment of the Receivables will be implemented by means of the issue by the Seller and the subscription/acquisition by the Fund of mortgage transfer certificates (*certificados de transmisión de hipoteca*) (the “**Mortgage Transfer Certificates**” or “**MTCs**”) as the underlying Mortgage Loans do not meet all the requirements set forth in Mortgage Market Law and Chapter II of Royal Decree 716/2009.

The maximum amount of the Outstanding Balance of the Receivables pooled in the Fund will be equal to or slightly higher than FOUR HUNDRED AND EIGHTY MILLION EUROS (€ 480,000,000) (the “**Maximum Receivables Amount**”), equivalent to the nominal value of the issue of the Class A Notes, the Class Z Notes, the Class B Notes and the Class C Notes.

### **2.2.1. Legal jurisdiction by which the pool assets is governed**

The Receivables are governed by the laws of Spain as well as by the laws, if any, at any regional level.

The laws applicable all over Spain, include without limitation, (i) the current text of Law 1/2013, of 14 May, on measures to strengthen the protections for mortgage debtors, debt restructuring and social rent (“**Law 1/2013**”), as amended by Law 25/2015, of 28 July, on the second-chance mechanism, reduction of financial burden and other social measures (“**Law 25/2015**”) as amended by Royal Decree-law 5/2017 of 17 March, and Royal Decree-law 6/2020, of March and (ii) Law 5/2019 of 15 March regulating real estate credit agreements (“**Law 5/2019**”).

#### Law 1/2013

Law 1/2013 establishes special provisions for consumers considered to be under the risk of social exclusion, such as, setting out that evictions from the main house of the mortgage debtors at risk of social exclusion which the creditor has adjudicated in the context of a judicial or extra-judicial mortgage enforcement will be delayed up to four years. Besides, Law 1/2013 (i) limit the applicable maximum default interest rate (which shall not be higher than three times the legal interest rate and accrue over the outstanding principal of the loan) and (ii) foresee potential prolonged periods for foreclosure proceedings, whether in court or out-of-court (in particular, in order for a lender to accelerate a loan in full, the borrower must have generally failed to pay at least three (3) monthly instalments or equivalent), which in the end could cause a delay in the collection of the Receivables transferred to the Fund and/or obtaining lower amounts.

#### Law 5/2019

Law 5/2019, which was published in the Spanish Official Gazette (BOE) on 16 March 2019 and entered into force on 16 June 2019 implements in Spain Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property. This said, Law 5/2019 goes beyond this Directive and extends the scope of application to any natural person acting as borrower, surety, or guarantor, regardless of whether he or she is a consumer or not. Law 5/2019 also regulates aspects not provided for in the Directive, such as the distribution of expenses associated with the contracting of loans or the regulation of lenders' early termination rights.

In accordance with its first transitory provision, it applies to loan agreements entered into after its entry into force, unless those agreements are amended or subject to

subrogation after its entry into force (i.e. 16 June 2019). Subrogation also comprises the subrogation of the debtor due to the transfer of the mortgaged property (sixth additional provision of Law 5/2019). It also foresees retroactive application of the new rules on early termination and the exercise of the debtor's right to early repayment in certain cases.

Some of the most relevant provisions of Law 5/2019 are summarized below:

- Early termination of mortgage loan agreements:

The lenders' right to early termination will depend on the number of unpaid loan instalments already due and payable and on the dates throughout the life of the loan in which the payment default occurs:

- (a) If the default occurs during the first half of the term of the loan, early termination is only allowed after a default equivalent to 3 per cent. of the total commitments undrawn under the loan agreement. Such percentage shall be deemed unpaid if there are 12 outstanding monthly instalments or of a number of instalments that means that the debtor has failed to repay an amount at least equivalent to a 12-month period.
- (b) If the default occurs during the second half of the term of the loan, early termination is only allowed after a default equal to 7 per cent. of the total commitments undrawn under the loan agreement. This requirement shall be deemed met if there are 15 outstanding monthly instalments or of a number of instalments that means that the debtor has failed to repay an amount at least equivalent to a 15-month period.

In addition, for the lenders to terminate a loan early, Law 5/2019 requires that the lender, when demanding payment, grants the borrower one month to fulfil his or her obligations and flags that the lack of payment in that timeframe will imply that full repayment of the loan shall be claimed.

- Early repayment:

As a general rule, the lender must not charge any (full or partial) early repayment fee on loans, other than with certain exceptions.

- Default interest:

Law 5/2019 provides that in loans or credit facilities concluded by individuals and backed by a mortgage on real estate properties for residential use, default interest will be calculated in any case by adding three percentage points to the ordinary interest. This rule does not admit agreement to the contrary.

Regional norms

In addition to the above, certain Spanish autonomous communities, such as Catalonia have developed protective measures that may be applicable at a regional level. Some of these measures may impact on mortgagees or on foreclosure proceedings.

In particular, in Catalonia, the above laws are complemented, among others, by Catalan Law 11/2020, of 18 September, on urgent measures to contain income in housing leases in Catalonia ("**Law 11/2020**") which tackle the problem of rents increases by capping rental prices in areas which have experienced sustained rental increases above the average of Catalan territory or the increase in the demand outstrips the availability

of affordable housing or if the rent increases have significantly risen above the reference index rent pricing of the relevant area.

Additionally, in Catalonia there are several provisions in force that could affect the Mortgage Loans with Receivables that are assigned to the Fund through Mortgage Transfer Certificates and secured with a mortgage over a property located in Catalonia.

Amongst others, these measures in Catalonia include (i) the extrajudicial procedure to resolve over indebtedness situations and measures in relation to housing owned by securitization funds aimed at avoiding evictions that could lead to a situation of homelessness for persons or family units that lack an alternative housing option and are at risk of residential exclusion, provided for in Law 24/2015 of 29 July of urgent measures to address the housing and energy poverty crisis (“**Law 24/2015**”); (ii) the pre-emption and withdrawal rights in favour of the Government of Catalonia (Generalitat de Catalunya) in relation to the transfer of certain properties acquired in a foreclosure proceeding established in Decree-Law 1/2015 of March 24, on extraordinary and urgent measures for the mobilisation of housing deriving from foreclosure processes (“**Decree-Law 1/2015**”); and (iii) the obligation provided for in Catalan Law 4/2016 imposed on some types of lenders (such as securitisation funds), prior to a number of conditions affecting mortgaged residential property taking place –including the acquisition by means of compensation agreements, the friendly repossession (*dación en pago*), the execution of the sales agreement, or filing an enforcement proceeding— to grant a subsidized rental lease for a minimum duration of time to certain vulnerable borrowers.

#### Covid-19 Legal Moratoriums

In order to tackle the Covid-19 crisis, measures under the moratorium were established under Royal Decree-Law 8/2020 and Royal Decree-Law 11/2020 which implies, towards persons under circumstances of economic vulnerability because of the Covid-19 crisis, amongst others: (i) a temporary suspension of the contractual obligations under the relevant loan or credit (i.e. while the moratorium is in force, no principal or interests must be paid under the relevant loan or credit and no interests (either ordinary or default interests) shall be accrued), and (ii) an extension of the final maturity of these loans or credits equivalent to the duration of the moratorium (therefore, instalments affected by the moratorium shall not be payable upon the end of the three-month suspension and the remaining instalments must be postponed on the same duration of the moratorium); and (iii) personal guarantors in circumstances of economic vulnerability because of the Covid-19 crisis can benefit from the moratorium, being entitled to request lenders to pursue and exhaust the main debtors' assets before claiming the secured debt from them, even in those cases where the relevant guarantor or security provider has expressly waived the *excusión* benefit (*beneficio de excusión*) foreseen in Spanish Civil Code.

The deadline for the submissions of requests for these moratoriums was 29 September 2020 as per the Royal Decree-Law 26/2020. However, on 2 February 2021, the Council of Ministers adopted the Royal Decree-Law 3/2021, which established a new deadline for submissions of requests for these moratoriums until 30 March 2021. In this regard, article 7 of Royal Decree-Law 3/2021 limits the eligibility to those debtors that, for any particular financing, either (i) are requesting a Covid-19 Moratorium (i.e., Covid-19 Legal Moratorium and/or Covid-19 Contractual Moratorium) for the first time, or (ii) that have already exercised one or several Covid-19 Moratoriums (i.e., Covid-19 Legal Moratorium and/or Covid-19 Contractual Moratorium) for a cumulative period not exceeding nine months. Article 8 establishes a limit of nine months as maximum aggregated duration of Covid-19 Moratoriums (i.e., Covid-19 Legal Moratorium and/or Covid-19 Contractual Moratorium) –from 30 September 2020. Notwithstanding the above, those moratoriums granted either (i) before 30 September 2020 or (ii) between 30 September and the entry into force of Royal Decree-Law 3/2021 (i.e. 3 February 2021) will maintain the conditions and duration originally agreed (i.e. can have a

total duration exceeding nine (9) months –provided that these cannot exceed in any case twelve (12) months).

Hereinafter, the above-mentioned moratorium foreseen in Royal Decree-Law 8/2020 and Royal Decree-Law 11/2020 (as amended by, among others, Royal Decree-law 26/2020 and Royal Decree-Law 3/2021), together with any settlement, suspension of payments, rescheduling of the amortisation schedule or other contractual amendments resulting from or arising from mandatory provisions of law or regulation granted in connection with measures in force to tackle the effects of the Covid-19, will be referred to as the “**Covid-19 Legal Moratoriums**”.

#### Covid-19 Contractual Moratoriums

In addition to Covid-19 Legal Moratoriums, any party to a loan agreement -and not only those in circumstances of economic vulnerability- may request an additional voluntary moratorium provided that the lender adheres to the provisions of an industry-wide decision. In this sense, as of the Date of Incorporation, the Seller has adhered to the industry-wide decision promoted by ASNEF (*Asociación Nacional de Establecimientos Financieros de Crédito*) on the deferment of financing transactions for clients affected by Covid-19.

The provisions under such industry-wide decision were in line with the guidelines published by the EBA on 2 April 2020, which recognised voluntary moratoriums or deferment of payments arising from credit transactions, when they result from, among others, the agreement of an industry-wide association. Such non-legislative moratorium could be requested until 30 September 2020 and, among other options, implied a temporary suspension of the contractual obligations relating to principal repayment or interest payment, as applicable.

However, new guidelines were published by the EBA on 2 December 2020 (EBA/GL/2020/15). In line with the latter guidelines, ASNEF issued an addendum to the industry-wide decision establishing a new deadline for submissions of requests for these moratoriums until 31 March 2021. Under the addendum, those moratoriums requested by the relevant debtor after 30 September 2020 are subject a maximum duration of nine (9) months –in the event that several moratoriums (i.e., Covid-19 Legal Moratorium and/or Covid-19 Contractual Moratorium) had been previously granted for a period of time lower than nine (9) months, then the entity will be able to grant a Covid-19 Contractual Moratorium for an additional period of time that aggregates up to nine (9) months.

Hereinafter, such voluntary moratoriums or deferment of payments, together with any decisions or recommendations of public authorities or conventions, arrangements or recommendations of institutional or industry associations granted in connection with measures in force to tackle the effects of the Covid-19, will be referred to as the “**Covid-19 Contractual Moratoriums**”.

Hereinafter, the Covid-19 Contractual Moratoriums and the Covid-19 Legal Moratoriums will be referred to as the “**Covid-19 Moratoriums**”.

For clarification purposes, and in accordance with the representation given by the Seller under section 2.2.8.2 (ggg) of the Additional Information, no Receivables assigned to the Fund shall be affected by Covid-19 Moratoriums at the time of their assignment to the Fund.

Notwithstanding the above, it cannot be discarded that a number of Borrowers (and eventually their guarantors) may adhere to a Covid-19 Moratorium in case they are extended at some point in time after the Date of Incorporation or if similar measures are put in place. This could imply a temporary reduction and/or postponement of cash flows under the

Mortgage Loans and, ultimately, the Available Funds to pay the amounts due under the Notes and the consequent increase of the duration and final maturity of the Notes.

**2.2.2. General characteristics of the Borrowers, the Receivables, and the economic environment, as well as any global statistical data referred to the securitised assets**

The Borrowers under the Mortgage Loans are individuals who were resident in Spain at the time of execution of the relevant Mortgage Loan agreement who have been granted a Mortgage Loan for the acquisition of finished residences in Spain.

None of the Mortgage Loans have been granted to real estate developers or to finance renovation of houses. All Mortgage Loans are secured with finished residences.

100% of the Mortgage Loans are granted for the financing of primary residences.

The Mortgage Loans:

- (i) are backed by first-priority mortgages over the relevant properties;
- (ii) have no grace period (neither for principal nor for interest); and
- (iii) are based on monthly instalments (principal and interest) and on the French amortisation system.

As described in section 2.2.2.2 below, 8.91% of the Borrowers have non-Spanish nationality.

Several stratified analysis charts of the Mortgage Loan portfolio are included in this section (2.2.2.) and the following sections (up to 2.2.6.). All of these charts were prepared on 5 March 2021.

Review of the selected assets securitized through the Fund upon being established

For the purposes of compliance with Article 22(2) of the EU Securitisation Regulation, the Seller has caused the sample of loans selected from the Preliminary Portfolio (and certain eligibility criteria to be checked against the Preliminary Portfolio) to be externally verified by an appropriate and independent third party. Such verification was completed to a confidence level of at least 99% (ninety-nine per cent.). The Preliminary Portfolio has been subject to an agreed upon procedures review (to review, amongst other things, conformity with the Mortgage Loans representations and warranties (where applicable)) of the Preliminary Portfolio conducted by DELOITTE, S.L. and completed on or about 15 April 2021. No significant adverse findings arose from such review. This independent third party has also performed agreed upon procedures in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate.

The Management Company has requested from the CNMV the exemption to submitting the special securitisation report required under the second paragraph of article 22.1 c) of Law 5/2015.

None of the Fund, the Management Company, the Joint Lead Arrangers, the Joint Lead Managers, the Paying Agent or any other party to the Transaction Documents other than the Seller has undertaken or will undertake any investigation, search or other action to verify the details of the Receivables and the Mortgage Loan agreements or to assess the creditworthiness of the Borrowers.



**2.2.2.1. Distribution of the Mortgage Loans according to type of security, options and type of product**

**Distribution of the Mortgage Loans according to type of security**

10.90% of the Outstanding Balance of the Receivables (€53,215,469.06 of outstanding nominal) is secured by a house guaranteed as Official Protection Housing (*Vivienda de Protección Oficial*) ("**VPO**").

VPO is considered to be housing which is used as a habitual and permanent residence and qualified as such, the type, dimension and price of which is regulated by the government, establishing conditions for the purchaser to obtain specific economic and tax benefits, which should in turn comply with conditions established with respect to ownership title and individual or household earnings.

The qualification of a residence as VPO entails the existence of a number of legal obligations and restrictions on property rights, although it does not preclude the foreclosure of the mortgage over the VPO property. These obligations are maintained during the period that the legal provisions governing Official Protection Housing remain in force.

**Distribution of the Mortgage Loans according to the increases in the interest rates**

Certain Mortgage Loan agreements provide Borrowers with the option of restricting the annual increase of the instalments in the Mortgage Loans in the event of increases in the interest rates up to a maximum amount equal to 200.00% or 100.00% of the CPI ("*Consumer Price Index*") based on the term for revision of interest rates (annually or semi-annually).

The effect of this limitation on annual increase of the instalments implies lower amounts collected under the Mortgage Loan while such option is still available. The amount of interest not paid due to the exercise of the above-mentioned limitation would be capitalized and once such limitation option has expired, the repayment schedule of the relevant Mortgage Loan will be adjusted accordingly considering the amount of capitalised interest. For the avoidance of doubt, the maturity date of the Mortgage Loans that have this interest rate limitation option shall not be extended beyond its relevant maturity date. Therefore, the Fund would not suffer any loss as any capitalized interest will be payable after the limitation option has expired.

Only 15.95% (€ 77,850,327.03) Mortgage Loans entitle the Borrowers to exercise the CPI limitation option. From 27 June 2024, none of the Mortgage Loans will have the option to limit instalments based on the CPI.

The following table shows the CPI limitation availability based on the Outstanding Balance of the Receivables. The CPI limitation is not available for 84.05% (410,362,450.75) of the Mortgage Loans.

Historically, very few Borrowers have exercised this CPI option. 99.05% (€ 77,110,133.26) of the Outstanding Balance of the Receivables that have the CPI limitation option (i.e., from the 15.95%, or (€ 77,850,327.03) of the Mortgage Loans) may limit the interest rate up to a maximum amount equal to 100% of the CPI while the remaining 0.95% (€ 740,193.77) (i.e., from the 15.95%, or (€ 77,850,327.03) the Mortgage Loans) may limit the interest rate up to a maximum amount equal to 200% of the CPI. The average period of this CPI limitation option is December 2022 for those Mortgage Loans that still have the option available.

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**% OUTSTANDING BALANCE**

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	2021	2022	2023	2024	2025
NO OPTION	84.05%	89.19%	93.12%	96.64%	100.00%
CPI AUTOMATICALLY	0.00%	0.00%	0.00%	0.00%	0.00%
CPI AT CLIENT'S REQUEST	15.95%	10.81%	6.88%	3.36%	0.00%

OUTSTANDING BALANCE					
	2021	2022	2023	2024	2025
NO OPTION	410,362,450.75	435,461,110.28	454,644,177.50	471,824,914.99	488,212,777.78
CPI AUTOMATICALLY	-	-	-	-	-
CPI AT CLIENT'S REQUEST	77,850,327.03	52,751,667.50	33,568,600.28	16,387,862.79	-

% NUMBER LOANS					
	2021	2022	2023	2024	2025
NO OPTION	76.74%	82.78%	88.50%	94.33%	100.00%
CPI AUTOMATICALLY	0.00%	0.00%	0.00%	0.00%	0.00%
CPI AT CLIENT'S REQUEST	23.26%	17.22%	11.50%	5.67%	0.00%

NUMBER LOANS					
	2021	2022	2023	2024	2025
NO OPTION	2,937	3,168	3,387	3,610	3,827
CPI AUTOMATICALLY	-	-	-	-	-
CPI AT CLIENT'S REQUEST	890	659	440	217	-

As of today, none of the Borrowers of the Mortgage Loans portfolio have exercised the instalment limitation option since they were granted.

**Distribution of the Mortgage Loans according to the interest type**

The Mortgage Loans portfolio is comprised of fixed, mixed, and variable interest rate Mortgage Loans which are revised annually or semi-annually, and with no distinguishing feature or peculiarity other than the CPI limitation option described in above section.

The following table shows the distribution of the Mortgage Loans based on their interest type and benchmark indices:

<b>Interest Type</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Principal Outstanding (€)</b>	<b>% Principal Outstanding</b>	<b>Weighted Nominal Interest</b>	<b>Weighted Spread</b>
<b>Mixed Rate Loans</b>	<b>1,140</b>	<b>29.79%</b>	<b>194,008,671.99</b>	<b>39.74%</b>	<b>2.37%</b>	
Euribor 12M	1,140	29.79%	194,008,671.99	39.74%	2.37%	1.12%
<b>Fixed Rate Loans</b>	<b>630</b>	<b>16.46%</b>	<b>74,079,911.15</b>	<b>15.17%</b>	<b>2.83%</b>	
Fixed Rate Loans	630	16.46%	74,079,911.15	15.17%	2.83%	
<b>Floating Rate Loans</b>	<b>2,057</b>	<b>53.75%</b>	<b>220,124,194.64</b>	<b>45.09%</b>	<b>1.51%</b>	
IRPH	632	16.51%	55,554,136.00	11.38%	2.67%	1.05%
Euribor 12M	1,425	37.24%	164,570,058.64	33.71%	1.11%	1.52%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	<b>2.05%</b>	

	<b>Nominal Interest</b>		
	<b>Maximum</b>	<b>Minimum</b>	<b>Simple Average</b>
Floating Rate Loans	3.18%	0.10%	1.21%
Fixed Rate Loans	3.30%	1.00%	2.84%
Mixed Rate Loans	3.80%	0.75%	2.42%
Floating IRPH	3.95%	1.19%	2.72%

The reference interest rate for Floating Mortgage Loans and the Mixed Mortgage Loans (after switching from a fixed-rate to a variable interest rate) representing a 73.45% of the Outstanding Balance of the Receivables is 1-year EURIBOR. The reference interest rate for Floating Mortgage Loans representing a 11.38% of the Outstanding Balance of the Receivables is 1-year IRPH.

The 45.09% of Outstanding Balance of the Receivables linked to a floating rate is formed by (i) a 11.38% of the Outstanding Balance of the Receivables linked to IRPH, and (ii) a 33.71% of the Outstanding Balance of the Receivables linked to Euribor 12M.

The remaining 15.17% Outstanding Balance of the Receivables are fixed rate for life.

(a) **Fixed Mortgage Loans:**

15.17% of the Outstanding Balance of the Receivables corresponds to Fixed Mortgage Loans with a weighted average nominal interest rate of 2.83%.

(b) **Mixed Mortgage Loans:**

39.74% of the Outstanding Balance of the Receivables corresponds to Mixed Mortgage Loans, that have an initial fixed-rate period of up to 25 years and then switch to a variable interest rate (Euribor 12M).

The variable interest rate will be reset on an annual or semi-annual basis.

The weighted average nominal interest rate during the fixed-rate period is 2.37%.

The following table shows the distribution of the Mixed Mortgage Loans based on the remaining period to switch from a fixed-rate to a variable interest rate.

<b>Mixed Loans: Years to switch to variable loans</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Principal Outstanding (€)</b>	<b>% Principal Outstanding</b>	<b>Weighted Switch Date</b>	<b>Weighted Switch Months</b>
0-1	26	2.28%	2,967,480.00	1.53%	2021	7.52
1-2	17	1.49%	1,768,954.42	0.91%	2022	19.32
2-3	15	1.32%	2,450,293.45	1.26%	2023	31.01
3-4	118	10.35%	18,669,577.01	9.62%	2024	44.21
4-5	30	2.63%	5,010,759.22	2.58%	2025	50.23
5-6	61	5.35%	11,856,240.46	6.11%	2027	69.68
6-7	45	3.95%	8,206,770.98	4.23%	2027	74.27
7-8	14	1.23%	2,643,224.62	1.36%	2029	93.01
8-9	34	2.98%	5,753,079.89	2.97%	2029	100.99
9-10	10	0.88%	2,090,932.96	1.08%	2030	109.67
12-13	21	1.84%	3,393,080.08	1.75%	2034	153.58
13-14	56	4.91%	9,066,009.05	4.67%	2034	162.57
14-15	19	1.67%	3,674,701.19	1.89%	2035	169.66
15-16	1	0.09%	103,161.63	0.05%	2037	188.91
16-17	4	0.35%	572,236.15	0.29%	2037	199.61
17-18	53	4.65%	9,241,460.96	4.76%	2039	213.59
18-19	418	36.67%	70,443,159.06	36.31%	2039	223.93
19-20	196	17.19%	35,794,265.44	18.45%	2040	230.03
23-24	2	0.18%	303,285.42	0.16%	2044	281.48
<b>Total:</b>	<b>1,140</b>	<b>100.00%</b>	<b>194,008,671.99</b>	<b>100.00%</b>	<b>2035</b>	<b>168</b>

	<b>Maximum</b>	<b>Minimum</b>	<b>Simple Average</b>
Date	01/01/2045	01/06/2021	09/01/2035
Month	284.91	1.87	165.16

(c) Floating Mortgage Loans:

45.09% of the Outstanding Balance of the Receivables corresponds to Floating Mortgage Loans, with a weighted average nominal interest rate of 1.51%.

**2.2.2.2. Mortgage Loan portfolio statistics based on various criteria**

**2.2.2.2.1. Revisions of interest rates on the Mortgage Loans**

The following table shows the distribution of the Mortgage Loans in the portfolio based on the semi-annual or annual revision of the interest rates.

<b>Interest Rate Reset Period</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
<b>Annually</b>	<b>78</b>	<b>2.04%</b>	<b>10,228,966.70</b>	<b>2.10%</b>
Floating Rate Loans - Euribor 12M	63	1.65%	7,713,012.92	1.58%
Mixed Rate Loans - Euribor 12M	12	0.31%	2,369,674.58	0.49%
Floating Loans - IRPH	3	0.08%	146,279.20	0.03%
<b>Semi-annually</b>	<b>3,119</b>	<b>81.50%</b>	<b>403,903,899.93</b>	<b>82.73%</b>
Floating Rate Loans - Euribor 12M	1,362	35.59%	156,857,045.72	32.13%
Mixed Rate Loans - Euribor 12M	1,128	29.47%	191,638,997.41	39.25%
Floating Loans - IRPH	629	16.44%	55,407,856.80	11.35%
<b>Fixed Rate Loans</b>	<b>630</b>	<b>16.46%</b>	<b>74,079,911.15</b>	<b>15.17%</b>
Fixed Rate Loans	630	16.46%	74,079,911.15	15.17%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

For the avoidance of doubt, the interest reset period for the Mixed Loans refers to the interest reset frequency once the initial fixed-rate period has ended and switched to variable interest rate.

Any potential unfavourable rulings or other circumstances can negatively affect the Fund in connection with the IRPH as described above, either (i) by recalculating the affected Mortgage Loan with a different reference interest rate; and/or (ii) reimbursing the relevant debtor with the excess amounts of past instalments (recalculating those past instalments with a different reference interest rate). These potential consequences of an unfavourable ruling can affect the Fund's Available Funds and/or impose a payment on obligation the Fund, independently of the assignment date to the Fund of the relevant Mortgage Loan

2.2.2.2. **Mixed Loans. Interest Reset Period, Interest Type and Years to Switch**

The following tables shows the Mixed Loans in the Mortgage Loan portfolio based on: (i) the annual or semi-annual revision of the interest rate, (ii) the reference interest rate and (iii) the remaining years to switch from fixed-rate to variable interest rate.

The weighted average spread of the Mixed Loans in the Mortgage Loan portfolio once they have switched to variable interest rate is 1.12%.

Mixed Loans: Interest Reset Period, Interest Type and Years to Switch	Receivables	% Receivables	Outstanding Balance	% Outstanding Balance (€)	Weighted Nominal Interest	Weighted Spread	Weighted Switch Date
<b>Semi-annually Euribor 12M</b>	<b>1,128</b>	<b>98.95%</b>	<b>191,638,997</b>	<b>98.78%</b>	<b>2.37%</b>	<b>1.12%</b>	<b>21/03/2035</b>
0-1	26	2.28%	2,967,480.00	1.53%	2.90%	1.60%	19/11/2021
1-2	17	1.49%	1,768,954.42	0.91%	2.48%	1.61%	13/11/2022
2-3	15	1.32%	2,450,293.45	1.26%	2.15%	1.59%	04/11/2023
3-4	118	10.35%	18,669,577.01	9.62%	2.22%	1.52%	10/12/2024
4-5	30	2.63%	5,010,759.22	2.58%	2.14%	1.56%	12/06/2025
5-6	60	5.26%	11,253,514.64	5.80%	2.05%	1.31%	26/01/2027
6-7	45	3.95%	8,206,770.98	4.23%	2.01%	1.25%	13/06/2027
7-8	14	1.23%	2,643,224.62	1.36%	2.41%	1.34%	04/01/2029
8-9	33	2.89%	5,618,781.84	2.90%	2.40%	1.19%	02/09/2029
9-10	10	0.88%	2,090,932.96	1.08%	2.16%	1.09%	25/05/2030
12-13	20	1.75%	3,318,847.60	1.71%	2.61%	1.22%	21/01/2034
13-14	56	4.91%	9,066,009.05	4.67%	2.50%	1.10%	22/10/2034
14-15	19	1.67%	3,674,701.19	1.89%	2.30%	0.99%	25/05/2035
15-16	1	0.09%	103,161.63	0.05%	2.60%	1.39%	01/01/2037
16-17	4	0.35%	572,236.15	0.29%	2.66%	1.39%	22/11/2037
17-18	52	4.56%	9,067,731.84	4.67%	2.68%	1.19%	22/01/2039
18-19	412	36.14%	69,788,205.60	35.97%	2.47%	0.97%	02/12/2039
19-20	194	17.02%	35,064,529.79	18.07%	2.30%	0.91%	05/06/2040
23-24	2	0.18%	303,285.42	0.16%	2.88%	0.94%	18/09/2044
<b>Annually Euribor 12M</b>	<b>12</b>	<b>1.05%</b>	<b>2,369,674.58</b>	<b>1.22%</b>	<b>2.31%</b>	<b>1.06%</b>	<b>23/12/2035</b>
5-6	1	0.09%	602,725.82	0.31%	2.09%	1.29%	01/01/2027
8-9	1	0.09%	134,298.05	0.07%	2.65%	1.25%	01/11/2029
12-13	1	0.09%	74,232.48	0.04%	2.70%	1.19%	01/02/2034
17-18	1	0.09%	173,729.12	0.09%	2.80%	1.19%	01/02/2039
18-19	6	0.53%	654,953.46	0.34%	2.56%	1.04%	11/12/2039
19-20	2	0.18%	729,735.65	0.38%	2.05%	0.82%	01/06/2040
<b>Total</b>	<b>1,140</b>	<b>100.00%</b>	<b>194,008,671.99</b>	<b>100.00%</b>	<b>2.37%</b>	<b>1.118%</b>	<b>25/03/2035</b>

The weighted average switch date is March 2035.

Maturity year by interest rate type	Receivables	% Receivables	Principal Outstanding (€)	% Principal Outstanding	Weighted Maturity Date	Weighted Months
<b>Fixed</b>	<b>630</b>	<b>16.46%</b>	<b>74,079,911.15</b>	<b>15.17%</b>	<b>30/03/2047</b>	<b>311.81</b>
2027-2031	14	0.37%	650,123.93	0.13%	03/11/2029	102.99
2032-2036	30	0.78%	1,865,008.92	0.38%	22/03/2035	167.54
2037-2041	79	2.06%	8,295,219.56	1.70%	04/12/2039	223.97
2042-2046	84	2.19%	10,288,591.62	2.11%	27/08/2044	280.75
2047-2052	423	11.05%	52,980,967.12	10.85%	12/07/2049	339.24
<b>Floating</b>	<b>2,057</b>	<b>53.75%</b>	<b>220,124,194.64</b>	<b>45.09%</b>	<b>29/07/2045</b>	<b>291.79</b>
2022-2026	47	1.23%	1,135,954.49	0.23%	06/07/2025	51.03
2027-2031	119	3.11%	5,406,521.63	1.11%	29/10/2029	102.82
2032-2036	187	4.89%	11,735,184.12	2.40%	17/07/2034	159.38
2037-2041	286	7.47%	25,510,927.77	5.23%	01/07/2039	218.85
2042-2046	635	16.59%	63,506,201.01	13.01%	15/02/2044	274.40
2047-2052	783	20.46%	112,829,405.62	23.11%	13/11/2049	343.32
<b>Mixed</b>	<b>1,140</b>	<b>29.79%</b>	<b>194,008,671.99</b>	<b>39.74%</b>	<b>09/08/2048</b>	<b>328.17</b>
2027-2031	7	0.18%	418,427.01	0.09%	30/01/2029	93.87
2032-2036	17	0.44%	1,875,271.69	0.38%	20/10/2034	162.51
2037-2041	49	1.28%	7,068,266.70	1.45%	29/03/2040	227.81
2042-2046	157	4.10%	25,535,419.37	5.23%	22/10/2044	282.59
2047-2052	910	23.78%	159,111,287.22	32.59%	20/10/2049	342.52
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	<b>12/01/2047</b>	<b>309.29</b>

	Maximum - Date	Minimum - Date	Maximum-Month	Minimum-Month
Fixed	01/07/2050	01/03/2029	350,85	94,85
Floating	01/02/2052	01/03/2022	369,91	10,84
Mixed	01/01/2051	01/01/2028	356,90	80,89

The weighted average maturity date of the Fixed Mortgage Loans is March 2047 (25.98 years, or 311.81 months), with the latest maturity date of the Fixed Mortgage Loans being July 2050.

The weighted average maturity date of the Mixed Mortgage Loans is August 2048 (27.35 years, or 328.17 months), with the latest maturity date of the Mixed Mortgage Loans being January 2051.

The weighted average maturity date of the Floating Mortgage Loans is July 2045 (24.32 years or 291.79 months), with the latest maturity date of the Floating Mortgage Loans date being February 2052.

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2.2.2.2.3. **Maximum, minimum, and average value of the Outstanding Balance of the Receivables**

The Outstanding Balance of the Receivables ranges between € 4,646.88 and € 638,492.03, with an average Outstanding Balance of € 127,570.62.

The following table shows the distribution of the Mortgage Loans in the Mortgage Loan portfolio by Outstanding Balance.

<b>Outstanding Balance (EUR)</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
0.01 to 25,000.00	88	2.30%	1,601,865.46	0.33%
25,000.01 to 50,000.00	366	9.56%	14,431,351.77	2.96%
50,000.01 to 75,000.00	585	15.29%	37,432,090.17	7.67%
75,000.01 to 100,000.00	637	16.64%	55,494,037.22	11.37%
100,000.01 to 125,000.00	569	14.87%	63,561,936.07	13.02%
125,000.01 to 150,000.00	475	12.41%	64,871,557.81	13.29%
150,000.01 to 175,000.00	358	9.35%	57,931,808.31	11.87%
175,000.01 to 200,000.00	208	5.44%	38,855,281.62	7.96%
200,000.01 to 225,000.00	131	3.42%	27,729,833.00	5.68%
225,000.01 to 250,000.00	100	2.61%	23,748,766.99	4.86%
250,000.01 to 275,000.00	80	2.09%	20,952,068.10	4.29%
275,000.01 to 300,000.00	59	1.54%	16,970,910.92	3.48%
300,000.01 to 325,000.00	38	0.99%	11,884,662.85	2.43%
325,000.01 to 350,000.00	39	1.02%	13,180,043.84	2.70%
350,000.01 to 375,000.00	35	0.91%	12,718,218.19	2.61%
375,000.01 to 400,000.00	15	0.39%	5,785,512.22	1.19%
400,000.01 to 425,000.00	15	0.39%	6,171,479.43	1.26%
425,000.01 to 450,000.00	4	0.10%	1,753,020.95	0.36%
450,000.01 to 475,000.00	6	0.16%	2,791,194.22	0.57%
475,000.01 to 500,000.00	5	0.13%	2,443,576.59	0.50%
500,000.01 to 525,000.00	3	0.08%	1,546,852.96	0.32%
525,000.01 to 550,000.00	4	0.10%	2,153,107.43	0.44%
550,000.01 to 575,000.00	1	0.03%	563,407.31	0.12%
575,000.01 to 600,000.00	2	0.05%	1,176,317.87	0.24%
600,000.01 to 625,000.00	3	0.08%	1,825,384.45	0.37%
625,000.01 to 650,000.00	1	0.03%	638,492.03	0.13%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>
Maximum	638,492.03			
Minimum	4,646.88			
Simple Average	127,570.62			

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2.2.2.2.4. **Maximum, minimum, and average values of the initial principal amounts of the Mortgage Loans**

The initial principal amount of the Mortgage Loans in the Mortgage Loan portfolio ranges between € 20,000.00 and € 867,000.00, with an average initial principal amount of € 160,283.53.

The following table shows the initial principal amount of the Mortgage Loans.

<b>Initial Outstanding Balance (EUR)</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
0.01 to 25,000.00	3	0.08%	44,874.52	0.01%
25,000.01 to 50,000.00	149	3.89%	4,533,300.86	0.93%
50,000.01 to 75,000.00	433	11.31%	22,514,327.21	4.61%
75,000.01 to 100,000.00	587	15.34%	43,968,272.89	9.01%
100,000.01 to 125,000.00	592	15.47%	57,193,624.77	11.71%
125,000.01 to 150,000.00	466	12.18%	55,533,443.46	11.37%
150,000.01 to 175,000.00	409	10.69%	57,522,619.64	11.78%
175,000.01 to 200,000.00	261	6.82%	40,685,165.06	8.33%
200,000.01 to 225,000.00	201	5.25%	34,234,145.18	7.01%
225,000.01 to 250,000.00	133	3.48%	25,556,848.10	5.23%
250,000.01 to 275,000.00	122	3.19%	25,416,862.86	5.21%
275,000.01 to 300,000.00	90	2.35%	18,461,641.19	3.78%
300,000.01 to 325,000.00	77	2.01%	17,831,229.04	3.65%
325,000.01 to 350,000.00	69	1.80%	16,299,904.44	3.34%
350,000.01 to 375,000.00	53	1.38%	13,909,186.68	2.85%
375,000.01 to 400,000.00	41	1.07%	12,446,541.47	2.55%
400,000.01 to 425,000.00	31	0.81%	9,208,779.15	1.89%
425,000.01 to 450,000.00	19	0.50%	5,032,706.02	1.03%
450,000.01 to 475,000.00	18	0.47%	5,160,894.78	1.06%
475,000.01 to 500,000.00	16	0.42%	4,457,979.76	0.91%
500,000.01 to 525,000.00	12	0.31%	3,790,100.61	0.78%
525,000.01 to 550,000.00	9	0.24%	2,110,002.81	0.43%
550,000.01 to 575,000.00	5	0.13%	2,168,765.71	0.44%
575,000.01 to 600,000.00	5	0.13%	1,648,260.79	0.34%
600,000.01 to 625,000.00	10	0.26%	3,427,219.94	0.70%
625,000.01 to 650,000.00	4	0.10%	1,723,380.15	0.35%
650,000.01 to 675,000.00	1	0.03%	638,492.03	0.13%
675,000.01 to 700,000.00	2	0.05%	533,347.35	0.11%
700,000.01 to 725,000.00	5	0.13%	1,145,964.55	0.23%
725,000.01 >=	4	0.10%	1,014,896.76	0.21%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>
Maximum	867,000.00			
Minimum	20,000.00			
Simple Average	160,283.53			

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**2.2.2.2.5. Nominal interest rate and spreads**

The following table shows the distribution of the Mortgage Loans in the Mortgage Loan portfolio at intervals of 0.50% of the current nominal interest rate. The nominal interest rate of the Mortgage Loans ranges between 0.10% and 3.95%.

Borrowers with Mortgage Loans originated up to December 2014 and with their salary directly deposited in Banco Santander, S.A. enjoy a 0.10% reduction granted by UCI on the nominal interest rate applied to the Mortgage Loans (while maintaining such condition). Other than that, there are no other subsidies on the nominal interest rate of the Mortgage Loans in the Mortgage Loan portfolio.

1,630 of the Mortgage Loans in the Mortgage Loan portfolio enjoy a 0.10% reduction on the nominal interest rate, representing a 32.78% of the Mortgage Loan portfolio (being the Outstanding Balance equal to € 160,048,839.13).

Receivables with interest rate reduction if Borrower has Santander Bank Account	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
0.10%	1,630	42.59%	160,048,839.13	32.78%
No Reduction	2,197	57.41%	328,163,938.65	67.22%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

Nominal Interest (%)	Receivables	% Receivables	Principal Outstanding (€)	% Principal Outstanding	Weighted Nominal Interest
0.01 to 0.50	345	9.01%	43,266,619.05	8.86%	0.32%
0.51 to 1.00	226	5.91%	35,563,280.81	7.28%	0.79%
1.01 to 1.50	366	9.56%	43,367,220.56	8.88%	1.21%
1.51 to 2.00	372	9.72%	40,827,261.45	8.36%	1.82%
2.01 to 2.50	1,098	28.69%	162,563,024.22	33.30%	2.28%
2.51 to 3.00	1,086	28.38%	133,177,355.84	27.28%	2.75%
3.01 to 3.50	274	7.16%	24,054,404.77	4.93%	3.17%
3.51 to 4.00	60	1.57%	5,393,611.08	1.10%	3.65%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	<b>2.05%</b>
Maximum	3.95%				
Minimum	0.10%				
Simple Average	2.09%				

The weighted average nominal interest rate of the Mortgage Loans in the Mortgage Loan portfolio is 2.05%.

Spread for Mixed Rate Loans (%)	Receivables	% Receivables	Principal Outstanding (€)	% Principal Outstanding	Weighted Nominal Interest	Weighted Spread
0.51 to 1.00	491	43.07%	97,399,273.61	50.20%	2.38%	0.92%
1.01 to 1.50	506	44.39%	80,030,050.20	41.25%	2.37%	1.25%
1.51 to 2.00	143	12.54%	16,579,348.18	8.55%	2.36%	1.63%
<b>Total:</b>	<b>1,140</b>	<b>100.00%</b>	<b>194,008,671.99</b>	<b>100.00%</b>	<b>2.37%</b>	<b>1.12%</b>
Maximum	1.99%					
Minimum	0.79%					
Simple Average	1.16%					

Spread intervals for Floating Loans (%) - Euribor 12M	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance	Weighted Nominal Interest	Weighted Spread
0.51 to 1.00	341	23.93%	42,920,347.30	26.08%	0.32%	0.81%
1.01 to 1.50	292	20.49%	48,651,788.36	29.56%	1.02%	1.32%
1.51 to 2.00	425	29.82%	43,524,261.87	26.45%	1.36%	1.77%
2.01 to 2.50	176	12.35%	13,734,534.27	8.35%	1.77%	2.24%
2.51 to 3.00	174	12.21%	14,216,355.13	8.64%	2.25%	2.72%
3.01 to 3.50	15	1.05%	1,311,939.70	0.80%	2.65%	3.13%
3.51 to 4.00	2	0.14%	210,832.01	0.13%	3.16%	3.61%
<b>Total</b>	<b>1,425</b>	<b>100.00%</b>	<b>164,570,058.64</b>	<b>100.00%</b>	<b>1.11%</b>	<b>1.52%</b>
Maximum	3.65%					
Minimum	0.60%					
Simple Average	1.64%					

The weighted average margin for Mortgage Loans in the mortgage loan portfolio (Floating Mortgage Loans and Mixed Mortgage Loans after switching to variable interest rate) indexed to 12-month EURIBOR is 1.30%.

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The weighted average margin for Mortgage Loans in the Floating Mortgage Loan portfolio indexed to 12-month IRPH is 1.05%.

<b>Spread intervals for Floating Loans (%) - IRPH</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>	<b>Weighted Nominal Interest</b>	<b>Weighted Spread</b>
0.01 to 0.50	55	8.70%	6,452,492.98	11.61%	2.01%	0.38%
0.51 to 1.00	178	28.16%	17,552,737.62	31.60%	2.21%	0.60%
1.01 to 1.50	200	31.65%	15,128,506.09	27.23%	2.78%	1.15%
1.51 to 2.00	172	27.22%	13,957,353.43	25.12%	3.26%	1.63%
2.01 to 2.50	27	4.27%	2,463,045.88	4.43%	3.74%	2.14%
<b>Total</b>	<b>632</b>	<b>100.00%</b>	<b>55,554,136.00</b>	<b>100.00%</b>	<b>2.67%</b>	<b>1.05%</b>
Maximum	2.25%					
Minimum	0.35%					
Simple Average	1.10%					

None of the Mortgage Loans are subject to a floor (although all loans formalized after March 2016 foresee that the interest shall only accrue in favour of the lender) or a cap interest rate. However, as mentioned in above section of the Additional Information, some of the Mortgage Loans provide Borrowers with the option of restricting the annual increase of the instalments in the event of possible increases in their interest rates to a maximum amount equal to 200.00% or 100.00% of the CPI based on the term for revision of interest rates (annually or semi-annually, respectively).

The Mortgage Loans formalized before March 2016 do not contemplate nor regulate a scenario in which the reference interest rate plus the margin could result in a negative interest rate. However, if that occurs, the Seller is of the view that the nature of the Mortgage Loans cannot imply a payment of interest to the Borrowers. Thus, if the reference interest rate, plus the margin, were to be negative, it would mean that neither would the Borrower pay any interest amount (he/she would pay only the relevant principal repayment) nor would the Seller pay any amount to the Borrower for the negative interest. Notwithstanding the above, if the law changes or consolidated case law of a High Court shows an opposing opinion, any potential amounts payable to the borrowers would be paid by the Seller.

Summary:

<b>Index Rate</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Principal Outstanding (€)</b>	<b>% Principal Outstanding</b>	<b>Weighted Nominal Interest</b>	<b>Weighted Spread</b>
Euribor 1y	2,565	67.02%	358,578,730.63	73.45%	1.79%	1.30%
Fixed Loans	630	16.46%	74,079,911.15	15.17%	2.83%	
IRPH	632	16.51%	55,554,136.00	11.38%	2.67%	1.05%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	<b>2.05%</b>	<b>1.27%</b>
Maximum	3.95%					
Minimum	0.10%					
Simple Average	2.09%					

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2.2.2.2.6. **Newest and oldest dates of origination of the Mortgage Loans**

The Mortgage Loans included in the Mortgage Loan portfolio have origination dates which fall between 10 January 2007 (170.81 months or 14.23 years) and 30 June 2020 (9.17 months or 0.76 years).

The following table shows the distribution of the Mortgage Loans according to the date of origination.

<b>Origination Date</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Principal Outstanding (€)</b>	<b>% Principal Outstanding</b>	<b>Weighted Orig. Date</b>	<b>Weighted Months</b>
2007	63	1.65%	6,584,025.71	1.35%	25/07/2007	164.36
2008	174	4.55%	19,043,365.95	3.90%	14/08/2008	151.67
2009	153	4.00%	20,742,735.15	4.25%	03/07/2009	141.07
2010	216	5.64%	28,388,326.02	5.81%	08/07/2010	128.92
2011	293	7.66%	32,687,975.39	6.70%	04/07/2011	117.04
2012	190	4.96%	14,530,813.85	2.98%	07/08/2012	103.90
2013	180	4.70%	12,508,370.32	2.56%	20/06/2013	93.48
2014	528	13.80%	39,510,923.42	8.09%	12/07/2014	80.78
2015	7	0.18%	564,562.11	0.12%	23/07/2015	68.42
2016	10	0.26%	859,216.06	0.18%	06/10/2016	53.93
2017	30	0.78%	2,832,527.93	0.58%	26/07/2017	44.29
2018	175	4.57%	25,762,915.51	5.28%	04/10/2018	30.02
2019	960	25.08%	149,460,968.84	30.61%	21/08/2019	19.45
2020	848	22.16%	134,736,051.52	27.60%	10/04/2020	11.81
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	<b>12/11/201</b>	<b>52.71</b>
	<b>Maximum</b>	<b>Minimum</b>	<b>Simple Average</b>			
Date	30/06/2020	10/01/2007	15/02/2016			
Month	9.17	170.81	61.63			

The weighted average origination date for the whole Mortgage Loan portfolio is 12 November 2016 (52.71 months or 4.39 years).

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2.2.2.2.7. **Final maturity date**

The Mortgage Loans in the Mortgage Loan portfolio have final maturities falling between 01 March 2022 (10.84 months) and 01 February 2052 (369.91 months or 30.83 years).

The repayment of the Mortgage Loans takes place in monthly instalments of principal and interest or financial charges throughout the remaining life until full repayment.

The following table shows the distribution of the Mortgage Loans according to their date of final repayment in annual intervals:

<b>Maturity Date</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Principal Outstanding (€)</b>	<b>% Principal Outstanding</b>	<b>Weighted Maturity Date</b>	<b>Weighted Months</b>
2022	2	0.05%	17,255.01	0.00%	25/03/2022	11.66
2023	7	0.18%	111,635.67	0.02%	02/09/2023	28.92
2024	9	0.24%	178,220.66	0.04%	15/07/2024	39.36
2025	11	0.29%	313,645.77	0.06%	06/08/2025	52.06
2026	18	0.47%	515,197.38	0.11%	22/04/2026	60.56
2027	13	0.34%	531,250.08	0.11%	09/05/2027	73.13
2028	24	0.63%	887,003.17	0.18%	26/04/2028	84.73
2029	45	1.18%	1,849,444.14	0.38%	26/06/2029	98.70
2030	37	0.97%	2,169,184.52	0.44%	11/06/2030	110.21
2031	21	0.55%	1,038,190.66	0.21%	01/06/2031	121.88
2032	32	0.84%	1,895,191.34	0.39%	15/08/2032	136.37
2033	44	1.15%	2,539,281.71	0.52%	22/06/2033	146.57
2034	66	1.72%	4,138,301.01	0.85%	11/07/2034	159.20
2035	61	1.59%	4,342,515.42	0.89%	05/05/2035	168.99
2036	31	0.81%	2,560,175.25	0.52%	15/05/2036	181.35
2037	54	1.41%	4,573,594.15	0.94%	30/06/2037	194.83
2038	67	1.75%	6,284,470.39	1.29%	23/06/2038	206.61
2039	139	3.63%	13,337,296.34	2.73%	05/07/2039	218.99
2040	87	2.27%	7,972,386.67	1.63%	03/05/2040	228.93
2041	67	1.75%	8,706,666.48	1.78%	05/07/2041	243.01
2042	147	3.84%	15,792,536.92	3.23%	03/07/2042	254.92
2043	184	4.81%	18,901,273.65	3.87%	21/05/2043	265.53
2044	339	8.86%	34,815,889.61	7.13%	14/06/2044	278.31
2045	125	3.27%	16,340,312.34	3.35%	29/04/2045	288.80
2046	81	2.12%	13,480,199.48	2.76%	18/06/2046	302.45
2047	112	2.93%	17,484,264.09	3.58%	15/06/2047	314.34
2048	233	6.09%	34,399,897.93	7.05%	04/08/2048	328.01
2049	687	17.95%	108,683,228.54	22.26%	06/07/2049	339.05
2050	889	23.23%	139,705,743.54	28.62%	10/04/2050	348.17
2051	188	4.91%	23,586,532.39	4.83%	15/06/2051	362.32
2052	7	0.18%	1,061,993.47	0.22%	03/01/2052	368.96
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	<b>12/01/2047</b>	<b>309.29</b>
	<b>Maximum</b>	<b>Minimum</b>	<b>Simple Average</b>			
Date	01/02/2052	01/03/2022	09/06/2045			
Month	369.91	10.84	290.16			

The weighted average maturity date for the Mortgage Loans in the Mortgage Loan portfolio is 12 January 2047 (309.32 months or 25.78 years).

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2.2.2.2.8. **Distribution by geographical region**

The following table shows the distribution of the Mortgage Loans according to the location of the property securing the Mortgage Loan. Cataluña, Comunidad de Madrid and Andalucía have an aggregate share of the Outstanding Balance of the Receivables of 82.69%.

Property Location by Autonomous Community	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
CATALUÑA	1,141	29.81%	188,910,484.44	38.69%
COMUNIDAD DE MADRID	1,022	26.70%	132,444,502.33	27.13%
ANDALUCIA	846	22.11%	82,336,089.05	16.86%
COMUNIDAD VALENCIANA	284	7.42%	26,487,592.23	5.43%
CANARIAS	133	3.48%	13,501,355.80	2.77%
ISLAS BALEARES	86	2.25%	12,729,574.29	2.61%
CASTILLA LA MANCHA	91	2.38%	10,314,152.90	2.11%
PAIS VASCO	27	0.71%	4,121,336.87	0.84%
GALICIA	48	1.25%	3,990,383.64	0.82%
CASTILLA Y LEON	37	0.97%	3,581,202.93	0.73%
ARAGON	29	0.76%	2,608,150.29	0.53%
EXTREMADURA	30	0.78%	2,432,446.17	0.50%
CANTABRIA	23	0.60%	2,024,021.71	0.41%
ASTURIAS	15	0.39%	1,487,112.28	0.30%
MURCIA	12	0.31%	845,628.35	0.17%
NAVARRA	3	0.08%	398,744.50	0.08%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

2.2.2.2.9. **Delinquency in the Mortgage Loan portfolio**

The Seller represents and warrants that on the Date of Incorporation of the Fund none of the Mortgage Loans from which the Receivables to be assigned to the Fund arise will be in arrears.

Days in arrears	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
0	3,827	100.00%	488,212,777.78	100.00%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

2.2.2.2.10. **Distribution of Mortgage Loans by concentration of Borrowers**

The following table shows the ten (10) largest Borrowers (by reference to the highest Outstanding Balance of the Receivables in the Mortgage Loan portfolio).

Debtor's concentration	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance	Autonomous Community
Debtor nº 1	1	0.03%	638,492.03	0.13%	MADRID
Debtor nº 2	1	0.03%	614,109.52	0.13%	CATALUÑA
Debtor nº 3	1	0.03%	608,549.11	0.12%	CATALUÑA
Debtor nº 4	1	0.03%	602,725.82	0.12%	MADRID
Debtor nº 5	1	0.03%	594,757.46	0.12%	MADRID
Debtor nº 6	1	0.03%	581,560.41	0.12%	ISLAS BALEARES
Debtor nº 7	1	0.03%	563,407.31	0.12%	CATALUÑA
Debtor nº 8	1	0.03%	541,715.25	0.11%	CATALUÑA
Debtor nº 9	1	0.03%	540,436.31	0.11%	CATALUÑA
Debtor nº 10	1	0.03%	536,991.31	0.11%	MADRID
Rest of Debtors	3,817	99.74%	482,390,033	98.81%	
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	

*Only the first debtor in the loan considered; one debtor per loan*

The risk per Borrower is not concentrated. No Borrower has more than one Mortgage Loan, the largest of which is € 638,492.03, equal to 0.13% of the Outstanding Balance of the Receivables in the Mortgage Loan portfolio. The top 10 is equal to 1.19% of the Outstanding Balance of the Receivables in the Mortgage Loan portfolio and the top 20 is equal to 2.22% of the Outstanding Balance of the Receivables in the Mortgage Loan portfolio.

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2.2.2.2.11. **Distribution of Mortgage Loans by type of residence**

The following table shows the distribution of Mortgage Loans into unrestricted and VPO residence.

<b>Official Protection Housing (VPO) Program</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
NO	3,326	86.91%	434,997,308.72	89.10%
YES	501	13.09%	53,215,469.06	10.90%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

2.2.2.2.12. **Distribution of Mortgage Loans by origination channel**

The following table shows the distribution of the Mortgage Loans based on origination channel. The distinction among different categories in the origination channel is the Seller’s internal classification for monitoring purposes.

<b>Origination Channel</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
Third Party Channel but Underwriting Performed Entirely by the Originator	2,919	76.27%	346,254,797.50	70.92%
Office or Branch Network	691	18.06%	108,144,694.09	22.15%
Internet	217	5.67%	33,813,286.19	6.93%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

All origination channels, in particular the third-party channel, follow the same risk management policies as the ones originated by the Seller and they are always approved by the Seller following the Origination Policy mentioned in section 2.2.7 of this Additional Information. For clarification purposes, there is no credit risk analysis delegation to third parties.

The majority of the Mortgage Loans (i.e. 70.92% of the Outstanding Balance of the Receivables in the Mortgage Loan portfolio, approximately) have been originated via intermediaries mainly such as Real Estate Agents. These intermediaries introduce applicants to the Seller, where a full underwriting process is conducted in accordance with its Origination Policy. For clarification purposes, there is no credit risk delegation to third parties.

2.2.2.2.13. **Loan Purpose**

The following table shows the distribution of the Mortgage Loans based on the type of residence.

<b>Loan Purpose</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
Acquisition First Residence	3,827	100.00%	488,212,777.78	100.00%
<b>Total</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212, 777.78</b>	<b>100.00%</b>

2.2.2.2.14. **Distribution of Mortgage Loans by initial debt-to-income (DTI) ratio**

The following table shows the distribution of the Mortgage Loans according to the initial debt-to-income (DTI) ratio.

The debt-to-income ratio (the “**DTI ratio**”) compares, on an annual basis, the income level of the Borrowers upon the granting of the Mortgage Loan to their total debt level at that moment. For the purposes of the DTI ratio, which is calculated by dividing the debt of a relevant Borrower by its income, both on an annual basis, the Seller takes into account not only the Seller’s Mortgage Loan but also any other financing transactions that the client may have with any other credit entities at the time of analysing the risk of the transaction and that appear in the Bank of Spain Risk Information Centre (“**CIRBE**”) or

in any other documentation requested to the Borrower. For calculating income, the Seller considers the documented income of the Borrowers at such time.

The initial DTI ratio is between 7.00% and 50.00%, with a simple average of 31.88% and a weighted average of 33.04%.

Initial DTI %	Receivables	% Receivables	Principal Outstanding (€)	% Principal Outstanding	Weighted DTI
1 to 10	10	0.26%	486,416.01	0.10%	8.22%
11 to 20	365	9.54%	31,007,771.33	6.35%	16.68%
21 to 30	1,084	28.33%	122,992,815.23	25.19%	25.20%
31 to 40	1,620	42.33%	234,334,929.11	48.00%	34.98%
41 to 50	748	19.55%	99,390,846.10	20.36%	43.42%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>	<b>33.04%</b>
Maximum	50.00%				
Minimum	7.00%				
Simple Average	31.88%				

For instance, as per the interval "41 to 50", 20.36% of the Outstanding Balance of the Receivables correspond to Borrowers whose debt amounts to, from 41% to 50% of their income.

#### 2.2.2.2.15. **Distribution of Mortgage Loans according to the number of current security and Property Type**

The following table shows the distribution of the Mortgage Loans according to the number of current mortgages securing a Mortgage Loan.

Any additional mortgage has the same characteristics as the mortgage granted over the financed residence, since they are granted over residences located in Spain and are also first-priority mortgages.

Number of securities	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
1	2,453	64.10%	282,156,658.91	57.79%
2	1,182	30.89%	170,543,122.79	34.93%
3	168	4.39%	30,234,044.66	6.19%
4	18	0.47%	3,676,170.06	0.75%
5	6	0.16%	1,602,781.36	0.33%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

42.21% of the Outstanding Balance has more than 1 mortgage securing the relevant Mortgage Loan, having a total of 5,423 properties backing 3,827 Mortgage Loans.

Guarantor	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
No	3,244	84.77%	427,782,450,26	87,62%
Yes	583	15,23%	60,430,327,52	12,38%
Total:	3,827	100,00%	488.212.777.78	100,00%

12.38% of the Outstanding Balance of the Receivables in the Mortgage Loan portfolio has personal guarantees granted by the guarantors.

The following table shows the distribution of properties (principal & additional guarantees) by their type.

Type of Property	Properties	% Properties
Cellar	71	1.31%
Detached House	257	4.74%
Flat-Apartment	3,906	72.03%
Garage	428	7.89%
Semi-Detached house	761	14.03%
<b>Total:</b>	<b>5,423</b>	<b>100.00%</b>



2.2.2.2.16. **Distribution of Mortgage Loans by Borrower’s nationality**

The following table shows the distribution of the Mortgage Loans by the Borrower’s nationality.

<b>Borrower’s nationality</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
Other	303	7.92%	43,484,819.64	8.91%
Spanish	3,524	92.08%	444,727,958.14	91.09%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

All Borrowers are Spanish residents. 7.92% of the Receivables have a Borrower of non-Spanish nationality.

2.2.2.2.17. **Distribution of Mortgage Loans by Covid-19 Moratorium**

The following table shows the distribution of the Mortgage Loans by the status of any Covid-19 Moratorium whatsoever:

<b>Payment Moratoria</b>	<b>Receivables</b>	<b>% Receivables</b>	<b>Outstanding Balance (€)</b>	<b>% Outstanding Balance</b>
No Covid-19 Moratorium	3,827	100.00%	488,212,777.78	100.00%
Legal Moratorium	0	0.00%	0.00	0.00%
Contractual Moratorium	0	0.00%	0.00	0.00%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>

None of the Receivables are affected by a Covid-19 Moratorium.

2.2.2.3. **Environmental performance of the Mortgage Loans**

UCI collects information relating to the environmental performance of the Mortgage Loans in the mortgage asset portfolio at origination of each Mortgage Loan, loads such information into its reporting systems and monitors this information on an ongoing basis thereafter in accordance with Article 22(4) of the EU Securitisation Regulation. Such information will be made available by the Reporting Entity in the correct format to fulfil the reporting requirements of Article 7 of the EU Securitisation Regulation.

2.2.3. **Legal nature of the assets**

The Receivables securitised by means of the assignment of the MTCs to the Fund are credit rights deriving from the Mortgage Loans.

The Receivables will be assigned by means of the issuance by the Seller of the MTCs which will be fully subscribed by the Fund through its Management Company, in accordance with the Deed of Incorporation and upon the terms established therein and in this Prospectus.

The MTCs will be issued and subscribed in accordance with Fourth Additional Provision of Law 5/2015, Mortgage Market Law, Royal Decree 716/2009, and other regulations in force at the time of transfer and relating to the acquisition of mortgage market titles.

Each MTC will represent 100 per cent. of the Outstanding Balance of the relevant Mortgage Loan and the right to receive payments under the corresponding Mortgage Loan, including, without limitation, late payment interest corresponding to the accrued amounts and fees related to the repayment of principal and any other rights attached to the corresponding Mortgage Loan.

The issuance of the MTCs will not act to transfer formal title to the mortgages and to any other security for the Mortgage Loans or accessory rights (including the insurances) relating to the relevant Mortgage Loans to the Fund (as holder of the MTCs). However, all rights to the proceeds of the enforcement of such mortgages and accessory rights will be transferred to the Issuer (as holder of the MTCs).

Each of the MTCs issued by the Seller will be represented in one Multiple Title containing the minimum requirements provided for in Royal Decree 716/2009.

Each of the Mortgage Certificates is issued with a final maturity corresponding to the final maturity of the corresponding Mortgage Loan. The maturity date of the Mortgage Loan with the longest maturity within the Mortgage Loan portfolio will be 1 February 2052. However, the rights of the Fund (as the holder of a MTCs) in respect of the corresponding Mortgage Loan will remain outstanding while any amounts remain due and payable on such Mortgage Loan (for example, where enforcement proceedings are in process or are commenced following the final maturity date of such Mortgage Loan).

#### **2.2.4. Expiration or maturity date(s) of assets**

Subject to partial periodic repayment instalments, each of the selected Receivables matures in accordance with the particular terms of the Mortgage Loan agreement from which it derives.

The Borrowers may prepay all or part of the Outstanding Balance of the Receivables at any time during the term of the Mortgage Loans, ceasing the accrual of interest on the prepaid portion as from the date of repayment.

The maturity date of any Mortgage Loan from which the Receivables derive will take place in no event after 1 February 2052, being the final maturity date of the Notes (the "**Final Maturity Date of the Notes**").

#### **2.2.5. Amount of the Receivables**

The assets of the Fund will be made up of the Receivables represented by the MTCs, issued by the Seller and assigned to the Fund, representing the economic rights in the Mortgage Loans selected from among those comprising the Mortgage Loan portfolio, until reaching an amount equal to or marginally higher than € 480,000,000.

The selected Mortgage Loan portfolio, from which the Receivables represented by the MTCs to be assigned to the Fund on the Date of Incorporation will be extracted, is made up of 3,827 Mortgage Loans, the Outstanding Balance of which amounts to € 488,212,777.78 as of 5 April 2021. Receivables arising from MTCs representing the economic rights in Mortgage Loans with amounts in arrears will not be assigned to the Fund.

Based on the Outstanding Balance of the Receivables as of 5 April 2021 as well as all other information provided by the Seller, the Management Company considers that the expected amount of the Outstanding Balance of the Receivables on the Date of Incorporation will be sufficient to allow the issuance by the Seller of the MTCs representing the Receivables and the assignment of such Receivables to the Fund for an amount equal to or marginally higher than € 480,000,000.

## 2.2.6. Loan-to-value ratio or level of collateralisation

The original LTV ratio, expressed as a percentage of the initial principal amount of the Mortgage Loan and the initial appraisal value of any relevant mortgaged properties securing such Mortgage Loan, in the Mortgage Loans portfolio (calculated as of the date of origination of the Mortgage Loan), was between 15.63% and 99.95%, and the weighted average ratio was 68.01%, weighted by initial principal amount.

For clarification purposes, the original LTV ratio was calculated on the basis of the outstanding principal balance of each Mortgage Loan and the appraisal value of the relevant mortgage properties as of the date on which each of them were granted. In the case of VPO, the appraised value used is the lower of (i) the maximum official value and (ii) the market value.

The appraisal value of any property securing the Mortgage Loans has been taken into account in calculating the original LTV.

Original LTV %	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
< 45	486	12.70%	45,265,707.06	9.27%
45 to 50	238	6.22%	24,981,020.63	5.12%
50 to 55	279	7.29%	32,076,727.33	6.57%
55 to 60	341	8.91%	42,879,715.42	8.78%
60 to 65	363	9.49%	44,276,381.23	9.07%
65 to 70	386	10.09%	51,028,389.71	10.45%
70 to 75	352	9.20%	46,364,896.39	9.50%
75 to 80	415	10.84%	57,607,249.32	11.80%
80 to 85	314	8.20%	43,929,329.56	9.00%
85 to 90	338	8.83%	56,072,591.84	11.49%
90 to 95	212	5.54%	29,948,516.78	6.13%
95 to 100	103	2.69%	13,782,252.51	2.82%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>
Maximum	99.95%			
Minimum	15.63%			
Simple Average	66.69%			
Weighted Average	68.01%			

The current LTV ratio, expressed as a percentage of the Outstanding Balance of the Receivables in the Mortgage Loan portfolio and the initial appraisal value of the properties securing the Mortgage Loans (in accordance with Order ECO/805/2003), of the mortgaged properties securing the Mortgage Loans in the portfolio, is between 2.37% and 98.36%, and the weighted average ratio is 62.40%. In the case of VPO, the initial appraisal value used is the lower of (i) the maximum official value and (ii) the market value, both of them as of the execution date of the relevant Mortgage Loan agreement.

Current LTV %	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
< 35	534	13.95%	37,182,034.28	7.62%
35 to 40	272	7.11%	28,151,765.39	5.77%
40 to 45	301	7.87%	32,968,387.10	6.75%
45 to 50	343	8.96%	40,974,411.53	8.39%
50 to 55	320	8.36%	41,867,306.73	8.58%
55 to 60	307	8.02%	41,265,733.52	8.45%
60 to 65	300	7.84%	40,570,263.92	8.31%
65 to 70	227	5.93%	33,564,629.68	6.88%
70 to 75	207	5.41%	34,159,035.90	7.00%
75 to 80	280	7.32%	44,197,258.32	9.05%
80 to 85	317	8.28%	51,697,850.57	10.59%
85 to 90	257	6.72%	38,751,668.17	7.94%
90 to 95	154	4.02%	21,487,846.31	4.40%
95 to 100	8	0.21%	1,374,586.36	0.28%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>
Maximum	98.36%			
Minimum	2.37%			
Simple Average	57.85%			
Weighted Average	62.40%			

The indexed current LTV expressed as a percentage of the Outstanding Balance of the Receivables in the Mortgage Loan and the indexed property valuation of the mortgage

properties securing the Mortgage Loans in the portfolio, based on the fourth quarter of 2020 indexed valuations, is between 2.22% and 97.52%, and the weighted average ratio is 62.67%. In order to calculate the indexed current LTV the Seller uses the valuation and the matrix provided by the MINISTRY OF TRANSPORT, MOBILITY AND URBAN AGENDA with the quarterly price changes. Therefore, depending on the date on which each of the Mortgage Loan agreement has been executed and the corresponding ECO valuation was issued, the Seller applies the MINISTRY OF TRANSPORT, MOBILITY AND URBAN AGENDA’s updating factors and the current value indexed of the initial valuation is calculated, obtaining the indexed current LTV. In summary, is the updating of the value of the issued ECO valuation to the current value in the mortgage market.

The MINISTRY OF TRANSPORT, MOBILITY AND URBAN AGENDA publishes an official index on a quarterly basis, which includes the average price of housing in each province of Spain. The referred index can be consulted on the following websites:

<http://www.fomento.gob.es/BE2/?nivel=2&orden=35000000> OF <https://www.mitma.gob.es/BE2/?nivel=2&orden=35000000>.

Current Index LTV %	Receivables	% Receivables	Outstanding Balance (€)	% Outstanding Balance
< 35	622	16.25%	43,967,086.73	9.01%
35 to 40	277	7.24%	27,719,805.00	5.68%
40 to 45	321	8.39%	35,488,251.38	7.27%
45 to 50	294	7.68%	35,781,643.72	7.33%
50 to 55	279	7.29%	34,915,938.36	7.15%
55 to 60	288	7.53%	38,838,864.92	7.96%
60 to 65	225	5.88%	32,469,030.87	6.65%
65 to 70	225	5.88%	35,739,170.48	7.32%
70 to 75	242	6.32%	38,885,645.75	7.96%
75 to 80	292	7.63%	44,956,521.36	9.21%
80 to 85	319	8.34%	49,414,704.17	10.12%
85 to 90	276	7.21%	45,701,555.69	9.36%
90 to 95	148	3.87%	21,270,106.55	4.36%
95 to 100	19	0.50%	3,064,452.80	0.63%
<b>Total:</b>	<b>3,827</b>	<b>100.00%</b>	<b>488,212,777.78</b>	<b>100.00%</b>
Maximum	97.52%			
Minimum	2.22%			
Simple Average	57.53%			
Weighted Average	62.67%			

### 2.2.7. The method of origination or creation of assets, and for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances

UCI is a financial credit entity, authorised and supervised by the Bank of Spain. UCI is an entity which is subject to prudential, capital and liquidity regulation in Spain and it has regulatory authorisation and permissions which are relevant to the provision of servicing in relation to the loans comprising the mortgage asset portfolio and other loans originated by UCI which are not sold to the Issuer. The Servicer has significantly more than 30 years of experience in servicing of loans similar to those included in the mortgage asset portfolio. The Servicer’s risk management policies, procedures and controls relating to the servicing of the mortgage asset portfolio have been assessed by the risk management department of Banco Santander, S.A., and validated by its Executive Auditing Committee, which includes members from both Banco Santander, S.A. and BNP Paribas, S.A. Additionally, UCI reports results on a periodic basis to Banco Santander S.A.’s risk management department and to its Executive Auditing Committee.

The Mortgage Loans granted from 1 January 2010 up to 30 June 2020 have followed the procedures established by the Seller for the granting of mortgage loans (the “**Origination Policy**”) and represent a total of 90.50% of the Outstanding Balance of the Receivables. Notwithstanding the foregoing, the rest of the Mortgage Loans, representing a total of

9.50% of the Outstanding Balance of the Receivables, have followed risk policies that do not differ substantially from the Origination Policy (in particular the DTI and LTV criteria do not differ substantially from the Origination Policy). Such previous risk policies were not less strict than the Origination Policy and fulfilled the characteristics described in this section. UCI undertakes to disclose to the Management Company, who in turn will disclose to potential investors, without delay any material change in the Origination Policy.

#### **2.2.7.1. Origination Policy**

##### **Introduction**

UCI's acceptance basic policy for Loans originated after 2009 requires a major initial down payment from the debtor based on the lower level of entrenchment, rootedness, or usefulness of the financed asset (in terms of satisfaction of the debtor's basic needs). In addition, it adapts the need for contribution to the customer's professional partner profile.

Furthermore, a cautious relationship is foreseen between the amount of the loan and the value of the guarantee, without taking into consideration possible revaluations of the latter. Moreover, the risks that are appreciated in the guarantees such as the type of property, its purpose or use, as well as its possible depreciation or the geographical area where it is located, are factored.

A fundamental requirement of this policy is the evaluation of the borrower's capacity to comply in a timely manner with the financial obligations assumed, considering only the usual income of the borrower, without relying on guarantors, sureties or assets offered in guarantee.

##### **Data codification**

The capture and encoding of the data of the transaction in the UCI loan management IT system is performed by the C.A.N. (*Centro de Autorización Nacional* – National Authorisation Centre) reporting to the Risks Department, thus ensuring uniformity of criteria and independence with respect to commercial agencies.

Between 2006 and 2011, due to the strong increase in origination, a sub-department known as "Encoding Control" was created, which dealt with, among other matters, the aspects relating to capture, encoding, calculation of revenue and verification of different risk files to which we have access, and conducting telephone surveys, where necessary, of the companies where the applicants work.

Additionally, from 2013 onwards, the C.A.N. risk analysts systematically contact by telephone all customers to verify the information provided.

##### **Powers**

Currently, all the decisions are adopted centrally in the C.A.N.

The analysts have delegated decision-making powers based on their experience, seniority in the position, amount of the mortgage loan and other characteristics identified by the computer application.

The analysts' function is to verify the information provided by customers and, depending on their level of decision-making powers, to approve the transactions subject to the fulfilment of certain conditions (direct debit of salary, provision of additional guarantees, sureties, justifying documentation, etc.).

### C.A.N. Decision

The C.A.N. risk analysts approve transactions within their decision-making powers. Those that exceed these powers are subject to a decision of the C.A.N. Committee or the Risks Committee, as appropriate. Similarly, to ensure the quality of those decisions, the RRM (Responsable de Riesgos y Métodos) team oversees decisions made by analysts from a representative sample of cases.

### Evaluation

When using their decision-making powers, the transaction decision-maker (analyst, Agency Manager with powers, C.A.N. Committee or Risks Committee) evaluates the mortgage loan and issues a first provisional authorisation subject to a final appraisal carried out by the appraisal company on the property to be mortgaged and also subject to the verification of the land registry data by administrative managers who collaborate with UCI.

UCI's clients can work with any of the appraisers authorised and approved by Bank of Spain. However, when they delegate this decision to UCI, the two companies with which UCI collaborates are GLOVAL and TINSA, both of them duly registered in an Official Register with the Bank of Spain as authorised appraisal companies. The process is also completely integrated in UCI's mainframe IT system. The majority of the information received is controlled automatically unless it requires a new decision to be made. UCI has a group of employees (6 people) in charge of monitoring and controlling the activity of its appraisers. A whole department in UCI audits the property valuations performed by external appraisers. The client has the right to bring his own appraisal.

The analysis of the security is outsourced to a network of external administrative agencies (*Gestorías*) in charge of such inquiries. Each administrative agency appointed by the Seller has a civil liability insurance and first demand bank guarantee to cover any potential damage caused to UCI. UCI has a department in charge of monitoring and controlling such network of administrative agency. The majority of the information received is controlled automatically unless it requires a new decision to be made. UCI works with seven (7) administrative agencies that provide outsourcing services to banks and other entities, most of them are reference companies in the sector and provide services to the rest of the banks in Spain (GRUPO BC - TESSI DIAGONAL - GESTORES ADMINISTRATIVOS REUNIDOS - GESTARNAL - GRUPO SERTYF - MONERCONSULTING - GESTINOVA99).

For decision-taking, the following basic criteria are followed:

- (a) Purpose: purchase or renovation of a 1st or 2<sup>nd</sup> residence or re-mortgaging of mortgage loans from other institutions.
- (b) Applicant: Individuals of legal age with access to the ownership of their residence or wishing to refinance their mortgage loan after verification of the following requirements:
  - (i) The professional stability of the applicant is examined, considering both the type of employment contract and professional history, reinforcing transactions with insufficient stability through additional guarantees.
  - (ii) In addition, maximum limits are established for the economic ratios or parameters defined for the risk analysis, although the existence of these "responsible limits" does not imply that our acceptance policy adheres to

them. In fact, the limits of the acceptance policy of UCI will be more restrictive in most of the cases and at best the same.

- (iii) The following limits are established for this purpose:
  - (iv) The charges/income ratio shall be  $\leq 40\%$  in general, being more restrictive depending on the Risk (for example, Indefinites, Residents but not from Spain / OCDE the ratio C/I  $< 30\%$ ).
  - (v) Responsible percentage limit of financing in first residence acquisition operations:
  - (vi) With the sole guarantee of the acquired good: the limit will be the 100% of the acquisition price + costs linked to the transaction. The limit is independent from LTV.
  - (vii) Main Residence Acquisition Policy for Residents distinguishes whether the operation is a Change of Home or not. Main Residence Acquisition Policy for operations different than the Change of House, will depend on the justified personal contribution to the operation. The following limits shall apply:
  - (viii) Permanent Public Servant 15% contribution (10% if not single).
  - (ix) Permanent Employee 25% contribution (20% if the acquired good is worth more than EUR 150,000).
  - (x) Liberal Professional 30% contribution.
  - (xi) Temporary Self-employed workers 40% contribution.
  - (xii) With more than one guarantee or a single guarantee that is not the acquired good: the limit will be the 80% of the appraisal value of the guarantees provided. Here are included the Changes of House.
  - (xiii) The maximum term is established by product, where the limit is 360 months.
- (c) The basic documentation generally used to be able to proceed to study the transaction is as follows:
- (i) The application form, plus the identification data of the applicants.
  - (ii) Concerning the residence to be purchased: documentation provided by the applicant on the residence to be financed or any other property provided as additional collateral to the transaction (Land Registry excerpt and title deed (*escritura de propiedad*), if applicable.)
  - (iii) Concerning the applicant's income.
  - (iv) Salaried workers: Last three (3) pay slips and income tax return for the last year.
  - (v) Professionals and self-employed workers: income tax return for the last year.
  - (vi) In respect of the LTV ratio, the appraisal valuations have always been done according to the criteria approved by the Bank of Spain from time to time and the appraisers are entities duly registered in the Bank of Spain as

authorised appraisal companies. The debt-to-income (DTI) policies have been adjusted throughout the origination period according to the macroeconomic conditions, therefore considering the applicable interest rates. During this period, and for the purposes of calculating the amount of debt to be considered in the DTI ratio, the sensitivity of the risk criteria related to the clients' indebtedness was increased depending on the specific macroeconomic conditions. In this regard, the weighted average of initial DTI ratio of the Mortgage Loans in the Preliminary Portfolio is 33.04%.

- (vii) Besides, the source of the client's down-payment is always checked by UCI's risk department to make sure that the level of commitment with the repayment of their mortgage loan is sufficiently high (as the client's level of commitment with the repayment of the mortgage loan is always higher when the source of the clients' down-payment comes from their personal savings). In addition, the Risk Department performs a verification of clients' tax data using the Código Seguro de Verificación included in their income statement.
- (viii) The selection process is also supported by a statistical "score" based on the probability of payment default according to the customer profile; this is done through an expert system (which includes all the rules of UCI's risk acceptance policy) that checks if the transaction complies with all of UCI's risk acceptance policy rules and includes a system of geographical population studies.
- (ix) The presence of the Borrowers and guarantors, if applicable, is systematically checked in the risk records held by ASNEF (*Asociación Nacional de Entidades de Financiación* – National Association of Financing Entities). If necessary, the CIRBE (*Central de Información de Riesgos del Banco de España* – Bank of Spain Risk Information Centre) and VEDACON are also consulted.

All UCI's business introducers are subject to a compliance procedure handled by UCI's risk department, before entering into a business agreement, which needs to be reviewed annually (Know Your Intermediary). Sales teams strive to enter in contact with the clients in the early stage of the purchase process, offering the possibility for the real estate agent, to secure financing in its office (and "catch" the clients quicker). Since the beginning of 2012 each mortgage sale requires a minimum of one face to face meeting with the future mortgage borrower. None of the intermediaries can do the Risk Assessment of the customers, only UCI.

UCI's possible origination channels are the following (underwriting performed always entirely by UCI):

- (a) Third party channel but Underwriting Performed Entirely by the Seller:

Real Estate Agents: Agencies that intervene in the process of sale and purchase of properties. Mainly major franchising networks (i.e. TECNOCASA, IDEALISTA, REDPISO, REMAX, COMPRARCASA, etc.). The strengthening of Real Estate Networks and "big local" in the last years put in evidence the quality and the proven efficiency of their sales methods. That is the reason why UCI focuses its strategy on them and enhance collaboration at a national level by organizing training, sales campaigns, sponsoring of events and especially enhance commitment towards objectives. The capillarity of these partners is a key leverage to UCI's sales efficiency. In Spain, the main networks contribution to intermediated sales is growing and stands at a third of the intermediated sales.



**Broker:** Financial intermediaries whose main activity is to obtain financing for their clients, usually not intervening in the process of sale and purchase of properties (i.e. KIRON, AGENCIA NEGOCIADORA).

**Developers:** Real estate agents whose main activity is intervention in the sale of real estate developments that can be reconciled with intervention in the sale and purchase of second-hand housing. Currently, no mortgage loans are originated through this channel.

**Financial Entities:** Financial institutions, banks or savings banks (*cajas de ahorros*) with which UCI has signed a cooperation agreement in order to manage its clients' financial transactions. Currently, no mortgage loans are originated through this channel.

**Insurance:** Insurance agents that reconcile their main activity of insurance intermediation with financial intermediation. Currently, no mortgage loans are originated through this channel.

(b) Office or Branch Network

**Branch UCI:** Financial transactions with clients that arrive directly at UCI's offices.

(c) Internet

**Hipotecas.com:** UCI's online origination channel ([www.hipotecas.com](http://www.hipotecas.com)).

In addition, UCI can also enter into cooperation agreements with any other originator of transactions, which in any case, will be subject to a strict acceptance policy by the Risk Management Division (*Dirección de Riesgos*). Such policy includes, with prior consent from the originator of the transaction, consultation of risk files (ASNEF, CIRBE, WORLDCHECK and so on), request of commercial and asset information and analysis of potential effects of the relationship with such intermediary on UCI's image. Furthermore, any mortgage loan originated by a third party is always approved by UCI following its Origination Policy. Only 20 Mortgage Loans of the portfolio (less than 0.46%) have been originated through cooperation agreements with other financial entities.

Procedures established by UCI for the formalisation of transactions are independent of the origination channel. No exceptions have been defined to such procedures on the basis of the type of origination channel.

**Disbursement of the mortgage loan**

After completing the final evaluation and authorisation procedures, the public deed (*escritura pública*) of mortgage loan is signed before a Notary Public at which time UCI disburses the funds.

In the case that there are any prior mortgages or charges over the mortgaged property registered with the Land Registry because the mortgage loan which they secure has been economically cancelled but the relevant entry is still pending cancellation in the relevant Land Registry, the representative appointed by UCI will ensure these are cancelled, retaining the necessary funds for this purpose and overseeing the whole Land Registry procedure until UCI's mortgage is registered as a first-priority mortgage.

UCI, through the relevant administrative agency (*gestoría*), retains the amount necessary to carry out the registration of the cancellation of the prior mortgage. This process requires that the creditor of the seller provides a letter of payment. This process usually

takes approximately one (1) month, and is monitored by UCI’s management department. In this regard, if the referred process takes longer than three (3) months, the reasons for such delay will be analysed by a committee specially formed for this purpose, which will follow up the process in detail.

The Fund will in no case assume the expenses of the cancellation of the relevant existing mortgages.

In Spain, sales teams explain to the clients all the marketing and contractual documentation linked to the mortgage loan before the day of the signing of the relevant public deed of mortgage loan (*escritura pública*) in the notary. During the formalisation of the transaction, UCI is represented by an administrative agency (*gestoría*) who oversees the correct completion thereof and who receives both the signing instructions and the text for the public deed of mortgage loan from a UCI Department that supervises the administrative agency (*gestoría*) activity through a system of prior authorisations. In addition, any such administrative agencies (*gestoría*) must hold at all times a civil liability insurance policy and provide UCI with a first-demand bank guarantee to cover any potential damages caused to UCI. As stated above UCI works with seven (7) reference administrative agencies (*gestoría*) companies in the sector in Spain (GRUPO BC - TESSI DIAGONAL - GESTORES ADMINISTRATIVOS REUNIDOS - GESTARNAL - GRUPO SERTYF - MONERCONSULTING - GESTINOVA99).

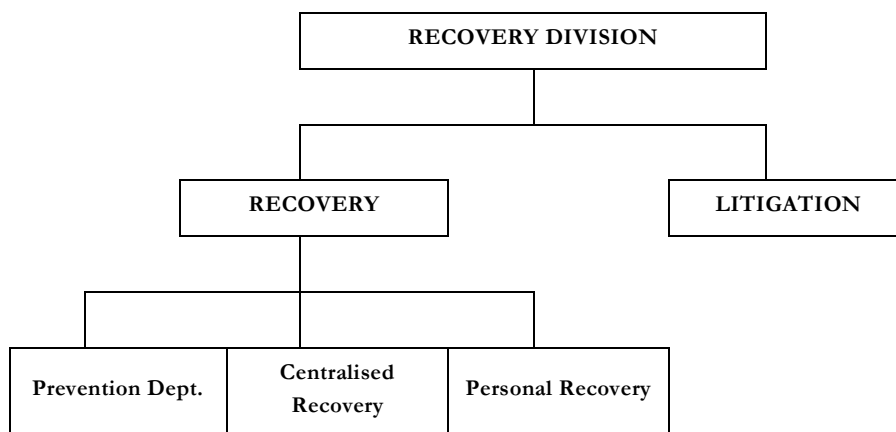
The administrative agency (*gestoría*) assists the clients in the administrative and tax issues arising until the completion of the mortgage loan transaction and checks at the notary office that mortgage loan documents are in accordance with UCI offer and with local regulation, such as compliance with Bank of Spain Mortgage Directive rules of transparency regarding mortgages loan origination.

After the execution of the mortgage loan agreements, an after-sales team made up of eleven (11) people who are part of UCI staff and an outsourced call center called KONECTA, managing the customers in a normal situation, attending them in case of any doubt or request about their mortgage loan agreements. UCI reviews periodically the level of satisfaction of its clients throughout the various processes they may be involved in.

**2.2.7.2. Collection and claims policy**

The collection management is currently performed according to the following internal management policies, which are applied by the Seller to its Mortgage Loan Global Portfolio.

In this regard, the collection management is performed through the Recovery Division (which is 100% UCI staff), which is structured as follows:



The Recovery Division is formed by 150 professionals in Spain with wide experience. All employees are subject to a training program that allows them to improve their knowledge and their skills.

The Prevention Department is the first stage of the Recovery Division and deals with customers not in default who are experiencing financial difficulties. This department adopts appropriate measures to prevent customers from defaulting and aggravating their financial situation with UCI.

Between the second and eighth day of each month, the majority of missed payments are assigned to a team to notify the customer, which leads to an early recovery process.

If a customer subsequently makes a first definitive default, this is handled by the Centralised Recovery Department. This department uses telephone management to recover the debt contracted by the customer, to prevent aggravating the default situation and to ensure the possible future payment of instalments using the tools and mechanisms at UCI's disposal to resolve the customer's payment problems.

If the customer's normal payment situation cannot be re-established and the customer subsequently reaches two defaults, the matter is forwarded to the Recovery Agency Network. The main difference from previous departments is this network's personal contact with the customer.

The tools used in assisting customers to pay are applied based on the individualised study of their economic/personal situation at all times and are as follows:

- (a) Restructuring. In this transaction, for reasons related to the customer's financial difficulties (current or foreseeable), the initial mortgage loan conditions are modified to facilitate payment (of principal and interest) because the borrower cannot or is not likely to comply with the initial conditions in a timely manner.
- (b) Payment in kind. In this transaction, UCI accepts the residence, or any of the residences guaranteeing the mortgage loan, in lieu of payment or partial payment (*dación en pago o para pago*) of the debt. Should there be a remnant, it is possible to implement a restructuring to adapt the outstanding instalments to the customer's actual payment capabilities.
- (c) Amendment (*novación*). Modification of the mortgage loan agreement (either in its rate or term) to facilitate the clients payment of the instalments. Barely been exercised since 2010.
- (d) Sales mandate. Working with the clients, UCI can assist in the sale of the mortgaged property through external real estate agencies with whom UCI has cooperation agreements according to the price the client indicates (price that is also checked by the internal risk department monitoring appraisals). This solution avoids UCI increasing its REO (Real Estate Owned) stock and paying taxes (transfer taxes (ITP) or real estate tax (IBI)).

UCI has adhered to the Code of Good Practices for the feasible restructuring of debts secured with a mortgage over primary residences, published in the STATE OFFICIAL GAZETTE (*Boletín Oficial del Estado*) on 21 October 2014, a government initiative to ensure that all customers that have a legitimate problem receive a practical solution. The aforementioned Code of Good Practices reflects the measures foreseen in the Royal Decree-law 6/2012, of 9 March, on urgent measures to protect mortgagors with limited

resources, as modified by the Law 1/2013, and in the Royal Decree-law 1/2015, of 27 February, on the second chance mechanism, debt reduction and other social agenda.

UCI has adhered as well to the Code of Good Practices for the relaxation of the criteria that the debtor must meet to avail themselves of the measures adopted in the rules that modify and incorporate his right to obtain a social rent for 1 year of duration, extendable to another 5 years, as foreseen in the Royal Decree-law 5/2017, of 17 March, which modifies the aforementioned Royal Decree-law 6/2012 and the Law 1/2013; maintaining its commitment to collaborate to provide adequate solutions to customers without resources.

If it is not possible to reach an amicable solution with the customer despite the efforts made, the Legal Department will be responsible for claiming repayment of the debt in court, notwithstanding the possibility of reaching an amicable solution during the proceedings.

Several teams are involved at this stage:

- (a) Pre-trial team. Responsible for obtaining the documentation prior to filing the claim.
- (b) Litigation team. Responsible for monitoring the assigned court proceedings and overseeing the portfolios assigned to the team of outside lawyers.
- (c) Law firms. Responsible for the direct monitoring of court proceedings assigned and distributed by geographical area (External Team). External lawyers and bailiffs working with UCI's Litigation IT system and paid on efficiency performance.
- (d) Solicitors. Responsible for managing Court proceedings in progress (External Team).

Upon enforcement of the mortgage securing a mortgage loan, and once the property is owned by UCI, either by deed in lieu (*dación en pago*) or Court allocation (*adjudicación judicial*), the Real Estate Marketing Division through its Branch Network will select, manage and monitor the Real Estate Brokers in charge of marketing and selling the properties.

For the purpose of compliance with article 21(9) of the EU Securitisation Regulation, the UCI's administration manual sets out in clear and consistent terms definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.

### **2.2.7.3. Code of Good Practice**

On 21 October 2014 the Seller adhered to the amendments to the Code of Good Practice endorsed by Law 1/2013 (as amended). The Management Company acknowledges and agrees that the Seller has adhered to such amendments to the Code of Good Practice, which may have an impact on the Fund.

In particular, the Code of Good Practice contains a set of measures that may affect the recovery of the unpaid amounts under the Mortgage Loans, the period for foreclosure of the property and, therefore, a loss in the value of the Mortgage Loans and ultimately the amount of Available Funds to service the Notes. In particular, the following measures foreseen in the Code of Good Practice may have an impact on the Fund and ultimately in the Available Funds to service the Notes:

- (a) Granting of principal payment grace period and/or deferrals on the repayment calendar could imply a delay in the repayment of principal under the affected Mortgage Loans. Furthermore, temporary reductions in the interest rate during the grace period will entail interest collections under the affected Mortgage Loans.
- (b) Write-offs in the Outstanding Balance of the Receivables arising from the Mortgage Loans, would reduce principal and interest collections under the affected Mortgage Loans.
- (c) Friendly repossessions (*daciones en pago*) as an alternative to foreclosure proceedings would entail a total repayment of the amounts due the relevant Mortgage Loans and the release from any personal liability of the Borrower under the Mortgage Loan as well as of any third-party guarantors. Consequently, this may reduce the total amounts collectable under the Mortgage Loan.
- (d) The right of the Borrower under a Mortgage Loan to request the rental of the foreclosed or friendly repossessed property for a period of one year including the option to extend the rental up to five (5) years with a maximum annual rent of 3% of the value of the property at the time of the approval of the adjudication of the property could imply a reduction of the amounts collected by the Fund and/or a deferral in time to dispose of the property.

The Management Company agrees that a friendly repossession (*dación en pago*) can be made and, in general, the Code of Good Practice shall be applied to the securitized Mortgage Loans.

#### 2.2.7.4. **Payments in arrears**

Below is shown the accumulated gross ratio for mortgage loans originated by UCI that present 12 (plus twelve) months payment arrears, as a percentage of the total outstanding balance of the mortgage loans originated in each year from 2001 to 2018. For loans originated from 2019 onwards, the accumulated ratio of +12 (plus twelve) months in arrears is zero, due to the fact that as of the date of this Prospectus there are no unpaid amounts with an age equal to or longer than 12 (twelve) months.

The following tables contain the most recent information that has been available to the Seller:

<b>Origination Year</b>	<b>Originated Amount (€)</b>	<b>Cumulative Gross Loss (%)</b>
2001	994,793,519.43	0.55%
2002	1,335,499,224.89	0.98%
2003	1,734,970,454.19	2.25%
2004	2,291,402,027.38	7.78%
2005	3,639,294,668.83	16.51%
2006	3,714,402,793.31	21.06%
2007	3,608,561,363.17	23.02%
2008	1,817,654,676.99	14.79%
2009	616,082,268.56	3.63%
2010	573,765,524.33	4.15%
2011	482,848,006.91	4.24%
2012	261,892,824.36	2.31%
2013	202,018,170.30	0.45%
2014	185,589,653.10	0.40%
2015	183,339,245.87	0.45%
2016	254,296,349.26	0.38%
2017	385,247,317.71	0.16%
2018	523,889,715.71	0.06%

In case of payment default under a Mortgage Loan by the relevant Borrowers, the Servicer shall take such action as may be determined by the Servicer to be necessary or desirable including, if necessary and without limitation, by means of court proceedings (which may

involve judicial expenses and lengthy procedures) against any Borrower in relation to a Defaulted Receivable. The table below shows the accumulated recoveries as a percentage of the total outstanding balance of the mortgage loans that, on each year, presented 12 (plus twelve) months payment arrears, up to 2018.

<b>Loss Year</b>	<b>Gross Loss Amount (€)</b>	<b>Cumulative Recovery (%)</b>
2006	58,779,401.29	82.09%
2007	170,553,386.80	79.24%
2008	337,590,723.13	75.94%
2009	210,124,271.45	80.44%
2010	65,057,529.24	79.56%
2011	56,581,397.60	86.82%
2012	50,978,665.40	104.90%
2013	44,289,760.32	107.26%
2014	36,517,523.71	110.00%
2015	15,327,457.04	110.41%
2016	5,349,570.00	113.03%
2017	5,629,756.00	109.88%
2018	854,500.00	107.12%

The following table shows the cumulative dynamic NPL Loans ratio calculated by dividing the cumulative balance of outstanding principal of NPL Loans (delinquency Loans +90d plus subjective doubtful) by the aggregate outstanding principal balance of UCI loans in the respective quarter:

<b>Quarter (Year)</b>	<b>% not in Arrears</b>	<b>(%) + 90d Balance EFC including Subjective Default</b>	<b>Total %</b>
2015Q1	83.38%	16.62%	100%
2015Q2	83.84%	16.16%	100%
2015Q3	84.26%	15.74%	100%
2015Q4	85.02%	14.98%	100%
2016Q1	85.21%	14.79%	100%
2016Q2	85.47%	14.53%	100%
2016Q3	85.88%	14.12%	100%
2016Q4	86.22%	13.78%	100%
2017Q1	85.98%	14.02%	100%
2017Q2	85.54%	14.46%	100%
2017Q3	84.90%	15.10%	100%
2017Q4	84.81%	15.19%	100%
2018Q1	84.94%	15.06%	100%
2018Q2	85.49%	14.51%	100%
2018Q3	85.66%	14.34%	100%
2018Q4	85.98%	14.02%	100%
2019Q1	86.03%	13.97%	100%
2019Q2	86.37%	13.63%	100%
2019Q3	86.26%	13.74%	100%
2019Q4	86.30%	13.70%	100%
2020Q1	85.42%	14.58%	100%
2020Q2	85.24%	14.76%	100%
2020Q3	85.19%	14.81%	100%
2020Q4	85.63%	14.37%	100%
2021Q1	86.22%	13.78%	100%

The following table shows the monthly conditional prepayment rate (CPR). The monthly CPR has been calculated by dividing the sum of all cash flows related to early prepayment made by borrowers in the relevant quarter shown in by the aggregate outstanding principal balance in respective quarter:

<b>Quarter</b>	<b>Annual Prepayment Rate</b>
2010Q2	7.18%
2010Q3	8.19%
2010Q4	9.33%
2011Q1	4.62%
2011Q2	4.36%
2011Q3	3.54%
2011Q4	3.86%
2012Q1	2.61%
2012Q2	2.83%
2012Q3	2.62%
2012Q4	3.14%
2013Q1	1.87%
2013Q2	1.94%
2013Q3	1.84%
2013Q4	1.83%
2014Q1	1.86%
2014Q2	1.90%
2014Q3	2.17%
2014Q4	2.43%
2015Q1	2.56%
2015Q2	3.41%
2015Q3	2.72%
2015Q4	3.49%
2016Q1	3.70%
2016Q2	4.53%
2016Q3	3.70%
2016Q4	4.19%
2017Q1	4.13%
2017Q2	3.97%
2017Q3	3.45%
2017Q4	4.01%
2018Q1	3.23%
2018Q2	3.28%
2018Q3	3.60%
2018Q4	4.05%
2019Q1	4.04%
2019Q2	4.08%
2019Q3	3.26%
2019Q4	5.35%
2020Q1	4.36%
2020Q2	3.24%
2020Q3	4.04%
2020Q4	4.12%

## **2.2.8. Representations and collateral given to the issuer relating to the assets**

On the Date of Incorporation, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation:

### **2.2.8.1. In relation to the Seller:**

- (a) The Seller is a company duly organised in accordance with applicable law and is registered with the Commercial Registry of Madrid and in the Registry of Financial Credit Entities of the Bank of Spain and is equally empowered to participate in the mortgage market.

- (b) The Seller has not been in a situation of insolvency, suspension of payments, bankruptcy or insolvency proceedings (in accordance with the provisions of the Insolvency Law) on the date of this Prospectus or at any time since its incorporation.
- (c) The corporate decision-making bodies of the Seller have validly adopted all resolutions required to (i) assign the Mortgage Loans through the issuance of the MTCs, and (ii) validly execute the agreements and commitments undertaken therein.
- (d) The Seller is in possession of the annual accounts for the last two completed fiscal years, which are duly audited. The Auditors' Report for 2019 is unqualified. The audited annual accounts for the fiscal years 2019 and 2018 are deposited with the CNMV and the commercial registry.
- (e) The Seller complies with current data protection legislation, any anti-money laundering regulations, and Law 5/2019.
- (f) The Seller will comply with the Retention by holding Class B Notes and Class C Notes.
- (g) The Seller is a financial institution as defined in Article 4.1 (26) of Regulation (EU) no. 575/2013.

**2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:**

- (a) That the granting of the Mortgage Loans and all aspects relating thereto are ordinary actions in the course of its business and are and will be at arm's basis.
- (b) The Mortgage Loans are homogeneous in terms of asset type, cash flow, credit risk, servicing and prepayment characteristics and contain obligation that are contractually binding and enforceable, with full recourse to borrowers, and where applicable, guarantors, within the meaning of article 20.8 of the EU Securitisation Regulation.
- (c) The Mortgage Loans comply with the homogeneity factors within the meaning of Articles 1 and 2 of the Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards relating to the homogeneity of the underlying exposures in securitisations.
- (d) The Seller is the sole owner of the Mortgage Loans, which are free of liens and encumbrances and has no knowledge that any Borrower may raise any objections to the payment of any amount regarding the Mortgage Loans.
- (e) The Seller has no knowledge that any Borrower is involved in insolvency proceedings.
- (f) The Seller warrants that on the Date of Incorporation none of the Mortgage Loans will be in arrears.
- (g) None of the Mortgage Loans have ever been in arrears. To the best of the Seller's knowledge, none of the Borrowers have defaulted on any other obligation under the Mortgage Loan agreements.



- (h) Each Mortgage Loan constitutes legal, valid, binding and enforceable contractual obligations with full recourse to the relevant Borrower and, where applicable, the guarantors and such obligations are enforceable in accordance with their respective terms.
- (i) The data concerning the Mortgage Loans included in sections 2.2.2, 2.2.6 and 2.2.8 of this Additional Information are complete and faithfully and accurately reflect the reality of such Mortgage Loans.
- (j) The Mortgage Loans have not been subject to any change, amendment, modification or waiver of any kind which in any material way adversely affects the enforceability or collectability of all or a material portion of the Receivables being transferred.
- (k) As regards the Mortgage Loans, no person has a preferential right to the Fund.
- (l) At the time of execution of the Mortgage Loans, all the Borrowers were natural persons residing in Spain.
- (m) The Mortgage Loans have been granted by the Seller to individuals (customers) for the acquisition of finished residences in Spain. None of the Mortgage Loans have been granted to real estate developers. All Mortgage Loans are secured with finished residences.
- (n) 100% of the Mortgage Loans are granted for the financing of primary residences.
- (o) The Mortgage Loans (i) have no grace period (either for principal or for interest); and (ii) have been granted by the full legal and registrar owner of the mortgaged properties.
- (p) The ordinary instalments of the Mortgage Loans are repaid by the Borrowers via direct debit to bank accounts.
- (q) None of the Mortgage Loans includes Self-Certified Mortgage Loans or Equity Release Mortgage Loans. For these purposes, (i) a “**Self-Certified Mortgage Loans**” (“**Préstamos Hipotecarios Certificados**”) means mortgage loans sold and underwritten on the basis that the applicants and/or intermediaries representing them were made aware before the start of the lender's assessment that income could be self-certified; and (ii) a “**Equity Release Mortgage Loans**” (“**Préstamo Hipotecario con Liberación de Capital**”) means residential mortgage loans where borrowers have monetised their properties for either a lump sum of cash or regular periodic income.
- (r) Each Mortgage Loan is denominated and payable exclusively in euros.
- (s) Each Borrower has made at least one scheduled payment under the relevant Mortgage Loan agreement.
- (t) The Seller is not aware of any Borrower holding any credit right against the Seller that may entitle them to exercise any set-off rights which may negatively affect the rights conferred by the MTCs.
- (u) The information contained in this Prospectus regarding the Mortgage Loan portfolio is complete and accurate in all material respects.

- (v) Both the assignment of the Receivables and the issue of the MTCs, as well as any acts relating thereto, have been legally and validly performed or will be legally and validly performed based on usual market standards.
- (w) For 90.5% of the Outstanding Balance of the Receivables, the Seller has faithfully complied with the standard set forth in the Origination Policy described in section 2.2.7 of this Additional Information and, for the remaining Mortgage Loans, representing a total of 9.5% of the Outstanding Balance of the Receivables, the Seller has complied with origination policies that do not differ substantially from Origination Policy described in section 2.2.7 of this Additional Information.
- (x) All the original public deeds (*escrituras públicas*) of mortgage over the properties securing the Mortgage Loans have been duly deposited with the company RECALL, S.A., and are available to the Management Company, acting on behalf of the Fund, and the Mortgage Loans are clearly identified both in the Seller's systems and by means of the relevant public deeds.
- (y) The Mortgage Loans were originated in the ordinary course of business of the Seller, pursuant to underwriting standards in respect of the acceptance of Mortgages Loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitized.
- (z) The Mortgage Loans have been and are being serviced in all material respects by the Seller in accordance with customary market procedures (including the Code of Good Practice set forth in section 2.2.7.3 of the Additional Information).
- (aa) The Seller is not aware of the existence of litigation of any kind as regards the Mortgage Loans that may prejudice the validity or enforceability (*exigibilidad*) thereof or give rise to the application of Article 1,535 of the Civil Code.
- (bb) All the Mortgage Loans have a maturity falling no later than three (3) years before the Legal Maturity Date.
- (cc) The Floating Mortgage Loans and the Mixed Mortgage Loans (after switching from a fixed-rate to a variable interest rate) will accrue a variable interest rate indexed to an official benchmark index (Euribor 12M and IRPH), and no maximum or minimum limit of the applicable interest rate is agreed, other than those that have the CPI limitation option.
- (dd) The option of restricting the annual increase of the instalments in the event of increases in their interest rates up to a maximum amount equal to 200.00% or 100.00% of the CPI is not available for 84.05% of the Mortgage Loans and, as of 27 June 2024, none of the Mortgage Loans will have the option to limit instalments based on the CPI.
- (ee) The payments of the Borrowers deriving from the Mortgage Loans are not subject to any withholding tax.
- (ff) The Mortgage Loan agreements are governed by Spanish law.
- (gg) Until the Date of Incorporation (included), the Seller has received no notification of total or partial prepayment of the Mortgage Loans.
- (hh) The Mortgage Loans are secured by a first-priority real estate mortgage over the relevant properties (all of them over finished residences). Furthermore, the mortgaged properties (i) are not affected by prohibitions concerning their

availability, cancellation or any other ownership limitation and (ii) are not subject to any charges, liens or encumbrances in force ranking ahead the mortgages securing the Mortgage Loans, save preferential statutory credit rights originated in the ordinary course of business.

- (ii) All the Mortgage Loans are recorded in public instruments ("*escritura pública*"), and all the mortgages are duly granted and registered with the corresponding Land Registries. The registration of the mortgaged properties is in force and with no contradictions and is not subject to any limitation with priority over the mortgage, in accordance with applicable legal provisions.
- (jj) The mortgages are granted over properties that are wholly owned by the mortgagors, and to the best of its knowledge the Seller is not aware of any litigation over the ownership of such properties which may have an adverse effect on the mortgages.
- (kk) All the mortgaged properties have been appraised at the time of granting the Mortgage Loans and in accordance with the provisions of Order ECO/805/2003 by an appraiser duly registered in the corresponding Official Registry of the Bank of Spain, and such appraisal is shown in the relevant certificate. In the case of Official Protection Housing (*Vivienda de Protección Oficial*) (VPO), the appraisal value is equal to or lower than the maximum official value.
- (ll) The Mortgage Loans do not meet any of the characteristics of excluded or restricted credits under Articles 12.1 a), c), d), f) and 12.2 of Royal Decree 716/2009.
- (mm) For purposes of credit risk enhancement, 42.21% of the Outstanding Balance of the Receivables in the Mortgage Loan portfolio are secured by more than one property with first-priority mortgage security, i.e., the Borrower has granted a first-priority mortgage over the financed residence and a first-priority mortgage over another property. All such additional mortgages have the same characteristics as the mortgage granted over the financed property, since they are granted over properties located in Spain and are also first-priority mortgages.
- (nn) The properties mortgaged by virtue of the Mortgage Loans are not excluded assets that cannot serve as collateral under Article 11.1 of Royal Decree 716/2009.
- (oo) The Mortgage Loans are not subject to any issue of mortgage notes or mortgage transfer certificates other than the issuance of the MTCs.
- (pp) The Seller is not aware of the existence of any circumstance preventing the enforcement (*ejecución*) of the mortgages securing the Mortgage Loans.
- (qq) On the Date of Incorporation, the Outstanding Balance of the Receivables is equal to the principal amount of the corresponding MTCs.
- (rr) The Mortgage Loans are fully drawn.
- (ss) No Receivable is a Restructured Receivable.
- (tt) The Mortgage Loans are not subject to any contractual provisions preventing assignment of the Receivables or requiring the Borrower's consent for such assignment.
- (uu) All Mortgage Loans follow the French amortisation system.

- (vv) None of the Receivables qualifies as exposures in default within the meaning of article 178, paragraph 1, of Regulation (EU) no. 575/2013 pursuant to article 20(11) of the EU Securitisation Regulation.
- (ww) None of the Receivables is a derivative, pursuant to article 21(2) of the EU Securitisation Regulation.
- (xx) For the purposes of article 20(11) of the EU Securitisation Regulation, none of the Borrowers or the guarantors under the Mortgage Loans is a credit-impaired Debtor, who, to the best of the Seller's knowledge
  - (i) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within 3 (three) years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures; or
  - (ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history;
  - (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than the ones of comparable exposures held by the relevant Seller which have not been assigned to the Fund under the Transaction.
- (yy) Each Mortgage Loan has been and is being administered by Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito.
- (zz) Each Mortgage Loan has been originated on or after January 2007.
- (aaa) Each Mortgage Loan has a principal outstanding balance, which, together with the aggregate principal outstanding balance of all other eligible Mortgage Loans owed by the relevant Borrower, does not exceed 0.13 per cent. of the aggregate principal outstanding balance of the Mortgage Loan portfolio as at the reference date.
- (bbb) Each Mortgage Loan has an original loan to value which is less than 99.9 per cent.
- (ccc) Each Mortgage Loan has an indexed loan to value which is less than 100 per cent.
- (ddd) The Mortgage Loans have no deferral of interest payments.
- (eee) The assessment of the Borrower's creditworthiness meets the requirements as set out in article 8 of Directive 2008/48/EC.
- (fff) That, in respect of each Mortgage Loan, no Covid-19 Moratoriums are granted on the assignment date.

**2.2.8.3. In relation to the MTCs:**

- (a) The MTCs are issued in accordance with the provisions of (i) Royal Decree 716/2009 and (ii) the Fourth Additional Provision of Law 5/2015 and contain all the information required therein.
- (b) The MTCs are issued to the extent the Mortgage Loans are not eligible under Article 3 of Royal Decree 716/2009, for purposes of being subject to mortgage

participations ("*Participaciones Hipotecarias*"). This is consistent with the information provided to Bank of Spain.

- (c) The MTCs are issued for the same period that remains until maturity and for the same interest rate as each of the corresponding Mortgage Loans.
- (d) On the Date of Incorporation, the Outstanding Balance of each of the Mortgage Loans, which are fully drawn, will be equivalent to the outstanding balance of the corresponding MTC.
- (e) The respective corporate decision-making body of the Seller has validly adopted all resolutions required for the issuance of the MTCs.
- (f) The MTCs are represented by a multiple or individual physical title and not by book entries.
- (g) The MTCs shall not be admitted to trading on any regulated, alternative market or multilateral trading system.
- (h) The transfer of the MTCs shall be done in written form only through a purchase agreement between the parties (and therefore never in an immaterial form through trading systems).
- (i) The transfer of the MTCs acquired by the Fund shall only be made in favour of an institutional investor and provided that such transfer is as a consequence of (i) the Liquidation of the Fund, or (ii) the foreclosure of the underlying Mortgage Loan.

#### **2.2.8.4. Additional provisions**

None of the Fund, the Management Company, the Joint Lead Arrangers, the Joint Lead Managers, the Paying Agent, nor any other person has undertaken or will undertake any investigations, searches or other actions to verify the information concerning the Mortgage Loans in the portfolio or to establish the creditworthiness of any Borrower or any other party to the Transaction Documents. Each such person will rely solely on the accuracy of the representations and warranties given by the Seller to the Fund in the Deed of Incorporation in respect of, among other things, itself, the Mortgage Loans in the portfolio, the Receivables, the Borrowers and the Mortgage Loan agreements and which have been reproduced in this section 2.2.8 of the Additional Information.

Should any of the Receivables not comply with the representations and warranties made by the Seller on the Date of Incorporation, the Seller will, if the relevant breach cannot be remedied, be required to fulfil the terms and conditions established in section 2.2.9 of the Additional Information.

The Seller is under no obligation to, and will not, provide the Joint Lead Arrangers, the Joint Lead Managers, the Fund or the Management Company with financial or other personal information specific to individual Borrowers and the Mortgage Loan agreements to which the Receivables relate.

Should the Seller fail to comply with appropriate remedial action under the terms established in section 2.2.9 of the Additional Information this may have an adverse effect on the value of the Receivables and on the ability of the Fund to make payments under the Notes.

### **2.2.9. Substitution of the securitised assets**

In the case of prepayment of the Receivables assigned to the Fund due to the prepayment of the corresponding Mortgage Loan or otherwise, the affected Receivables will not be replaced.

If at any time after the Date of Incorporation, the Seller (as Seller or Servicer) or the Management Company detects or otherwise becomes aware that a Receivable, Mortgage Loan or MTC does not conform on the Date of Incorporation with the representations and warranties contained in section 2.2.8 of this Additional Information, the party that has become aware of such circumstance shall notify the other party of such circumstance in writing.

#### Replacement

Within fifteen (15) calendar days from the aforementioned notification, the Seller shall replace or, if applicable, prepay the corresponding affected MTC representing the Receivables arising from the relevant Mortgage Loan, subject to obtaining (i) the prior consent of the Management Company and (ii) confirmation from the Rating Agencies that such substitution does not entail a downgrade in the credit rating of the Class A Notes, the Class Z Notes or the Class B Notes.

The replacement will be made through the issue by the Seller of MTCs representing Receivables arising from Mortgage Loans in the Seller's portfolio that can be assigned to the Fund and which has the same characteristics as the Mortgage Loan represented by the MTC being replaced.

In particular, the Seller will issue a new MTC representing a Mortgage Loan with similar remaining period, interest rate, outstanding balance and credit quality in terms of the relationship between (i) the Outstanding Balance of the ineligible Mortgage Loan and (ii) the appraisal of the property mortgaged as security for the ineligible Mortgage Loan, in accordance with the provisions of section 2.2.2 of the Additional Information, such that the financial structure of the Fund and the rating of the Rated Notes will not be affected by the replacement.

This issue of MTCs by the Seller and the replacement by the Management Company, on behalf of the Fund, will be made through the corresponding notarial certificate, which will include the data concerning the MTC to be replaced and the underlying Mortgage Loan, and the new MTC issued, with the data on the new Mortgage Loan, as well as the grounds for the replacement and the variables determining the homogeneous character of the MTCs, as described above. A copy of such notarial certificate will be delivered to the CNMV and to IBERCLEAR.

Upon replacement of the ineligible MTC, the Seller will immediately cancel the ineligible MTC by inserting the corresponding stamp on the title of the MTC.

In addition, the Management Company will deliver the Multiple Title representing the MTCs to the Seller, and the Seller will deliver a new Multiple Title including all MTCs owned by the Fund (i.e. excluding the replaced ineligible MTC and including the new MTC).

#### Termination

If any Receivable is not replaced within the fifteen (15) calendar days period referred to above, the Seller will proceed to automatically terminate the assignment of the affected non-conforming Receivable. The termination will take place by means of the cash repayment by the Seller to the Fund of the relevant Outstanding Balance of the

Receivable, plus any accrued and unpaid interest, and any other amount that might correspond to the Fund until such date.

In the event of termination of assignment of non-conforming Receivables due to either replacement or repayment, the Seller will be vested with all rights attached to those non-conforming Receivables accruing from the relevant termination date.

Special consideration regarding Covid-19 Moratoriums

For the avoidance of doubt, as foreseen in Risk Factor 1.1.2 (*Macroeconomic Risk, Covid-19 and Related Potential Circumstances*), in the event that a Covid-19 Moratorium is granted in respect of any Mortgage Loan after the assignment of the Receivables to the Fund, the Seller will neither replace nor terminate the assignment of such Receivables affected by the Covid-19 Moratorium.

**2.2.10. A description of any relevant insurance policies relating to the assets. Any consultation with one insurer must be disclosed if it is material to the transaction**

In accordance with the provisions of Order ECO/805/2003 and the Mortgage Loan agreements, the properties securing the Mortgage Loans were insured against fire and damages at the time of granting the Mortgage Loans.

Initially, insurance policies are contracted with SANTANDER SEGUROS (SANTANDER GROUP), BNP PARIBAS CARDIF (BNP PARIBAS GROUP) and LIBERTY SEGUROS, COMPAÑÍA DE SEGUROS Y REASEGUROS S.A. However, the Borrowers may at any time decide to transfer them to another insurer of their choice provided that the mortgaged property is insured against fire and damages at all times.

No data on insurance company concentration is provided in this Prospectus given the insurance policies contracted by the Borrowers and their details are not supported by or updated in the Seller's computer records. However, there may be a concentration of insurance policies against fire and damages with the abovementioned insurance companies given that these were initially contracted with such insurance companies.

As of the date of registration of this Prospectus, there is no evidence that the insurance policies against fire and damages contracted at the time of granting the Mortgage Loans are still in place.

**2.2.11. Information relating to the Borrowers in the cases where assets comprise obligations of 5 or fewer obligors which are legal persons or are guaranteed by 5 or fewer legal persons or where an obligor or entity guaranteeing the obligations accounts for 20 % or more of the assets, or where 20 % or more of the assets are guaranteed by a single guarantor, so far as the issuer is aware and/or is able to ascertain from information published by the obligor(s) or guarantor(s)**

Not applicable.

**2.2.12. Details of the relationship between the issuer, the guarantor and the borrower, if it is material to the issue**

There are not significant relationships between the Fund, the Seller, the Management Company or other persons involved in the transaction which would be material to the issue of the Notes other than those included in section 3.1 of the Securities Note and section 3.2 of this Additional Information.

- 2.2.13. If the assets comprise obligations that are traded on regulated or equivalent third country market or SME Growth Market, a brief description of the securities, the market and an electronic link where the documentation in relation to the obligations can be found on the regulated or equivalent third country market or SME Growth Market**

Not applicable.

- 2.2.14. Where the assets comprise obligations that are not traded on a regulated or equivalent third country market or SME Growth Market, a description of the principal terms and conditions in relation to the obligations**

Not applicable. The Receivables do not include transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU nor any securitization position, whether traded or not.

- 2.2.15. Where the assets comprise equity securities that are admitted to trading on a regulated or equivalent third country market or SME Growth Market indicate, a brief description of the securities; a description of the market on which they are traded including its date of establishment, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country, the name of the market's regulatory authority and an electronic link where the documentation in relation to the securities can be found on the regulated or equivalent third country market or SME Growth Market; and the frequency with which prices of the relevant securities, are published**

Not applicable.

- 2.2.16. Where more than 10 % of the assets comprise equity securities that are not traded on a regulated or equivalent third country market or SME Growth Market, a description of those equity securities and equivalent information to that contained in the registration document for equity securities or where applicable, the registration document for securities issued by closed-end collective investment undertakings in respect of each issuer of those securities**

Not applicable.

- 2.2.17. Where a material portion of the assets are secured on or backed by real property, a valuation report relating to the property setting out both the valuation of the property and cash flow/income streams**

The valuations of the properties securing the Mortgage Loans from which the Receivables arise from have been principally performed by two appraisers (GLOVAL and TINSA). Both of them are appraisal companies registered with the corresponding registry of the BANK OF SPAIN. Such appraisals are carried out in accordance with the provisions of Order ECO/805/2003.

All appraisals of the properties securing the Mortgage Loans were performed on or around the date of granting of the Mortgage Loans and none of the properties have been re-appraised, which is line with UCI's policy for its Mortgage Loan Global Portfolio.

- 2.3. Assets actively managed backing the issue**

The Management Company will not actively manage the assets backing the issue.



**2.3.1. Information to allow an assessment of the type, quality, sufficient and liquidity of the asset types in the portfolio which will secure the issue**

Not applicable.

**2.3.2. The parameters within which investments can be made, the name and description of the entity responsible for such management including a description of that entity's expertise and experience, a summary of the provisions relating to the termination of the appointment of such entity and the appointment of an alternative management entity and a description of that entity's relationship with any other parties to the issue**

Not applicable.

**2.4. Statement in the event that the issuer intends to issue new securities backed by the same assets, a prominent statement to that effect and unless those further securities are fungible with or are subordinated to those classes of existing debt, a description of how the holders of that class will be informed**

Not applicable.

**3. STRUCTURE AND CASH FLOW**

**3.1. Description of the structure of the transaction, containing and overview of the transaction and the cash flows, including, if necessary, a structure diagram**

**3.1.1. General**

The Seller will assign to the Fund the Receivables represented by the MTCs deriving from Mortgage Loans selected from among those comprising the Mortgage Loan portfolio through the issuance of the MTCs.

The Fund will subscribe for the MTCs representing the Receivables and will issue the Notes from which it will obtain the funds or resources for the subscription of the MTCs.

The Fund will periodically obtain funds from the repayment of principal and interest on the Mortgage Loans which will be used by the Fund to, amongst others, repay the principal and interests of the Notes.

This transaction will be formalised, *inter alia*, through (i) the Deed of Incorporation, by virtue of which the Fund is incorporated, the Receivables will be assigned through the issuance and subscription of the MTCs and the Notes will be issued, and (ii) the rest of Transaction Documents described in section 3.4.8 of this Additional Information.

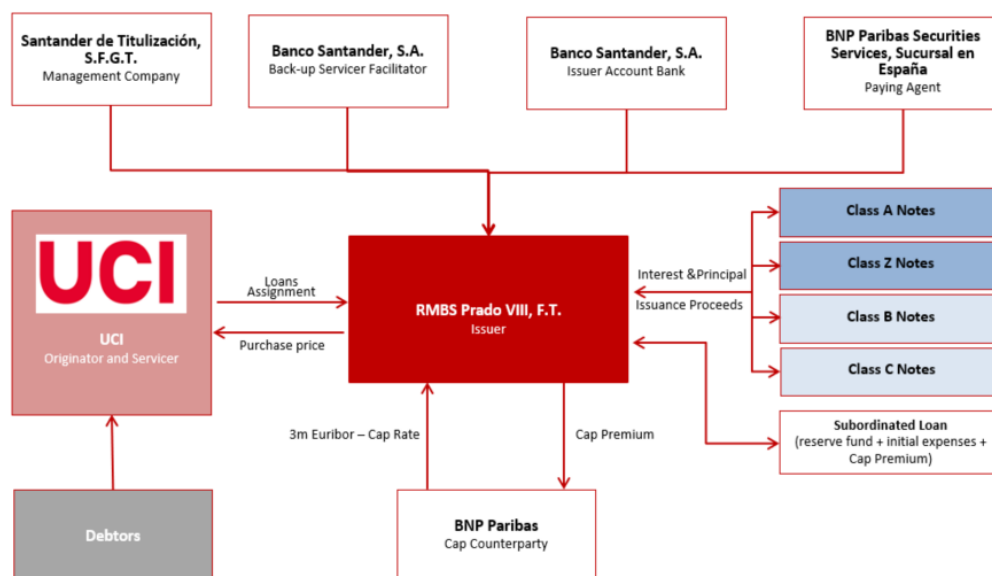
A copy of the Deed of Incorporation will be delivered to the CNMV and to IBERCLEAR to be included in their official registers prior to the start of the Subscription Period.

In order to strengthen the financial structure of the Fund and the coverage of the inherent risks of the issue of the Notes, the Management Company, in the name and on behalf of the Fund, will execute, among others, the Transaction Documents specified in section 3.4.8 of this Additional Information, being able to extend or modify them in accordance with their terms and even execute additional agreements, taking into account, where appropriate, the resolutions of the Meeting of Creditors and having informed the CNMV and the Rating Agencies, in order to ensure the proper operation of the Fund and performance of its obligations in the terms and conditions set out in the applicable laws from time to time. The above, always without prejudicing the rights of the Noteholders

and, in particular, ensuring that it will not result in the downgrade of the ratings of the Rated Notes.

### 3.1.2. Diagram

Below there is a diagram explaining the transaction:



### 3.1.3. Initial Balance Sheet of the Fund

The balance sheet of the Fund at the Disbursement Date will be, assuming that the issue price of Class A Notes is above par, and Class Z Notes, Class B Notes and Class C Notes is at par, as follows:

ASSETS		LIABILITIES	
<b>Credit Rights</b>	<b>480,000,000</b>	<b>Notes Issuance</b>	
Receivables (credit rights from mortgage loans)	480,000,000	Class A	382,000,000
		Class Z	50,000,000
<b>Working Capital</b>	<b>11,000,000</b>	Class B	26,400,000
Cash Flow Account	11,000,000	Class C	21,600,000
* Reserve Fund loan	9,600,000		
* Initial expenses loan	1,400,000	<b>Other L/T debts</b>	<b>11,000,000</b>
		Subordinated Loan	11,000,000
		* Reserve Fund loan	9,600,000
<b>Other</b>	<b>4,725,340</b>	* Initial expenses loan	1,400,000
		<b>Deferred Income</b>	<b>4,725,340</b>
<b>Total Assets</b>	<b>495,725,340</b>	<b>Total Liabilities</b>	<b>495,725,340</b>

The estimated initial expenses of the incorporation of the Fund and the issuance of the Notes, which include the partial financing of the acquisition of the Receivables represented by the MTCs (for the difference of the subscription or acquisition price of the MTCs (equal to the Outstanding Balance of the Mortgage Loans) and the nominal amount of the Notes), are described in section 6 of the Securities Note.

It is assumed that all the initial expenses for the incorporation of the Fund and the issuance of the Notes will be paid on the Disbursement Date. These expenses therefore are shown on the above balance sheet.

**3.2. Description of the entities participating in the issue and description of the functions to be performed by them in addition to information on the direct and indirect ownership or control between those entities**

**3.2.1. SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.**

- (a) will be the Management Company that will establish, manage and be the authorised representative of the Fund; and
- (b) takes responsibility for the contents of this Prospectus.

**3.2.2. UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., E.F.C.**

Participates as

- (a) Seller of the Receivables to be acquired by the Fund;
- (b) Servicer of the Receivables in accordance with section 3.7.1 of the Additional Information;
- (c) Subordinated Loan Provider;
- (d) subscriber of any Class A Notes that are not subscribed by qualified investors;
- (e) subscriber of all Class Z Notes, Class B Notes and Class C Notes.

As originator:

- (a) has also been designated as Reporting Entity responsible for submitting the information required by article 7 of the EU Securitisation Regulation;
- (b) will retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent. in the Securitisation, and shall take responsibility for the contents of the Securities Note (including this Additional Information).
- (c) shall be liable for compliance with articles 19 to 22 of the EU Securitisation Regulation and the applicable legislation. In addition, the Seller shall be appointed as Reporting Entity in charge of the fulfilment of the disclosure obligations as set forth in section 4.2.1 of the Additional Information.

**3.2.3. FITCH, DBRS and SCOPE**

Intervene as credit rating agencies rating the Rated Notes, i.e.:

- (a) Class A Notes,
- (b) Class Z Notes; and
- (c) Class B Notes.

**3.2.4. DELOITTE, S.L.**

Has issued the Special Securitisation Reports on the Preliminary Portfolio.

**3.2.5. PRICEWATERHOUSECOOPERS**

Participates as auditor of the Fund.

**3.2.6. CUATRECASAS, GONÇALVES PEREIRA, S.L.P.**

Acts as legal adviser in respect of the transaction structure and has reviewed the legal regime and tax rules applicable to the Fund established in section 4.5.4 of the Registration Document, and issue the legal opinion required under article 20.1 of the EU Securitisation Regulation.

**3.2.7. Allen & Overy**

Acts as legal advisor of the Joint Lead Arrangers and the Joint Lead Managers and has reviewed the Prospectus and the structure of the transaction for the benefit of the Joint Lead Arrangers and the Joint Lead Managers.

**3.2.8. PRIME COLLATERALISED SECURITIES (EU) SAS**

shall

- (a) act as a verification agent authorised under article 28 of the EU Securitisation Regulation, in connection with the STS Verification, and
- (b) prepare the PCS Assessments

**3.2.9. Both INTEX SOLUTIONS, INC. and BLOOMBERG FINANCE LP**

Shall provide, on behalf of the Seller, a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.

**3.2.10. EDW**

Has stated its intention to become registered as a securitisation repository authorised and supervised by ESMA and its website is currently valid for reporting purposes.

**3.2.11. Additional information**

The description of the institutions referred to in the preceding paragraph is contained in section 3.1 of the Securities Note.

The Management Company represents that the summary descriptions of the agreements contained in the relevant sections give the most substantial and relevant information on each of the agreements, accurately present their contents, and that no information has been omitted which might affect the contents of the Prospectus.

**3.3. Description of the method and date of the sale, transfer, novation or assignment of the assets or of rights and/or obligations in the assets to the issuer or, where applicable, the manner and time period in which the proceeds from the issue will be fully invested by the issuer**

**3.3.1. Formalization of the assignment of the Receivables**

**3.3.1.1. Assignment of the Receivables.**

The assignment of the Receivables represented by the MTCs will be made without undue delay in the Deed of Incorporation by means of the issue by the Seller of the MTCs and the subscription/acquisition by the Fund, which will be effective from the Date of Incorporation.

The Borrowers will not be notified of the assignment of the Mortgage Loans to the Fund by the Seller except if required under the applicable laws.

Notwithstanding the above, in the event of insolvency proceedings, or indications of insolvency, or if the Management Company considers it to be reasonably justified, the Management Company may request the Servicer to notify the Borrowers, the guarantors and the insurance companies, of the transfer of the outstanding Mortgage Loans to the Fund, as well as the fact that the payments deriving from such Mortgage Loans will only release the debt if payment is made into the Cash Flow Account opened in the name of the Fund. However, if the Servicer has not given the notice to the Borrowers within five (5) Business Days of receipt of the request, or in the case of insolvency proceedings as regards the Servicer, the Management Company itself, either directly or through a new servicer it has designated, will notify the Borrowers, the guarantors and the insurance companies.

**3.3.1.2. Expenses**

The Seller will assume the expenses incurred in notifying the Borrowers even if such notification is made by the Management Company.

**3.3.1.3. MTCs**

The Receivables will be assigned through the issuance of the MTCs by the Seller and the subscription/acquisition by the Fund.

These MTCs will be subscribed by the Management Company, on behalf of the Fund, to be pooled in the Fund, by virtue of the Deed of Incorporation and upon the terms thereof, in accordance with the legislation on the mortgage market (Mortgage Market Law, Royal Decree 716/2009, the Fourth Additional Provision of Law 5/2015 and other applicable legal provisions).

The participation in the Mortgage Loans through the MTCs will be for the whole of the remaining period until the final maturity of the Mortgage Loans.

The MTCs issued pursuant to the provisions of the Deed of Incorporation will be represented by one Multiple Title issued by the Seller, representing all MTCs issued. This Multiple Title will be deposited with the Management Company.

In the event that (i) any MTC should be substituted as prescribed in section 2.2.9 of this Additional Information, (ii) the Management Company, acting for and on behalf of the Fund, should proceed to foreclose a Mortgage Loan, or (iii) if upon Early Liquidation of the Fund the MTCs have to be sold to a third party, the Seller agrees to split, as the case

may be, any multiple title into such individual or multiple titles as may be required, or to substitute or exchange the same for the above purposes.

Given the nature of the Fund as a qualified investor, for the purposes of paragraph two of Article 29.1 of Royal Decree 716/2009, the issuance of the MTCs shall not be subject to a marginal notation in the Land Registry besides the entry in respect of the mortgage securing each of the Mortgage Loans.

As established by Royal Decree 716/2009, the MTCs shall be transferable through a written declaration on the certificate itself and, in general, by any of the means permitted by law. Notice of the transfer of the MTC and the address of the new holder of the MTC shall be given by the transferee to the Seller as issuer of the MTCs.

The transferor will not be liable for the solvency of the Seller or the Borrower, or for the sufficiency of the mortgage acting as security.

The Seller, as issuer of the MTCs, will keep a special book in which it will annotate:

- (i) the MTCs issued;
- (ii) any changes in the address of the Borrowers notified by the Borrowers under each one of the Mortgage Loans;
- (iii) the dates of execution and maturity of the Mortgage Loans;
- (iv) the amount and repayment method of the Mortgage Loans; and
- (v) the registration details of the mortgages securing the Mortgage Loans.

### **3.3.2. Receivables assignment terms**

#### **3.3.2.1. Scope of the assignment**

The assignment of the Receivables represented by the MTCs will be full and unconditional and for the whole of the remaining period up to the maturity of each Receivable.

The Seller of the Receivables, in accordance with article 348 of the Commercial Code and article 1,529 of the Civil Code, will be responsible to the Fund for the existence and lawfulness of the Receivables but will not be responsible for the solvency of the Borrowers.

The Seller does not assume the risk of payment default of the Receivables and, therefore, does not assume any liability for the payment of any amounts under the Mortgage Loans, whether for principal, interest or any other amount due, nor does it assume liability for the effectiveness of the guarantees or security granted as security thereof, if any. Furthermore, the Seller will not in any other manner whatsoever guarantee directly or indirectly the success of the transaction, or give any security or Notes or enter into any repurchase or replacement agreements as regards the Receivables, except as described in section 2.2.9 of this Additional Information or, if applicable, a potential repurchase further to the exercise of the Optional Redemption set forth in section 4.9.4 of the Securities Note.

#### **3.3.2.2. Assigned rights**

The Receivables comprise the Outstanding Balance of the relevant Mortgage Loan as of the Date of Incorporation and all ordinary and default interest on each Mortgage Loan,

as well as any rights derived from any collateral and any insurance policies related to the Mortgage Loans, if applicable.

Specifically, without limitation, the assignment of the Receivables will include all accessory rights in accordance with the provisions of article 1,528 of the Civil Code; thus, it will give the Fund the following rights as regards the Mortgage Loans:

- (a) to receive all amounts due to the repayment of principal under the Mortgage Loans;
- (b) to receive all amounts due to the ordinary interest on the Mortgage Loans;
- (c) to receive all amounts due to the default interest on the Mortgage Loans;
- (d) to receive all the early repayment or partial prepayment fees and any compensation fees for fixed interest rates, provided the following:
  - (i) The early repayment or partial prepayment fees applicable to the Mortgage Loans originated prior to the date in which Law 5/2019 entered into force, are calculated according to Bank of Spain policy: 0.5% of the prepaid amount if such prepayment occurs during the first five years of the life of the Mortgage Loans and 0.25% of the prepaid amount if such prepayment occurs at any time after the first five years.
  - (ii) The early repayment or partial prepayment fees applicable to the Mortgage Loans originated after to the date in which Law 5/2019 entered into force, would be 0.15% of the prepaid amount if such prepayment occurs during the first three years of the life of the Mortgage Loans and no early repayment or partial prepayment fees would accrue if such prepayment occurs at any time after the first three years.
  - (iii) The purpose of the fixed interest rates compensation is to pay the Seller for the possible losses caused by the total or partial prepayment of the Fixed Mortgage Loans with an initial fixed-interest period longer than twelve (12) months or in the Mixed Mortgage Loans during the fixed-interest period. It is only recoverable from the Borrower if there is an actual loss for the Seller, which will usually occur if market interest rates are lower than the applicable interest rate at the time of prepayment. In order to verify the occurrence of this circumstance in each case and to be able to calculate the market value of the Mortgage Loan at the time of the prepayment, the provisions set forth in Rule Fifteen of Bank of Spain Circular 5/2012 of 27 June shall apply. Such fixed compensation could be up to 3% of the prepaid amount in fixed interest rate loans.
  - (iv) compensation fees for fixed interest rates are in addition to the early repayment or partial prepayment fees.
  - (v) for clarification purposes, the Floating Mortgage Loans do not accrue early repayment or partial prepayment fees and any compensation fees.
- (e) to receive any other amounts, properties, assets or rights that might be received or awarded, as applicable, through judicial or notarial enforcement of the security or guarantees or due to the availability or use of the awarded property in enforcement of the mortgage or in the temporary administration or possession of the property (in the process of foreclosure) up to the amount due by the respective Borrower, the auction price or the amount determined by judicial resolution;

- (f) to receive all possible rights, indemnifications or compensations that might result in favour of the Seller, as well as any payments made by any guarantors, sureties, etc., as well as those arising from any accessory right to the Mortgage Loans, including those derived from insurance policies (either as indemnification or advance payment).

**3.3.2.3. Prepayment**

No Receivables will be substituted in the event of full or partial prepayment of the corresponding Mortgage Loans.

**3.3.2.4. Term**

All the aforementioned rights will accrue in favour of the Fund as from the Date of Incorporation.

**3.3.2.5. Additional provisions**

The rights of the Fund arising from the Receivables are linked to the payments made by the Borrowers under the Mortgage Loans and are, therefore, directly affected by the evolution, delays, prepayments or any other incidents regarding these Mortgage Loans.

All possible expenses or costs that may arise for the Seller from recovery actions in the event of the Borrower failing to comply with its obligations, including enforcement actions against such Borrowers, will be paid by the Fund.

**3.3.2.6. Insolvency of the Seller**

The Seller may be declared insolvent and insolvency of the Seller could affect its contractual relationship with the Fund, in accordance with the provisions of the Insolvency Law.

The assignment of the Receivables cannot be the subject of claw-back other than by an action brought by the Seller's receivers, in accordance with the provisions of the Insolvency Law and after proving the existence of fraud in the transaction, as set forth in article 16.4 of Law 5/2015. The Seller has its place of business office in Spain. Therefore, and unless proof to the contrary, it is presumed that the centre of main interests is Spain.

In the event that the Seller is declared insolvent, in accordance with the Insolvency Law, the Fund, represented by the Management Company, shall have the right of separation with respect to the Receivables, on the terms provided in articles 239 and 240 of the Insolvency Law; consequently, the Fund shall be entitled to obtain from the insolvent Seller the resulting Receivables amounts from the date on which the insolvency is decreed, being those amounts considered Fund's property and must therefore be transferred to the Fund, represented by the Management Company.

This right of separation would not necessarily extend to the cash received and kept by the insolvent Seller on behalf of the Fund before that date, given the essential fungible nature of money.

Notwithstanding the above, both the Prospectus and the Deed of Incorporation provide for certain mechanism in order to mitigate the aforesaid effects in relation to cash due to its fungible nature as detailed in section 3.4.2.1 of the Additional Information.

**3.3.2.7. Notification**

Section 3.3.1 above provides that the Seller's assignment of the Receivables to the Fund shall not be notified to the Borrowers, except if required by law.



Notwithstanding the above, in the event of insolvency or indications thereof, liquidation, intervention by the Bank of Spain or substitution of the Seller, or in the event of insolvency or indications thereof, liquidation or the replacement of the Servicer, or if the Management Company considers it to be reasonably justified, the Management Company may request the Servicer to notify the Borrowers, the guarantors and the insurance companies of the assignment of the outstanding Receivables to the Fund and that the payments derived therefrom will only release the debt if payment is made into the Cash Flow Account opened in the name of the Fund. However, if the Servicer has not given the notice to the Borrowers within five (5) Business Days of receipt of the request by the Management Company, or in the case that the Servicer is in insolvency proceedings, the Management Company itself, either directly or through a new designated servicer or agent, may notify the Borrowers, the guarantors and the insurance companies.

### **3.3.3. Receivables sale or assignment price**

The subscription or acquisition price of the MTCs will be par, that is, equal to the Outstanding Balance under the Mortgage Loans, and will be paid into the Cash Flow Account on the Disbursement Date. The accrued but unpaid ordinary interest up to the Date of Incorporation will not be assigned to the Fund.

The Seller will not receive any interests for the deferral of the payment of the subscription or acquisition price from the Date of Incorporation to the Disbursement Date.

In the event of termination of the incorporation of the Fund, and thus the assignment of the Receivables:

- (a) the obligation of the Fund to pay the subscription or acquisition price of the MTCs will be extinguished,
- (b) the Management Company will be obliged to reimburse the Seller any rights under the Receivables that may have accrued to the Fund, and
- (c) the Seller will cancel the MTCs.

### **3.4. Explanation of the flow of funds**

#### **3.4.1. How the cash flows from the assets will meet the issuer's obligations to holders of the securities, including, if necessary, a financial service table and a description of the assumptions used in developing that table**

- (a) Any amounts received by the Fund deriving from the Receivables will be deposited by the Servicer into the Cash Flow Account before midnight (12:00 CET) on the Business Day following receipt.
- (b) The collection dates of the Fund will be all the Business Days on which payments are made by the Borrowers under the Mortgage Loans.
- (c) In the event that it is considered necessary in order to better defend the interests of the Noteholders and on the condition that there is a compulsory substitution of the Seller as Servicer of the Mortgage Loans, the Management Company will instruct the Seller to give notice thereof to each of the Borrowers of the Mortgage Loans, and, from the time this notification takes effect, the Borrowers will directly pay the amounts they are obliged to pay as regards the Mortgage Loans into the Cash Flow Account, opened in the name of the Fund with the Fund's counterparty to the Reinvestment Agreement.

- (d) Under no circumstance will the Seller as Servicer pay to the Fund any amounts under the Mortgage Loans that it has not previously received from the Borrowers.
- (e) On each Payment Date, and provided that there are sufficient Available Funds for such purposes, the Fund will pay to the Noteholders the interest due and the repayment of the principal of the Notes in accordance with the sections 4.6.1 and 4.6.2 of the Securities Note and the Pre-Enforcement Priority of Payments included in section 3.4.7.2 of this Additional Information.
- (f) For that purposes, the Management Company shall transfer the relevant amounts to make the corresponding payments to the Noteholders from the Cash Flow Account to the Payment Agency Account one (1) Business Day before each Payment Date provided the Cash Flow Account has enough Available Funds.

**3.4.2. Information on any credit enhancements, an indication of where potentially material liquidity shortfalls may occur, and the availability of any liquidity supports and indication of provisions designed to cover interest/principal shortfall risks**

**3.4.2.1. Credit enhancements**

In order to (i) strengthen the financial structure of the Fund, to increase the security or the regularity in the payments of the Notes, (ii) to cover any temporary mismatches of the schedule of flows of principal and interest on the Mortgage Loans and the Notes, or, (iii) in general, to transform the financial characteristics of the Mortgage Loans and the Notes, and to ensure the proper operation of the Fund and performance of its obligations in the terms and conditions set out in the applicable laws from time to time, the Management Company, on behalf of the Fund, will enter into the Transaction Documents described below in accordance with the Deed of Incorporation and all applicable legal provisions.

The credit enhancements included in the structure of the Fund are the following:

(a) Reserve Fund

The Reserve Fund mitigates the credit risk, interest rate risk and the liquidity or commingling risk of the Mortgage Loans.

The Reserve Fund will be initially funded on the Disbursement Date with part of the proceeds of the Subordinated Loan, as specified in section 3.4.2.2 below.

On the Date of Incorporation, the Reserve Fund will be equal to 2% of the Outstanding Balance of the Receivables.

(b) Cap Agreement

According to article 21 (2) of the EU Securitisation Regulation, the Fund will only enter into a Cap Agreement to mitigate the interest rate risk that occurs due to the existence of Receivables arising from Fixed and Mixed Mortgage Loans and the Notes. The main terms and conditions of the Cap Agreement are described in section 3.4.8.1 of this Additional Information.

The Receivables do not include derivatives.

Additionally, there is no currency risk given that both the Receivables and the Notes are denominated in the same currency (€).

- (c) Subordination and postponement of payment of principal and interest: between the Class A Notes, the Class Z Notes, the Class B Notes and the Class C Notes.

#### **3.4.2.2. Reserve Fund**

##### **Use of the Reserve Fund:**

The Reserve Fund will be applied on each Payment Date until the Early Liquidation Date or the Legal Maturity Date to comply with the payment obligations of the Fund in accordance with the Pre-Enforcement Priority of Payments included in section 3.4.7.2 below.

##### **Initial Funding**

The Reserve Fund will initially be funded on the Disbursement Date with part of the proceeds of the Subordinated Loan.

##### **Subsequent funding**

On each Payment Date until the Early Liquidation Date or the Legal Maturity Date the Reserve Fund shall be funded in an amount equal to the Reserve Fund Required Amount, provided that there are Available Funds pursuant to the Pre-Enforcement Priority of Payments.

The Subordinated Loan Provider will not be required to fund the Reserve Fund or to pay any additional amount to replenish the Reserve Fund after the Date of Incorporation.

##### **Adjustment of the Reserve Fund Required Amount**

The “**Reserve Fund Required Amount**” shall be equal to:

- (a) On the Date of Incorporation, NINE MILLION SIX HUNDRED THOUSAND EUROS (€ 9,600,000), equivalent to 2.00% of the Outstanding Balance of the Receivables.
- (b) On each Payment Date after the Date of Incorporation, 2.00% of the Outstanding Balance of the Receivables.
- (c) Zero (0), following the earlier of:
  - (i) the Payment Date on which the interest and principal due in respect of the Class A Notes, the Class Z Notes and the Class B Notes are repaid in full.
  - (ii) the Payment Date on which the Outstanding Balance of the Receivables is zero (0) but the Notes have not yet been redeemed in full.
  - (iii) the Clean-Up Call date, the Early Liquidation Date or the Legal Maturity Date.

Provided that:

- (a) in case of (b), the Reserve Fund Required Amount shall not be less than 0.25% of the Outstanding Balance of the Receivables as of the Date of Incorporation.
- (b) in case of any shortfall in the Reserve Fund on the preceding Payment Date, the Reserve Fund Required Amount shall not be less than the Reserve Fund Required Amount as of the Payment Date immediately preceding such Payment Date.

The amount of this Reserve Fund will be paid into the Cash Flow Account on the Disbursement Date and will be the subject of the Reinvestment Agreement of the Cash Flow Account to be entered into with the Fund Accounts Provider.

### **3.4.2.3. Subordination of the Notes**

Class Z Notes, Class B Notes and Class C Notes are subordinated to the Class A Notes. Therefore, the payment of interest and the reimbursement of principal for Class Z Notes, Class B Notes and Class C Notes are subordinated to those for the Class A Notes.

Class B Notes and Class C Notes are subordinated to the Class A Notes and the Class Z Notes. Therefore, the payment of interest and the reimbursement of principal for Class B Notes and Class C Notes are subordinated to those for the Class A Notes and Class Z Notes.

Class C Notes are subordinated to the Class A Notes, the Class Z Notes and the Class B Notes. Therefore, the payment of interest and the reimbursement of principal for Class C Notes are subordinated to those for Class A Notes, the Class Z Notes and the Class B Notes.

In addition, on the Early Liquidation Date or the Legal Maturity Date, Class A Notes, Class Z Notes, Class B Notes and Class C Notes will be redeemed sequentially in accordance with the Liquidation Priority of Payments set forth in section 3.4.7.4 of the Additional Information so that (i) the Class Z Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full; (ii) subsequently, the Class B Notes will not be further redeemed for so long as the Class Z Notes have not been redeemed in full; and (iii) subsequently, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full.

### **3.4.3. Risk retention requirement**

#### **3.4.3.1. EU Retention Requirement**

The Seller, as originator, will undertake in the Deed of Incorporation to retain (the "**Retention**"), on an ongoing basis, a material net economic interest of at least 5 (five) per cent. in the securitisation transaction described in this Prospectus in accordance with article 6(3)(d) of the EU Securitisation Regulation (by means of the retention of Class B Notes and Class C Notes, as referred in section 2.2.8.1 (f) of the Additional Information) and article 8 of the Delegated Regulation (EU) 625/2014 of 13 March 2014 supplementing CRR by way of regulatory technical standards specifying the requirements for investors, sponsors, original lenders and originator institutions relating to exposures to transferred credit risk (the "**Delegated Regulation 625/2014**"), applicable until the new regulatory technical standards to be adopted by the Commission apply, pursuant to article 43(7) of the EU Securitisation Regulation. In addition, the Seller has undertaken that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with article 6(1) of the EU Securitisation Regulation.

The retention option and methodology used to calculate the net economic interest will not change, unless such change is required due to exceptional circumstances, in which case such change will be appropriately disclosed to Noteholders and published on the following website: [www.santanderdetitulizacion.com](http://www.santanderdetitulizacion.com).

The Deed of Incorporation will include a representation and warranty and an undertaking of the Seller as to its compliance with the requirements set forth in article 6(1) up to and including (3) of the EU Securitisation Regulation. In addition to the information set out herein and forming part of this Prospectus, the Seller has undertaken to make available materially relevant information to investors so that investors are able to verify compliance with article 6 of the EU Securitisation Regulation in accordance with article 7 of the EU Securitisation Regulation, as set out in section 4.2.2 of this Additional Information. In particular, the quarterly reports shall include information about the risk retained, including information on which of the modalities of retention has been applied pursuant to paragraph to 1(e)(iii) of article 7 of the EU Securitisation Regulation.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and generally, in this Prospectus, for the purposes of complying with each of the provisions described above and any corresponding implementing measures which may be applicable. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the EU Securitisation Regulation.

**3.4.3.2. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator. US RISK RETENTION.**

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the “securitiser” of a “securitisation transaction” to retain at least 5 per cent. of the “credit risk” of “securitised assets”, as such terms are defined for purposes of that statute, and generally prohibit a securitiser from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitiser is required to retain. Final rules implementing the statute (the “**U.S. Risk Retention Rules**”) came into effect on 24 December 2016 with respect to non-RMBS securitisations. The U.S. Risk Retention Rules provide that the securitiser of an asset backed securitisation is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Seller does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules, the Seller intends to rely 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 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 Seller has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Seller or the Issuer that is organised or located in the United States.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Seller and the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of the Seller in the form of a U.S. Risk

Retention Consent. 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. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (ii) and (viii), which are different than comparable provisions from Regulation S.

- (a) Under the U.S. Risk Retention Rules, and subject to limited exceptions, “U.S. person” means any of the following:
- (b) any natural person resident in the United States;
- (c) any partnership or corporation organised or incorporated under the laws of the United States;
- (d) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (e) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (f) any agency or branch of a foreign entity located in the United States;
- (g) 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);
- (h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (i) any partnership, corporation, limited liability company, or other organisation or entity if:
  - (i) organised or incorporated under the laws of any foreign jurisdiction; and
  - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts.

Each holder of a Note or a beneficial interest therein acquired in the initial syndication of the Notes on the issue date, by its acquisition of a Note or a beneficial interest in a Note, will be deemed, and, in certain circumstances, will be required to represent to the Issuer, the Seller and the Joint Lead Managers that it (1) either (i) is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Consent, (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 described herein).

The Seller has advised the Fund that it will not provide a U.S. Risk Retention Consent to any investor if such investor's purchase would result in more than 10 per cent. of the

dollar value (or equivalent amount in the currency in which the securities are issued) (as determined by fair value under US Generally Accepted Accounting Principles (GAAP) of all Classes of Notes to be sold or transferred to Risk Retention U.S. Persons on the Disbursement Date.

There can be no assurance that the requirement to request the Seller to give its prior written consent to any Notes which are offered and sold by the Fund being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether a failure by the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or the market value of the Notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by the Seller to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

Failure on the part of the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against the Seller which may adversely affect the Notes and the ability of the Seller to perform its obligations under the Transaction Documents. Furthermore, a failure by the Seller to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

None of the Joint Lead Arrangers, the Joint Lead Managers, the Seller, the Fund or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Issue Date or at any time in the future. Investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

#### **3.4.4. Details of any financing of subordinated debt finance**

##### **3.4.4.1. Subordinated Loan Agreement**

###### **Amount**

The Subordinated Loan Provider will grant a subordinated loan to the Fund in accordance with the provisions of the Subordinated Loan Agreement (the “**Subordinated Loan**”)

The total amount of the Subordinated Loan will be ELEVEN MILLION EUROS (€ 11,000,000).

###### **Purpose**

The Subordinated Loan will be used for the following purposes:

- (a) financing the initial funding of the Reserve Fund; and
- (b) financing the expenses of the incorporation of the Fund and the issuance of the Notes (including the Cap Upfront Premium), and partially financing the acquisition of the Receivables represented by the MTCs (for the difference of the subscription

or acquisition price of the MTCs (equal to the Outstanding Balance of the Mortgage Loans) and the nominal amount of the Notes).

### **Termination**

The Subordinated Loan Agreement shall be fully terminated in the event that (i) the provisional ratings of the Rated Notes are not confirmed as final (unless they are upgraded) by the Rating Agencies on or prior the disbursement of the Notes, or (ii) if the Management, Placement and Subscription Agreement is terminated in accordance with the provisions of section 4.2.3 of the Securities Note, except for the initial expenses of incorporation of the Fund and the issuance of the Notes.

### **Payment dates**

All amounts due under the Subordinated Loan Agreement corresponding to the principal used for purposes (b) above shall be payable on each Payment Date during the first five (5) years from the Date of Incorporation of the Fund, provided that there are sufficient Available Funds in accordance with the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments described in sections 3.4.7.2 and 3.4.7.4 below and in the Deed of Incorporation, as applicable.

All amounts due under the Subordinated Loan Agreement corresponding to the principal used for financing the Reserve Fund will be repaid on each Payment Date in instalments equal to the difference between the Reserve Fund Required Amount required on the previous Payment Date and the Reserve Fund Required Amount required on the Determination Date immediately prior to the relevant Payment Date, provided that there are sufficient Available Funds in accordance with the Pre-Enforcement Priority of Payments or, where applicable, the Liquidation Priority of Payments described in sections 3.4.7.2 and 3.4.7.4 below and in the Deed of Incorporation, respectively.

### **Interest**

The Subordinated Loan will accrue a nominal annual interest, calculated each quarter for each Interest Accrual Period, which will be 2.00% per annum until (and including) the maturity date set at the Legal Maturity Date.

Interest under the Subordinated Loan will only be paid if the Fund has sufficient Available Funds liquidity in accordance with the Pre-Enforcement Priority of Payments or, where applicable, the Liquidation Priority of Payments described in sections 3.4.7.2 and 3.4.7.4 below and in the Deed of Incorporation, respectively.

Interest will be calculated on the basis of (i) the number of days in each Interest Accrual Period and (ii) a year of three hundred and sixty (360) days.

Interest accrued and not paid on a Payment Date will accumulate at the same rate as the nominal interest rate on the Subordinated Loan and shall be paid, if the Fund has sufficient Available Funds, in accordance with the Pre-Enforcement Priority of Payments or, where applicable, the Liquidation Priority of Payments described in sections 3.4.7.2 and 3.4.7.4 below and in the Deed of Incorporation, respectively.

## **3.4.5. Specification of any investment parameter for the investment of temporary liquidity surpluses and description of the parties responsible for the said investment**

### **3.4.5.1. Purpose of the Reinvestment Agreement**



The Management Company, on behalf of the Fund, and the Fund Accounts Provider will enter into the "**Reinvestment Agreement**" ("**Contrato de Reversión**") under which on the Date of Incorporation,

- (a) the Cash Flow Account, and
- (b) the Cap Collateral Account (together, the "**Fund Accounts**"),

will be opened in the books of the Fund Accounts Provider.

#### **Termination by Fund Accounts Provider**

The Fund Accounts Provider, at any time, may terminate the Reinvestment Agreement by giving at least two (2) months' prior written notice to the Management Company, provided that:

- (a) another entity with similar financial characteristics and with a credit rating of, at least, (i) BBB/S-2 according to Scope; (ii) A/F1 according to Fitch, and (iii) A according to DBRS, and accepted by the Management Company (acceptance which may not be unreasonably withheld), replaces the Fund Accounts Provider as regards the duties undertaken by virtue of Reinvestment Agreement;
- (b) notice is given to the CNMV and the Rating Agencies; and
- (c) confirmation by the Rating Agencies that the rating assigned to the Rated Notes is not negatively affected.

#### **Termination by Management Company**

Likewise, the Management Company is entitled to substitute at its sole discretion the Fund Accounts Provider, if it notifies the Fund Accounts Provider in writing at least two (2) months in advance of the envisaged termination date and provided that:

- (a) another entity with similar financial characteristics and with a credit rating of, at least, (i) BBB/S-2 according to Scope; (ii) A/F1 according to Fitch, and (iii) A according to DBRS, and accepted by the Management Company (acceptance which may not be unreasonably withheld), replaces the Fund Accounts Provider as regards the duties undertaken by virtue of Reinvestment Agreement;
- (b) notice is given to the CNMV and the Rating Agencies; and
- (c) confirmation by the Rating Agencies that the rating assigned to the Rated Notes is not negatively affected.

#### **Costs derived from the replacement of the Fund Accounts Provider**

In the case of replacement due to the resignation of the Fund Accounts Provider, any costs resulting from said replacement shall be borne by the Fund Accounts Provider.

In the case of removal by the Management Company's decision, any costs resulting from said replacement will be considered Extraordinary Expenses of the Fund.

#### **Interest**

On the Disbursement Date and until a change on its remuneration has occurred, as described in this Agreement, the amounts deposited in the Cash Flow Account shall not accrue, in principle, any interest, while Banco Santander acts in the capacity of Fund Accounts Provider.

Notwithstanding this, in the event of replacement of Banco Santander as Fund Accounts Provider, the Fund Accounts might accrue interest.

The replacement of the Fund Accounts Provider could lead to a change of the terms and conditions of the Fund Accounts, which if applicable will be regulated in a new reinvestment agreement, thus, generating potential expenses or returns different than the current ones.

#### **Replacement notices**

The resignation or removal, as well as the appointment of the substitute Fund Accounts Provider, will be notified by the Management Company to the CNMV and the Rating Agencies, and it must not cause a downgrade of the ratings of the Rated Notes by the Rating Agencies.

#### **Survival**

Neither the resignation of the Fund Accounts Provider nor the replacement of the Fund Accounts Provider by the Management Company, will have any effect until the appointment of the substitute Fund Accounts Provider takes place.

#### **Cash Flow Account**

The following amounts will be deposited into the Cash Flow Account:

- (a) principal and interest on the Receivables;
- (b) any other amounts that are received in payment of the ordinary principal or interest and default interest regarding the Receivables;
- (c) the amounts which, as the case may be, might be paid to the Fund under the Cap Agreement (other than amounts received as collateral and deposited in the Cap Collateral Account that will be applied in accordance with the Interest Rate Cap Agreement), if any;
- (d) the amount which constitutes the Reserve Fund at any time; and
- (e) any early repayment or partial prepayment fees and any compensation fees for fixed interest rates on the terms set forth in section 3.3.2.2 above.

All collections and payments (not expressly regulated under any of the other Fund Accounts) during the entire life of the Fund will be centralised in the Cash Flow Account.

The temporary liquidity surpluses of the Cash Flow Account may be reinvested in Eligible Investments, according to the Rating Agencies criteria and pursuant to the provisions set out in the Reinvestment Agreement.

Pursuant to the Reinvestment Agreement, if so instructed by the Management Company on behalf of the Issuer, the Fund Accounts Provider shall invest the balance of the Cash Flow Account in Eligible Investments on the Business Day immediately following each Payment Date.

For these purposes “**Eligible Investment**” (“**Inversión Elegible**”) means (i) any dematerialised euro-denominated senior (unsubordinated) debt securities, (ii) other debt instruments (including, for the avoidance of doubt, deposits), or (iii) commercial paper; all those three issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have at least the following ratings:

- (a) with respect to Fitch: (1) to the extent such Eligible Investment has a maturity not exceeding thirty (30) calendar days: a long-term rating of at least A or a short-term rating of at least F1, or (2) to the extent such Eligible Investment has a maturity exceeding thirty (30) calendar days but not exceeding the immediately following Payment Date after the relevant investment is made: a long-term rating of at least AA- or F1+;
- (b) with respect to DBRS: a long-term rating of at least A (low) or a short-term rating of at least R-1 (middle) to the extent such Eligible Investment has a maturity not exceeding the immediately following Payment Date after the relevant investment is made;
- (c) with respect to Scope: (1) to the extent such Eligible Investment has a maturity not exceeding thirty (30) calendar days: a long-term rating of at least A or a short-term rating of at least S-1, or (2) to the extent such Eligible Investment has a maturity exceeding thirty (30) calendar days but not exceeding the immediately following Payment Date after the relevant investment is made: a long-term rating of at least AA- or S-1;

or in case of money markets funds rated, at all times, AAA (mf) by Fitch, AAA by DBRS, AAA by Scope, or in the case it is not rated by Fitch, DBRS or Scope, having an equivalent rating from at least three other global rating agency, provided that, in all cases, such investments (1) are immediately repayable on demand, disposable without penalty and in any case have a maturity date falling on no later than one (1) Business Day before the immediately following Payment Date, and (2) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or in case of repayment or disposal, the principal amount upon repayment or disposal is at least equal to the principal amount invested; and further provided that in no case shall such investment be made, in whole or in part, actually or potentially, in (a) tranches of other asset-backed securities; or (b) credit-linked notes, swaps or other derivative instruments, or synthetic securities; or (c) any other instrument not allowed by the European Central Bank monetary policy regulations applicable from time to time for the purpose of qualifying the Class A Notes as eligible collateral; and further provided that in the event of downgrade below the rating allowed under this definition, the relevant securities shall be sold, if this can be achieved without a loss, or otherwise shall be allowed to mature.

#### **Cap Collateral Account**

The Cap Collateral Account will be the account into which any cash collateral to be posted by the Cap Counterparty under the Cap Agreement will be credited, as described in section 3.4.8.1 of the Additional Information.

Cash standing to the credit of the Cap Collateral Account (including interest) shall not be Available Funds (except as otherwise foreseen in section 3.4.8.1 of this Additional Information) for the Fund to make payments in accordance with the relevant Priority of Payments.

In the event that the Fund Accounts Provider for the Cap Collateral Account defaults in its obligations under the Reinvestment Agreement and due to such default the Fund is not able to immediately apply the collateral amounts held on such account towards any due payment to the Cap Counterparty, the amount payable by the Fund to the Cap Counterparty shall be paid according the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments, as applicable.

#### **3.4.5.2. Special considerations regarding the operations on the Disbursement Date**

On the Disbursement Date:

- (a) the Payment Agency Account will be credited with the amount of the subscription price of the Notes and will be debited to pay the subscription / acquisition price of the MTCs representing the Receivables assigned by the Seller, and
- (b) the Cash Flow Account will be credited with the amount of the Subordinated Loan and will be debited to pay the expenses for the incorporation of the Fund and the issuance of the Notes (including the Cap Upfront Premium) and to fund the initial amount of the Reserve Fund.

### **3.4.5.3. Rating Agencies criteria**

#### **Trigger**

In the event that the rating of the Fund Accounts Provider or of the replacing entity in which the Fund Accounts are opened, should, at any time during the life of the Notes issue, be downgraded below of the following ratings:

- (a) Fitch: the long-term Deposit Rating if available otherwise a long-term IDR of A and a short-term senior Deposit Rating if available otherwise a short-term IDR of F1 assigned by Fitch;
- (b) DBRS: a rating of at least A by DBRS ;
- (c) Scope: a rating of at least BBB/S-2 by Scope; or

shall trigger a “**Fund Accounts Provider Downgrade Event**”.

#### **Actions required**

Upon a Fund Accounts Provider Downgrade Event, the Management Company shall, after notifying the Rating Agencies, adopt one of the options described below to allow an appropriate level of guarantee to be maintained with respect to the commitments relating to the Fund Accounts, in order for the ratings assigned to the Rated Notes by the Rating Agencies are not adversely affected:

- (a) within thirty (30) calendar days from the day of the occurrence of any of the abovementioned events, obtain from an institution:
  - (i) Fitch: with a long-term Deposit Rating if available otherwise a long-term IDR of A or a short-term senior Deposit Rating if available otherwise a short-term IDR of F1 assigned by Fitch,
  - (ii) DBRS: a rating of at least A by DBRS,
  - (iii) Scope: with a Scope rating of at least BBB/S-2, and/or

an unconditional and irrevocable first demand guarantee securing, upon request of the Management Company, the timely performance by the account holder of its obligation to repay the amounts deposit therein, for as long as the account holder remains downgraded; and

- (b) within sixty (60) calendar days from the day of the occurrence of any of the abovementioned events, transfer the Cash Flow Account to an institution:

- (i) Fitch: with a long-term Deposit Rating if available otherwise a long-term IDR of A or a short-term senior Deposit Rating if available otherwise a short-term IDR of F1 assigned by Fitch,
- (ii) DBRS: a rating of at least A by DBRS,
- (iii) Scope: with a Scope rating of at least BBB/S-2, and/or

In this regard, the Fund Accounts Provider (or the replacing entity in which the Fund Accounts are opened) shall irrevocably agree to forthwith notify the Management Company of any downgrade or removal of its credit rating assigned by the Rating Agencies throughout the life of the Rated Notes issue.

All costs, expenses and taxes incurred due to the execution and formalization of the previous options will be borne by the Fund Accounts Provider (or the replacing entity in which the Fund Accounts are opened) up to a maximum of € 5,000.

### **3.4.6. How payments are collected in respect of the Receivables**

#### **3.4.6.1. General**

As is specified in section 3.7.1.3 of the Additional Information, the Servicer, as manager of the collections under the Receivables on behalf of the Fund, will collect any amounts paid by the Borrowers from both principal and interest on the Mortgage Loans, together with any other amounts related to the Mortgage Loans (including indemnifications from fire and damage insurance policies, partial prepayment fees or compensation fees for fixed interest rates, payments made by guarantors, etc.), depositing such amounts in the Cash Flow Account opened with the Fund Accounts Provider in the name of the Fund.

The Servicer will diligently ensure that the payments to be made by the Borrowers (or any other third parties) are collected in accordance with the contractual terms and conditions of the respective Mortgage Loans.

In no case will the Servicer pay any amount that has not been previously received from the Borrowers (or any other third parties) in payment of the Mortgage Loans.

The Servicer of the Mortgage Loans will apply the same due diligence and carry out the same procedure for claiming any unpaid amounts as in all the mortgage loans held in its portfolio.

#### **3.4.6.2. Foreclosure proceeding against Borrowers on the Mortgage Loans**

The Fund, as holder of the Receivables, shall be entitled to use all legal actions deriving from the ownership of the Receivables. For this purposes, in the Deed of Incorporation, the Management Company will grant to the Servicer a power of attorney as broad and sufficient as required by law so that the Servicer, acting through any of its representatives with sufficient powers for such purpose, in accordance with the instructions of the Management Company on behalf and in representation of the Fund or in its own name but on behalf of the Management Company as the legal representative of the Fund, may request the Borrowers of the Mortgage Loans to pay their debt and enforce court action against them, as well as other powers required to perform its duties as Servicer. These powers may also be granted in a document other than the Deed of Incorporation and may be expanded or modified if necessary, in order to perform such duties.

By virtue of the powers granted by the Fund, the Servicer may generally seek foreclosure on behalf of the Fund if meet the requirement of Law 5/2019 described in section 2.2.1

of the Additional Information. In any case, the Servicer must immediately seek foreclosure if the Management Company, on behalf of the Fund and after a prior analysis of the specific circumstances of the case, deems such action appropriate.

Some of the Mortgage Loans underlying the MTCs may have prior ranking mortgage registered with the relevant Land Registry and the mortgage loan; however, pursuant to the Seller's representations in section 2.2.8.2 (hh) of this Additional Information, the mortgage loans secured by such prior ranking mortgages have been economically cancelled but the relevant entries are still pending cancellation in the relevant Land Registry as described in section 2.2.7 of this Additional Information.

Therefore, whilst for registration purposes such Mortgage Loans do not have first-priority mortgages, given the economic cancellation of the mortgage loan secured by the prior ranking mortgages, such Mortgage Loans would have *de facto* first-priority mortgages.

In such cases, upon enforcement of the mortgage the Servicer will take any available legal steps to ensure that the Land Registry entry reflects the actual first priority of the mortgage securing the Mortgage Loan. If the Servicer has the necessary documentation, it will act in accordance with Article 40 and Part IV of the Decree of 8 February 1946, approving the official drafting of the Spanish Mortgage Law, and otherwise in accordance with Article 209 of such law.

#### **3.4.6.3. Actions against the Seller**

The Management Company, on behalf of the Fund and as holder of the MTCs, may bring action against the Seller as issuer of the MTCs regarding the effectiveness of the maturities of the MTCs as regards principal and interest, if the breach of the obligation to pay such items is not a result of the Borrowers' failure to pay any amounts due under the Mortgage Loans.

Neither the Noteholders nor any other creditor of the Fund will have the right to bring any action against the Seller for the reasons described above.

Once the Mortgage Loans are repaid or otherwise terminated, the Fund, through its Management Company, will have action against the Seller until it has complied with its obligations under the Mortgage Loans.

The Noteholders will bear the risk of payment default under the Mortgage Loans. Therefore, the Seller will not assume any liability for payment default by the Borrowers, whether for principal, interest or any other amount due in accordance with the Mortgage Loans.

#### **3.4.6.4. Actions in case of payment default under the Mortgage Loans**

In the event of a payment default by the Borrower (or any guarantors) under the Mortgage Loan, the Management Company, acting on behalf of the Fund, will have the following powers contemplated in article 31 of Royal Decree 716/2009:

- (a) To compel the Seller, as Servicer, to commence foreclosure on the mortgage.
- (b) To participate with the same rights as the Seller, as the issuer of the MTCs, in the Seller's enforcement against the Borrower, and to appear in any enforcement proceedings commenced thereby and request award of the mortgaged property on the terms set forth in the Civil Procedure Act receive.

- (c) If the Seller does not commence the procedure within sixty (60) calendar days of the notarial request for payment of the debt, to have the subsidiary power to initiate the mortgage foreclosure action for both principal and interest, and the Seller will be required to issue a certificate of the existing balance of the Mortgage Loan.
- (d) If the proceedings brought by the Seller are halted, the Fund, duly represented by the Management Company, as holder of the corresponding MTC, may be subrogated in the position of the Seller and continue the enforcement proceedings without waiting for the passage of such period.

In the cases set forth in paragraphs (c) and (d), the Management Company, on behalf of the Fund, may request a competent court to commence or continue the corresponding mortgage foreclosure proceeding, and will attach the original title of the itemised MTC, the notarial request provided for in paragraph (c) above, and the certificate of mortgage registration and continuance, and the document showing the balance claimed.

If legally required, and for purposes of the provisions of Articles 581.2 and 686.2 of the Civil Procedure Act, the Seller will grant an irrevocable power of attorney in the Deed of Incorporation as broad and sufficient as required by law for the Management Company, acting on behalf of the Seller, to make notarial demand to any Mortgage Loans' Borrowers to pay their debts.

The Management Company will sell the properties awarded as soon as possible on market terms.

Any costs and fees arising from the foreclosure proceedings described in this section will be paid by the Fund.

### **3.4.7. Source and application of Funds**

#### **3.4.7.1. Disbursement Date**

##### **Source**

On the Disbursement Date (i.e., 6 May 2021), the Fund will receive the amounts from:

- (a) the disbursement of the Notes; and
- (b) the proceeds of the Subordinated Loan.

##### **Application:**

On the Disbursement Date, the Fund will apply such amounts to the following payments:

- (a) subscription / acquisition price of the MTCs,
- (b) payment of the expenses of incorporation of the Fund and issuance of the Notes, and
- (c) initial funding of the Reserve Fund.

From the Date of Incorporation until the repayment in full of the Notes, the source and application of the amounts owned by the Fund will be as described in next section.

**3.4.7.2. Source and application of the funds from the first Payment Date inclusive, until the last Payment or the liquidation of the Fund, exclusive.**

**Source**

The “**Available Funds**” calculated on the Determination Date immediately preceding the relevant Payment Date shall consist of:

1. any proceeds obtained from the Mortgage Loans as interest or principal, during the Determination Period immediately preceding such Determination Date;
2. in case of replacement of the Fund Accounts Provider, any interests, if applicable, accrued on the amounts deposited in the Cash Flow Account during the Determination Period immediately preceding such Determination Date;
3. any other amounts collected under the Mortgage Loans, including any partial prepayment fees or compensation fees for fixed interest rates, indemnifications from fire and damage insurance policies and payments made by guarantors;
4. any other amounts that the Fund may receive, including any proceeds from the enforcement of the security of the Mortgage Loans;
5. the amount corresponding to the Reserve Fund, and
6. any amount received from the Cap Counterparty by the Fund under the Cap Agreement, but initially excluding:
  - (A) any collateral amount provided by the Cap Counterparty; or
  - (B) any amount paid by the Cap Counterparty upon a termination of the Cap Agreement in respect of any termination payment.

Provided that:

- (1) The amount (A) can be applied towards payment of any premium payable to a replacement Cap Counterparty only if, upon termination of the Cap Agreement, the Cap Counterparty is the *affected party* or the *defaulting party* under the Cap Agreement. Any amount in excess shall be returned to the Cap Counterparty outside of the Pre-Enforcement Priority of Payment or the Liquidation Priority of Payments upon, as applicable. For the avoidance of doubt, if the Cap Agreement is terminated and the Cap Counterparty is not the affected party or the defaulting party under the Cap Agreement the amount (A) shall be returned entirely to the Cap Counterparty in accordance with the terms of the Cap Agreement.
- (2) Amount (B) can *subsequently* form part of the Available Funds in the following terms:
  - a. Following any application above towards payment of any premium payable to a replacement Cap Counterparty in consideration for it entering into a substituting cap agreement with the Fund on the same terms as the Cap Agreement, any *remaining amounts* shall form part of the Available Funds.



- b. In the event of inability to entering into a substituting cap agreement with the Fund on the same terms as the Cap Agreement, amount (B) shall form part of the Available Funds.

Pursuant to section 3.4.5.1 of the Additional Information, all collections and payments (not expressly regulated under any of the other Fund Accounts) during the entire life of the Fund will be centralised in the Cash Flow Account.

The Available Funds will be applied in order to address the payments described in the Pre-Enforcement Priority of Payments described below:

### **Application**

On each Payment Date, the Management Company, on behalf of the Fund, will apply the Available Funds (regardless of when it accrues, and except point 1 below that will be applied at any time when due and payable) to the following payments and retentions, in accordance with the “**Pre-Enforcement Priority of Payments**” described below and in the Deed of Incorporation.

1. Payment of any applicable taxes, the Ordinary Expenses and Extraordinary Expenses of the Fund and the Administration Fee if there is a replacement of the Seller as Servicer.
2. Payment of the amounts due to the Cap Counterparty under the Cap Agreement in case of early termination if (1) it is payable by the Issuer to the Cap Counterparty, (2) the Cap Counterparty is not a *defaulting party* (as this term is defined in the Cap Agreement) and (3) there is no available or sufficient collateral deposited in the Cap Collateral Account for such payment.
3. Payment of interest due and payable on the Class A Notes.
4. Payment of interest due and payable on the Class Z Notes.
5. Payment of interest due and payable on the Class B Notes, unless a Class B Interest Deferral Trigger Event has occurred (deferred to ranking 9<sup>th</sup> below).
6. Retention of a sufficient amount to fund the Reserve Fund up to the Reserve Fund Required Amount established in section 3.4.2.2 of this Additional Information.
7. If:
  - (i) *a Turbo Amortisation Event has not occurred*: repayment of the Outstanding Principal Balance of the Class A Notes by the Class A Target Amortisation Amount; or
  - (ii) *a Turbo Amortisation Event has occurred*: repayment of the Outstanding Principal Balance of the Class A Notes, for the full Available Funds after payment of (1) to (6) above.
8. Either:
  - (i) Upon the full amortisation of the Class A Notes and if a Turbo Amortisation Event has not occurred: Repayment of the Outstanding Principal Balance of the Class Z Notes by the Class Z Target Amortisation Amount; or

- (ii) Upon the full amortisation of the Class A Notes and if a Turbo Amortisation Event has occurred: Repayment of the Outstanding Principal Balance of the Class Z Notes for the full Available Funds after payment of (1) to (7) above.
9. Upon the occurrence of a Class B Interest Deferral Trigger Event: payment of interest accrued on Class B Notes;
  10. Either:
    - (i) Upon the full amortisation of the Class A Notes and the Class Z Notes and if a Turbo Amortisation Event has not occurred: Repayment of the Outstanding Principal Balance of the Class B Notes by the Class B Target Amortisation Amount; or
    - (ii) Upon the full amortisation of the Class A Notes and the Class Z Notes and if a Turbo Amortisation Event has occurred: Repayment of the Outstanding Principal Balance of the Class B Notes for the full Available Funds after payment of (1) to (9) above.
  11. Payment of interest due and payable on the Class C Notes.
  12. Either:
    - (i) Upon the full amortisation of the Class A Notes, the Class Z Notes and the Class B Notes and if a Turbo Amortisation Event has not occurred: Repayment of the Outstanding Principal Balance of the Class C Notes by the Class C Target Amortisation Amount; or
    - (ii) Upon the full amortisation of the Class A Notes, the Class Z Notes and the Class B Notes and if a Turbo Amortisation Event has occurred: Repayment of the Outstanding Principal Balance of the Class C Notes for the full Available Funds after payment of (1) to (11) above.
  13. In or towards payment of the amount determined pursuant to the Cap Agreement in case of early termination if (1) it is payable by the Issuer to the Cap Counterparty, (2) Cap Counterparty is a *defaulting party* (as this term is defined in the Cap Agreement) and (3) there is no available or sufficient collateral deposited in the Cap Collateral Account for such payment.
  14. Payment of interest of the Subordinated Loan Agreement.
  15. Payment of principal of the Subordinated Loan Agreement.
  16. So long as it acts as Servicer, payment to the Seller of the Administration Fee.
  17. Payment of a variable amount to the Seller as remuneration or compensation for financial intermediation.

For these purposes, “**Class B Interest Deferral Trigger Event**” (“**Evento Desencadenante de Diferimiento de los Bonos de la Clase B**”) means on the Determination Date preceding any Payment Date, including the Determination Date preceding the First Payment Date, in which the Cumulative Default Ratio is equal to or higher than the following percentages:

- (a) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 1 year after the Date of Incorporation: 2.70%;

- (b) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 2 years after the Date of Incorporation: 5.30%;
- (c) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 3 years after the Date of Incorporation: 7.30%;
- (d) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 4 years after the Date of Incorporation: 9.30%;
- (e) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 5 years after the Date of Incorporation: 11.30%;
- (f) After the Determination Date (exclusive) immediately preceding the Payment Date falling in 5 years after the Date of Incorporation: 13.20%.

For the avoidance of doubt, payment of the interest due and payable on the Class B Notes will be deferred on any Payment Date to item 9<sup>th</sup> of the Pre-Enforcement Priority of Payments only if a Class B Interest Deferral Trigger Event occurs on the Determination Date preceding such Payment Date. If a Class B Interest Deferral Trigger Event does not occur on the subsequent Determination Date, the interest due and payable on the Class B Notes for the following Interest Payment Date will be paid under item fifth (5<sup>th</sup>) of the Pre-Enforcement Priority of Payments. The occurrence of a Class B Interest Deferral Trigger Event will be verified on each Determination Date preceding each Payment Date and the deferral of the interest due and payable on the Class B Notes will take place in accordance with the above.

If an item remains unpaid on a Payment Date prior to the current Payment Date, the Priority of Payments will be followed strictly in this section, beginning with the oldest item.

#### **3.4.7.3. Exceptional rules in case of replacement of Servicer**

If the Seller is replaced by another entity as Servicer of the Receivables, the Administration Fee payable to the third party (as new servicer) will move from the 16<sup>th</sup> position to the 1<sup>st</sup> position in the Pre-Enforcement Priority of Payments included in section 3.4.7.2 above.

#### **3.4.7.4. Liquidation Priority of Payments**

##### **Source**

The Management Company will liquidate the Fund on the Legal Maturity Date or on the Early Liquidation Date according to sections 4.4.3 and 4.4.4 of the Registration Document, by applying the following available funds (the "**Available Funds for Liquidation**"):

- (a) any Available Funds, as referred in section 3.4.7.2.,
- (b) any purchase price paid by the Seller in case of exercise of the Optional Redemption; and
- (c) any amounts obtained by the Fund from the sale of the MTCs and any other remaining assets.

##### **Application**

The Available Funds for Liquidation will be applied on the Legal Maturity Date or on the Early Liquidation Date in the priority of payment order (the "**Liquidation Priority of Payments**") described below and in the Deed of Incorporation:

1. Payment of any applicable taxes, Ordinary Expenses and Extraordinary Expenses of the Fund and the Administration Fee if there is a replacement of the Seller as Servicer.
2. Payment of the amounts due to the Cap Counterparty under the Cap Agreement in case of early termination if (1) it is payable by the Issuer to the Cap Counterparty, (2) the Cap Counterparty is not a *defaulting party* (as this term is defined in the Cap Agreement) and (3) there is no available or sufficient collateral deposited in the Cap Collateral Account for such payment.
3. Payment of the interest of the Class A Notes.
4. Payment of the Outstanding Principal Balance of the Class A Notes.
5. Payment of the interest of the Class Z Notes.
6. Payment of the Outstanding Principal Balance of the Class Z Notes.
7. Payment of the interest of the Class B Notes.
8. Payment of the Outstanding Principal Balance of the Class B Notes.
9. Payment of the interest and Outstanding Principal Balance of the Class C Notes.
10. In or towards payment of the amount determined pursuant to the Cap Agreement in case of early termination if (1) it is payable by the Issuer to the Cap Counterparty, (2) Cap Counterparty is a *defaulting party* (as this term is defined in the Cap Agreement) and (3) there is no available or sufficient collateral deposited in the Cap Collateral Account for such payment.
11. Payment of the interest and principal of the Subordinated Loan Agreement.
12. So long as it acts as Servicer, payment to the Seller of the Administration Fee.
13. Payment to the Seller of the remuneration or compensation for financial intermediation.

#### **3.4.7.5. Ordinary Expenses**

The "**Ordinary Expenses**" in first place in the above order of priority are broken down, solely for purposes of information, into the following:

- (a) Expenses incurred in compulsory administrative verifications, registrations and authorisations, admission expenses and the ongoing fee payable to EDW, INTEX and Bloomberg or any ongoing fees to a Third-Party Verification Agent, if any.
- (b) Expenses incurred in keeping the book-entry registry of the Notes and placing them on organised secondary markets;
- (c) Expenses incurred in administering the Fund (Management Company fees);
- (d) Expenses incurred in repaying the Notes (Paying Agent fees);

- (e) Expenses deriving from the annual audits of the financial statements of the Fund;
- (f) Expenses deriving from the maintenance of the ratings of the Rated Notes;
- (g) Expenses related to the notifications that must be made to the Noteholders in accordance with the provisions of this Prospectus.
- (h) Expenses, when applicable, deriving from the maintenance of the Cash flow Account.
- (i) In general, any other expenses incurred by the Management Company and deriving from their work of representation and management of the Fund.

The estimated Ordinary Expenses are: 100,000 € per annum and variable costs of 0.02% per annum with quarterly payments (with a minimum of 10,000 € per quarter and maximum of 80,000 € per annum, for variable costs).

The Ordinary Expenses may be advanced by the Management Company prior to a Payment Date.

#### **3.4.7.6. Extraordinary Expenses**

The “**Extraordinary Expenses**” in first place in the above order of priority are broken down, solely for purposes of information, into the following:

- (a) Expenses, if any, derived from preparation and execution of the amendment of the Deed of Incorporation and/or the Transaction Documents and/or any additional agreements;
- (b) The extraordinary expenses of audits and legal advice;
- (c) All expenses that may arise from the sale of the Receivables and the remaining assets of the Fund upon liquidation thereof;
- (d) All costs related to convening a Meeting of Creditors;
- (e) Those necessary to commence enforcement of the Mortgage Loans and those arising from the required actions for recovery;
- (f) Notification to Borrowers and, when applicable, the guarantors, insurance companies regulated under section 3.7.1.13 of the Additional Information;
- (g) In the case of removal of the Fund Accounts Provider by the Management Company’s decision, any costs resulting from said replacement including any fee to be paid to the replacement Fund Accounts Provider, provided that the Reinvestment Agreement is replaced and the terms of such substituting agreement foresee the payment of any fee whatsoever;
- (h) The extraordinary expense related to the payment of any upfront payment to any replacement Cap Counterparty, provided that the collateral posted by the incumbent Cap Counterparty is firstly not sufficient, in the terms foreseen in section 3.4.7.2, paragraph (6) of the ‘Available Funds’ definition, and
- (i) Generally, all other extraordinary expenses borne by the Fund or by the Management Company in representation or on behalf thereof.

**3.4.8. Details of other agreements conditioning the payment of interest and principal of Noteholders**

**3.4.8.1. Cap Agreement**

**General**

On or about the Date of Incorporation, the Management Company, on behalf of the Fund, shall enter into the Cap Agreement, in the form of an INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION (ISDA) 2002 Master Agreement, together with the relevant Schedule, Credit Support Annex and confirmation hereunder, with the Cap Counterparty with the ratings set out in the Cap Agreement, in order to hedge the potential interest rate exposure of the Fund in relation to its floating rate interest obligations under the Floating Rate Notes.

The Fund shall pay on the Disbursement Date an upfront premium for this hedge (the "**Cap Upfront Premium**"). The Cap Upfront Premium has been included in the estimation of the initial expenses of the Fund in connection with the incorporation and issue and admission of the notes and will be financed with the proceeds received from the Subordinated Loan Agreement. The Cap Upfront Premium is calculated by the Cap Counterparty taking into consideration the market conditions on or around the Date of Incorporation.

The Cap Counterparty shall pay to the Fund, on each Payment Date:

- (a) an amount calculated by reference to the excess, if any, of the EURIBOR 3-month above the cap rate of 3.00% (the "**Cap Rate**"),
- (b) multiplied by the Cap Notional Amount from time to time (as defined below),
- (c) divided by a count fraction of 360, and
- (d) multiplied by the number of days of the relevant Interest Accrual Period. Such amount shall be calculated by the Interest Rate Cap Calculation Agent for each Interest Accrual Period.

The Cap Counterparty will be obliged to make payments under the Cap Agreement without any withholding or deduction of taxes unless required by law. If a withholding or deduction of taxes is required by law to be made by the Cap Counterparty, the amount of the payment to the Fund due shall be increased to an amount which (after making any withholding or deduction of taxes) leaves an amount equal to the payment which would have been due if no withholding or deduction of taxes had been required.

**Cap Notional Amount**

For these purposes, the notional amount of the Cap Agreement (the "**Cap Notional Amount**") shall be equal to from the First Payment Date onwards:

- (e) the expected aggregate Outstanding Balance of Fixed and Mixed Mortgage Loans on each Payment Date according to a predetermined fixed schedule attached to the Cap Agreement corresponding to the theoretical amortisation schedule of the Outstanding Balance of Fixed and Mixed Mortgage Loans (the latter while they are in their fixed rate period) calculated as of the Disbursement Date under the following assumptions:
  - (1) at 5.00% CPR (Constant Prepayment Rate),
  - (2) at 0.00% CDR (Constant Default Rate), and

(3) Clean-Up Call Option is exercised,

***minus***

(f) the Outstanding Principal Balance of the Class Z Notes on the Disbursement Date.

#### **Duration and termination**

The Cap Agreement will remain in full force until the earlier of (i) the Step-up Date; and (ii) the date upon which the Class A Notes have been redeemed in full, unless it is terminated early by one of the parties thereto in accordance with the terms of the Cap Agreement.

The Cap Agreement shall be fully terminated if the Management, Placement and Subscription Agreement is fully terminated in accordance with the provisions of section 4.2.3 of the Securities Note or if the provisional credit ratings of the Rated Notes are not confirmed as final (unless they are upgraded) by the Rating Agencies on or prior the Disbursement Date.

In the event that the Cap Agreement is terminated by either party, the amount determined pursuant to Section 6(e) of the ISDA Master Agreement of the Cap Agreement in Euro may be due to the Fund or to the Cap Counterparty.

#### **Interest Rate Cap Calculation Agent**

The Cap Counterparty will act as Interest Rate Cap Calculation Agent of the Cap Agreement.

#### **Collateral**

The Cap Agreement will contain provisions requiring certain remedial actions to be taken if a Cap Counterparty Downgrade Event occurs in respect of the Cap Counterparty (or, as relevant, its guarantor). Such provisions may include a requirement that the Cap Counterparty must post collateral; and/or transfer the Cap Agreement to another entity (or, as relevant, its guarantor); and/or procure that a guarantor meeting the applicable credit rating guarantees its obligations under the Cap Agreement or take other actions in accordance with the Cap Agreement.

When the Cap Counterparty provides collateral in accordance with the provisions of the Cap Agreement (including the credit support annex thereto), such collateral or interest thereon will not form part of the Available Funds, save as expressly permitted in accordance with the point (6) in section 3.4.7.2. above.

The Cap Counterparty may only post collateral in the form of cash under the credit support annex to the Cap Agreement and any such cash collateral amounts will be credited to the Cap Collateral Account. If the Cap Counterparty does not fulfil its payment obligations under the Cap Agreement, which gives rise to an event of default, upon the termination and close-out of the Cap Agreement, any collateral amounts which are not returned to the Cap Counterparty pursuant to the Cap Agreement may be used by the Fund to obtain a replacement Cap Agreement or to make payments on the Notes, in accordance with the applicable Priority of Payments. Any excess collateral amount will be paid directly to the Cap Counterparty and not in accordance with the ranking of the Pre-enforcement Priority of Payments detailed in section 3.4.7.2 of the Additional Information or with the ranking of the Liquidation Priority of Payments detailed in section 3.4.7.3 of the Additional Information.

### **Early Termination**

The Cap Agreement may be early terminated in accordance with its terms, irrespective of whether or not the Class A Notes have been paid in full prior to such termination, upon the occurrence of a number of events (which may include without limitation):

- (a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Cap Counterparty or the Early Liquidation of the Fund;
- (b) failure on the part of the Fund or the Cap Counterparty to make any payment under the Cap Agreement;
- (c) changes in law resulting in illegality;
- (d) amendment of any material terms of the Deed of Incorporation without the prior written approval of the Cap Counterparty if such amendments affect the amount, timing and priority of any payments due from the Cap Counterparty to the Fund;
- (e) occurrence of a Cap Counterparty Downgrade Event that is not remedied within the required timeframe pursuant to the Cap Agreement;
- (f) if at any time the Reference Rate in respect of the Rated Notes is changed and, the EURIBOR (as defined in this Prospectus) is different to the floating rate of the Cap Agreement.

If the Cap Agreement is terminated because of an event of default or a termination event specified therein, the amount determined pursuant to Section 6(e) of the ISDA Master Agreement of the Cap Agreement may be due to the Fund depending on market conditions at the time of termination. This amount will be determined by the method described in the Cap Agreement and could be substantial if market rates or other conditions have changed materially. The amount may be based on the actual cost or market quotations provided by reference entities of the market of the cost of entering into an interest rate cap agreement similar to the Cap Agreement and the unpaid amounts on or prior to the early termination date.

If the Cap Agreement is early terminated prior to repayment in full of the principal of the Class A Notes, as the case may be, the Fund will be required to enter into an interest rate cap agreement on similar terms with a new Cap Counterparty. Any upfront payment to any replacement Cap Counterparty under the Cap Agreement payable by the Fund, as the case may be, will (i) firstly, be paid directly with the collateral posted by the incumbent Cap Counterparty to the replacement Cap Counterparty and not in accordance with the relevant Priority of Payments pursuant to section 3.4.7 of the Additional Information, and (ii) secondly, and provided that prior item (i) is not sufficient, as an Extraordinary Expense. Any costs, expenses, fees and taxes (including stamp taxes) arising in respect of any such transfer will be borne by the Cap Counterparty when such transfer is decided by the Cap Counterparty pursuant to Part 6 (*Downgrade Provisions; Transfer; Payments on Early Termination*) of the Schedule I of the ISDA Master Agreement of the Cap Agreement.

The Fund will endeavour but cannot guarantee to find a replacement Cap Counterparty upon early termination of the Cap Agreement.

### **Rating Downgrade provisions**

In the understanding that the Notes actually obtain the provisional ratings allocated by the Rating Agencies as described in section 7.3 of the Securities Note, the Cap Counterparty



complies with the Interest Rate Cap Required Ratings (i.e. *Ratings Event I* and *Ratings Event II*), which at the date of registration of this Prospectus and according with the provisional ratings allocated by the Rating Agencies to the Rated Notes would be, in particular, the following:

"**Ratings Event I**" shall occur, with respect to Fitch and DBRS, if no relevant entity has the '*Ratings Event I Required Ratings*' as specified below. An entity will have Ratings Event I Required Ratings:

**Ratings Event I: Triggers**

<b>Fitch</b>	If an entity has an " <b>Initial Fitch Rating</b> " of at least A or F1, where the Initial Fitch Rating will be calculated in respect of Cap Counterparty by considering either Fund's DCR - if assigned- or LT IDR (when DCR is not assigned), each DCR and LT IDR as defined in the relevant Fitch criteria applicable from time to time.
<b>DBRS</b>	DBRS rating of at least A.

"**Ratings Event II**" shall occur, with respect to Fitch and DBRS, if no relevant entity has the Ratings Event II Required Ratings as specified below:

**Ratings Event II: Triggers.**

<b>Fitch</b>	If an entity has a " <b>Subsequent Fitch Rating</b> " of at least BBB- or F3, where the Subsequent Fitch Rating will be calculated in respect of the Cap Counterparty by considering either Fund's DCR - if assigned- or LT IDR (when DCR is not assigned), each DCR and LT IDR as defined in the relevant Fitch criteria applicable from time to time.
<b>DBRS</b>	Rating of at least BBB.

Failure by the Cap Counterparty to maintain the Interest Rate Cap Required Ratings would constitute an "**Cap Counterparty Downgrade Event**" in relation to each of the Rating Agencies that, if not remedied would constitute an Additional Termination Event with the Cap Counterparty being the sole *affected party*.

Upon the occurrence of a Cap Counterparty Downgrade Event in relation to any Rating Agency, the Cap Counterparty must:

- (a) post an amount of collateral as calculated for the relevant Rating Agency in accordance with the provisions of the Credit Support Annex; or
- (b) obtain a guarantee from an institution with a credit rating that is acceptable for the relevant Rating Agency; or
- (c) assign its rights and obligations under the Cap Agreement to an assignee Cap Counterparty that will have to comply with the requirements of each Rating Agency as stated in the Cap Agreement; or
- (d) take such other action in order to maintain the rating of the Notes, or to restore the rating of the Notes to the level it would have been at immediately prior to such Rating Downgrade event occurred.

For the avoidance of doubt, at the date of this Prospectus, the Cap Counterparty, complies with the terms required by the relevant Rating Agencies, including the ratings required by such Rating Agencies.

**Governing law**

The Cap Agreement, including any non-contractual obligations arising out of or in relation thereto, are governed by, and will be construed in accordance with English law.

### **3.4.8.2. Payment Agency Agreement**

#### **Appointment**

The Management Company, for and on behalf of the Fund, appoints BP2S as Paying Agent to carry out the payment of principal and interest under the Notes.

“**Payment Agency Account**” (“**Cuenta de Agencia de Pagos**”) means the account to be opened in the name of the Fund by the Management Company at the Paying Agent, the operation of which will be covered by the Payment Agency Agreement. The services rendered under this agreement will accrue fees as described in section below (Paying Agent’s fees).

#### **Obligations**

The obligations assumed by the Paying Agent include the following:

(a) Disbursement of the issue

As described in section 3.4.5 of the Additional Information.

(b) Payments made against the Fund

On each Payment Date, the Paying Agent will make the payment of any interests and repayment of the principal of the Notes in accordance with the appropriate instructions received from the Management Company and following the Pre-Enforcement Priority of Payments or, where applicable, Liquidation Priority of Payments described in sections 3.4.7.2 and 3.4.7.4 of this Additional Information and in the Deed of Incorporation.

The instructions of the Management Company to the Paying Agent must be received by the Paying Agent three (3) Business Days before the date on which the Paying Agent shall effect the corresponding payment.

Payments to be made by the Paying Agent on each Payment Date will be made through the corresponding entities participating in IBERCLEAR, in whose registers the Notes are recorded, in accordance with IBERCLEAR’s procedures in force regarding this service and following the instructions provided by the Management Company.

One (1) Business Day before each Payment Date, the Management Company will transfer from the Cash Flow Account to the Payment Agency Account the sufficient amount in order to make the corresponding payment of interest and repayment of the principal of the Notes.

If there are no Available Funds in the Payment Agency Account on a Payment Date, the Paying Agent shall immediately notify this circumstance to the Management Company in order to the Management Company adopts the appropriate measures. The Paying Agent will not make any payments until it receives new instructions from the Management Company and after having confirmed that there are sufficient funds to comply with the Management Company instructions.

(c) Communication of the Reference Interest Rate

The Paying Agent shall communicate to the Management Company by email, before 12:00 CET of two (2) Business Days prior to the Payment Date (except for the First Interest Accrual Period, which shall be communicated on the Date of Incorporation) the (i) Reference Interest Rate, and (ii) the Capped Reference interest Rate, including the supporting documentation for such calculations.

#### **Termination by Paying Agent**

Likewise, the Paying Agent, at any time, may terminate the Payment Agency Agreement (referring exclusively to the payment agency) by giving at least two (2) months' prior written notice to the Management Company, provided that:

- (a) another entity with similar financial characteristics and with a credit rating of, at least, (i) A or F1 according to Fitch; and (ii) A according to DBRS, and accepted by the Management Company (acceptance which may not be unreasonably withheld), replaces the Paying Agent as regards the duties undertaken by virtue of Payment Agency Agreement;
- (b) notice is given to the CNMV and the Rating Agencies; and
- (c) confirmation by the Rating Agencies that the rating assigned to the Rated Notes is not negatively affected.

#### **Termination by Management Company**

Likewise, the Management Company is entitled to substitute at its sole discretion the Paying Agent, if it notifies the Paying Agent in writing at least two (2) months in advance of the envisaged termination date and provided that:

- (a) another entity with similar financial characteristics and with a credit rating of, at least, (i) A or F1 according to Fitch; and (ii) A according to DBRS, and accepted by the Management Company (acceptance which may not be unreasonably withheld), replaces the Paying Agent as regards the duties undertaken by virtue of Payment Agency Agreement;
- (b) notice is given to the CNMV and the Rating Agencies; and
- (c) confirmation by the Rating Agencies that the rating assigned to the Rated Notes is not negatively affected.

#### **Costs derived from the replacement of the Paying Agent**

In the case of replacement of the Paying Agent due to its removal by the Management Company's decision, any costs resulting from said replacement as well as any fees payable to the substitute Paying Agent will continue to be considered Ordinary Expenses of the Fund.

In the case of replacement of the Paying Agent due to its resignation as paying agent, any costs resulting from said replacement will be assumed by the Paying Agent and any fees payable to the substitute Paying Agent will continue to be considered Ordinary Expenses of the Fund.

#### **Replacement notices**

The resignation or removal, as well as the appointment of the substitute paying agent, will be notified by the Management Company to the CNMV and the Rating Agencies, and it must not cause a downgrade of the ratings of the Rated Notes by the Rating Agencies.

### Survival

Neither the resignation of the Paying Agent nor the replacement of the Paying Agent by the Management Company, will have any effect until the appointment of the substitute paying agent takes place.

### Paying Agent's fees

As consideration for the services to be provided by the Paying Agent, the Management Company, for and on behalf of the Fund, shall pay on each Payment Date a fee agreed under the Payment Agency Agreement. Such fee shall be payable as Ordinary Expenses following the Pre-Enforcement Priority of Payments or, where applicable, the Liquidation Priority of Payments described in sections 3.4.7.2 and 3.4.7.4 of the Additional Information and in the Deed of Incorporation.

The Paying Agent will be reimbursed for all reasonable out-of-pocket expenses incurred on behalf of the Fund (including legal publications, telex, postage expenses and any other similar duties, stamps or taxes including VAT, if any) to which the execution, performance and enforcement of this Agreement and the performance of its obligations may be subject.

### **3.5. Name, address and significant business activities of the Seller**

The seller of the Receivables is UCI (Unión de Créditos Inmobiliarios, E.F.C., S.A.):

- (a) with registered office at Retama 3, 28045, Madrid.
- (b) as a financial credit entity (*establecimiento financiero de crédito*), its main activity consists of financing the purchase and renovation of residences, mainly through personal and mortgage loans, in accordance with the provisions of law.
- (c) as Seller and as Servicer has the relevant expertise as an entity in the origination of mortgage loans for over 30 years and as servicer of mortgage receivables securitisation for over 25 years.

The following table shows a comparison of the individual financial information of the Seller at December 2018 and December 2019.

<b>UCI E.F.C., S.A - BALANCE SHEET (in thousands EUR)</b>			
	<b>31 December 2019</b>	<b>31 December 2018</b>	<b>Var %</b>
<b>ASSETS</b>			
CASH AND DEPOSITS IN CENTRAL BANKS / CAJA Y DEPOSITOS EN BANCOS CENTRALES	8	9	-16%
PORTFOLIO UNDER NEGOCIATION / CARTERA DE NEGOCIACION	9,080	1,017	793%
CREDIT INVESTMENTS / INVERSIONES CREDITICIAS	10,940,106	11,010,555	-1%
ADJUSTMENTS TO FINANCIAL ASSETS FOR MACRO-HEDGES / AJUSTES A ACTIVOS FINANCIEROS POR MACRO-COBERTURAS	0		
DERIVATIVES FROM HEDGING / DERIVADOS DE COBERTURA	20	0	
NON-CURRENT ASSETS / ACTIVOS NO CORRIENTES EN VENTA	288,322	310,441	-7%
SHAREHOLDINGS / PARTICIPACIONES	0		
MATERIAL ASSETS / ACTIVO MATERIAL	122,960	117,214	5%
INTANGIBLE ASSET / ACTIVO INTANGIBLE	1,261	596	112%
TAX ASSETS / ACTIVOS FISCALES	69,275	56,264	23%
REMAINING ASSETS / RESTO DE ACTIVOS	429,334	430,143	0%
<b>TOTAL ASSETS</b>	<b>11,860,363</b>	<b>11,926,239</b>	<b>-1%</b>
<b>LIABILITIES</b>			
PORTFOLIO UNDER NEGOCIATION / CARTERA DE NEGOCIACION	4,834	4,366	11%
FINANCIAL ASSETS AT AMORTIZED COST / PASIVOS FINANCIEROS A COSTE AMORTIZADO	11,301,757	11,476,494	-2%
DERIVATIVES FROM HEDGING / DERIVADOS DE COBERTURA	63,787	14,612	337%
PROVISIONS / PROVISIONES	4,395	3,494	26%
TAX LIABILITIES / PASIVOS FISCALES	1,352	1,075	26%
REMAINING LIABILITIES / RESTO DE PASIVOS	28,628	30,751	-7%
<b>TOTAL LIABILITIES</b>	<b>11,404,753</b>	<b>11,530,792</b>	<b>-1%</b>
<b>EQUITY</b>			
PAID-IN CAPITAL / FONDOS PROPIOS	485,100	394,536	23%
INCOME FROM THE YEAR / Resultado del ejercicio	14,641	10,563	39%
ADJUSTMENTS FOR VALUATION / AJUSTES POR VALORACION	-44,131	-9,652	357%
<b>TOTAL EQUITY</b>	<b>455,610</b>	<b>395,447</b>	<b>15%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>11,860,363</b>	<b>11,926,239</b>	<b>-1%</b>

UCI, E.F.C. S.A. - Income Statement (In thousands Eur)			
P/L	2019	2018	VAR%
INTERESTS AND ASSIMILATED RETURN / INTERESES Y RENDIMIENTOS ASIMILADOS	211.450	218.970	-3%
INTEREST AND ASSIMILATED CHARGES / INTERESES Y CARGAS ASIMILADAS	70.158	78.868	-11%
INTEREST MARGIN / MARGEN DE INTERESES	141.292	140.102	1%
PERCEIVED FEES / COMISIONES PERCIBIDAS	9.644	10.187	-5%
PAID FEES / COMISIONES PAGADAS	4.500	4.973	-10%
INCOME FROM FINANCING ACTIVITIES / RESULTADOS DE OPERACIONES FINANCIERAS (NETO)	15.045	19.018	-21%
OTROS PRODUCTOS DE EXPLOTACION	4.403	2.838	55%
GROSS MARGIN / MARGEN BRUTO	165.885	167.172	-1%
ADMINISTRATIVE EXPENSES / GASTOS DE ADMINISTRACION	80.759	80.887	0%
AMORTIZATION / AMORTIZACION	3.500	3.058	14%
PROVISIONS (NET) / DOTACIONES A PROVISIONES (NETO)	922	912	1%
LOSSES FOR WRITE-OFF IN FINANCIAL ASSETS (NET) / PERIDAS POR DETERIORO DE ACTIVOS FINANCIEROS (NETO)	34.110	49.392	-31%
RESULT OF OPERATING ACTIVITIES / RESULTADO DE LAS ACTIVIDADES DE EXPLOTACION	46.593	32.923	42%
LOSSES FOR WRITE-OFF IN OTHER ASSETS / PERDIDAS POR DETERIORO DEL RESTO DE ACTIVOS (NETO)	706	131	439%
INCOME (LOSSES) IN THE WRITE-OFF OF ASSETS NOT CLASSIFIED AS NON-CURRENT ON SALE / GANANCIAS (PERDIDAS) EN LA BAJA DE ACTIVOS NO CLASIFICADOS COMO CORRIENTES EN VENTA	-1.168	-684	71%
INCOME (LOSSES) OF NON-CURRENT ASSETS ON SALE NOT CLASSIFIED AS NON-INTERRUPTED TRANSACTIONS / GANANCIAS (PERDIDAS) EN LA BAJA DE ACTIVOS NO CLASIFICADOS COMO OPERACIONES INTERRUMPIDAS	-27.715	-20.071	38%
INCOME BEFORE TAXES / RESULTADO ANTES DE IMPUESTOS	17.004	12.037	41%
CORPORATE INCOME TAX / IMPUESTOS SOBRE BENEFICIOS	2.363	1.474	60%
INCOME / RESULTADO EJERCICIO	14.641	10.563	39%

The individual annual financial statements of the Seller for 2019 have been audited and deposited with the CNMV.

The individual annual financial statements of the Seller for 2020 have not been yet, as of the date of this Prospectus, neither audited nor deposited with the CNMV.

These financial statements have been prepared in accordance with (i) Bank of Spain Circular 4/2004 for individual annual financial statements of 2019, and (ii) with Bank of Spain Circular 4/2019 (IFRS9).

**3.6. Return on, and/or repayment of the securities linked to the performance or credit of other assets or underlying which are not assets of the issuer**

Not applicable.

**3.7. Management, administration and representation of the Fund and of the Noteholders**

**3.7.1. Servicer**

UCI, as Seller of the Receivables and issuer of the Mortgage Transfer Certificates is obliged by virtue of Mortgage Market Law and Article 26.3 of Royal Decree 716/2009, to carry out the custody and management of the Mortgage Loans. The relationship between the Seller and the Fund will be governed by the provisions of the Deed of Incorporation.

Should the Servicer ceases to service the Mortgage Loans, if legally possible, the Management Company shall be responsible for the servicing and management of the Mortgage Loans in accordance with article 26.1 b) of Law 5/2015. Notwithstanding, the Management Company shall be entitled to subdelegate such duties to third parties in accordance with article 30.4 of Law 5/2015, which shall not affect its responsibility.

Pursuant to the above, the Seller will act as servicer of the Mortgage Loans (the “**Servicer**”) and, undertakes as follows:

- (a) To carry out the servicing and management of the Receivables acquired by the Fund as established by the ordinary rules and procedures of servicing and management set out in the Deed of Incorporation;
- (b) To continue to service the Mortgage Loans, dedicating the same time and attention and the same level of expertise, care and diligence in its administration as it would dedicate and exercise in the administration of its own mortgage loans. In any case, it will exercise an appropriate level of expertise, care and diligence as regards the provision of the services stipulated in this Additional Information and in the Deed of Incorporation;
- (c) That the procedures it applies and will apply for the servicing and management of the Mortgage Loans are and will continue to be in accordance with applicable laws and legal provisions;
- (d) To faithfully comply with the instructions given by the Management Company;
- (e) To indemnify the Fund for any damages suffered as a consequence of the Servicer’s breach of its obligations.

A brief description of the ordinary rules and procedures of administration and custody of the Mortgage Loans governed by the Deed of Incorporation of the Fund is set forth in the following sections.

#### **3.7.1.1. Term and replacement of the Servicer**

The services will be provided by the Servicer until all obligations assumed by the Servicer in relation to such Mortgage Loans are extinguished upon full repayment of the Mortgage Loans, without prejudice to the possible early revocation of its mandate if legally possible.

In the case of a breach by the Servicer of the obligations established in this Additional Information due to a downgrade in its credit rating that negatively affects or entails a risk to the financial structure of the Fund or to the rights and interests of the Noteholders, as well as due to insolvency of the Servicer, or if the Management Company considers it to be reasonably justified, the Management Company, if legally possible, with prior notice to the Rating Agencies and the CNMV, may subcontract or delegate the servicing of the Mortgage Loans or have the performance of such obligations guaranteed by another entity, that, in the opinion of the Management Company, has the suitable legal and technical capacity, provided that the rating of the Notes is not adversely affected.

In the case of insolvency of the Servicer, subdelegation shall be the only possible action.

For purposes of replacing the Servicer, if this is legally possible, the Management Company will become the Master Servicer, in accordance with Article 26.1.b) of Law 5/2015. Notwithstanding, as stated above, it will be entitled to delegate to a third party the administration and custody of the Mortgage Loans, on the same terms and conditions provided in this Prospectus.

The Back-Up Servicer Facilitator, pursuant to the Guideline of the European Central Bank ECB/2013/4, of 20 March 2013 (as amended and consolidated), will agree in a public instrument, if so required, to perform the duties of searching for an entity so that within sixty (60) days the Master Servicer can subdelegate the servicing and management of

the Mortgage Loans to replace the Seller as the Servicer, all in compliance with the aforementioned Guideline ECB/2013/4, of 20 March 2013 (as amended and consolidated).

Without prejudice to the Back-Up Servicer Facilitator's obligations, the Management Company will take into account the Seller's proposals in connection with the entity to whom the subdelegating the servicing and management obligations.

Notwithstanding the foregoing, the Management Company, on behalf of the Fund, will have the final decision as regards of the new entity that would perform the aforementioned actions.

In the event of the replacement of the Servicer, the Servicer undertakes to carry out the following actions, at the Management Company's request:

- (a) The Servicer will make available a register of the personal data of the Borrowers (RPD) necessary to issue them with collection orders;

The communication and use of the referred data Will be limited and Will be, in any case, subject to the Data Protection Law and the General Data Protection Regulation.

- (b) Deposit the RPD before a notary public so that the Management Company can search for or use it at any time if necessary, in connection with the administration of the Mortgages Loans;
- (c) Provide all reasonable support to the Management Company in the process of replacement and, where appropriate, notify the Borrowers, the guarantors and the insurance companies;
- (d) As far as reasonably practicable, deliver and make available to the Management Company (or its nominee) the files as the Seller (if different from the Servicer) may have delivered to it, copies of all records, correspondence and all other documents in its possession or under its control relating to the Mortgage Loan assigned to the Fund and to any sums and other assets, if any, held by the Servicer on behalf of the Management Company;
- (e) To carry out such actions and execute such contracts as the Servicer's participation may make necessary in order to effectively transfer the functions to the new servicer.

The Servicer may voluntarily resign from the servicing and management of the Mortgage Loans if allowed by applicable law, provided that (i) the Master Servicer has designated a new servicer, (ii) the Servicer has compensated the Fund for the damages that the resignation and substitution may cause thereto, and (iii) there is no negative impact on the rating of the Notes.

### **3.7.1.2. Custody of Mortgage Loan agreements, deeds, documents and files**

The Servicer will keep at least an electronic version of all the Mortgage Loan agreements, copies of instruments, documents and computer files on the Mortgage Loans and fire and damages insurance policies in safe custody and will not abandon the possession, custody or control thereof without prior written consent of the Management Company for such purpose, unless the document is requested in order to commence proceedings for the enforcement of a Mortgage Loan.

The Servicer will at all times reasonably provide the Management Company or the duly authorised auditor of the Fund with access to such Mortgage Loan agreements, instruments, documents and records. If the Management Company so requests, the Servicer will also provide a free-of-charge copy or photocopy of any of such Mortgage Loan agreements, instruments and documents within five (5) Business Days following such request. The Servicer must act in the same way in the case of requests for information from the auditor of the Fund.

In any case, the Servicer waives the privileges which the law confers under Articles 1,730 and 1,780 of the Civil Code (regarding the retention of pledged items) and 276 of the Commercial Code (a security of similar nature to the retention of pledged items).

The Servicer undertakes to act in the custody and administration of the Mortgage Loans with the maximum due diligence and shall be liable to the Fund. The Servicer shall indemnify the Fund, through its Management Company, against any damage, loss or expense incurred by reason of a breach of its obligations of custody and/or administration of the Mortgage Loans and the documentation relating the Mortgage Loans and to the multiple titles of the Mortgage Transfer Certificates that are deposited.

#### **3.7.1.3. Collection management**

The Servicer, as the manager of collections, will receive on behalf of the Fund any amounts paid by the Borrowers under the Mortgage Loans, including principal, interest, partial prepayment fees or compensation fees for fixed interest rates and any other amount (but excluding other fees not mentioned above) and indemnifications from fire and damage insurance policies and payments made by guarantors, and will deposit such amounts in the Cash Flow Account before midnight (12:00 CET) on the Business Day following receipt.

In the managing the collections under the Mortgage Loans, the Servicer undertakes to act, with the maximum due diligence and shall be liable to the Fund, through its Management Company, for any damage that may arise from its negligence.

#### **3.7.1.4. The Servicer undertakes to act, in managing the collections, with the maximum due diligence and shall be liable to the Fund, through its Management Company for any damage that may arise from the negligence. Advance of funds**

Under no circumstance will the Servicer pay to the Fund any amounts under the Mortgage Loans that it has not previously received from the Borrowers.

#### **3.7.1.5. Information**

The Servicer must periodically inform the Management Company and the Rating Agencies of the Borrowers' level of compliance with their obligations under the Mortgage Loans agreements, of the compliance by the Servicer with its obligation to transfer to the Cash Flow Account the amounts collected under the Mortgage Loans, of the recovery actions adopted in the event of payment default, and of the existence of hidden defects in the Mortgage Loans, the MTCs or the Receivables.

The Servicer must prepare and deliver to the Management Company the additional information that the Management Company may reasonably request regarding the Mortgage Loans, the MTCs or the Receivables.

In particular, the Servicer shall provide in a timely manner to the Seller, as Reporting Entity, any reports, data and other information in the correct format to fulfil the reporting requirements of article 7 of the EU Securitisation Regulation (including, inter alia, the information, if available related to the environmental performance of the Assets).



**3.7.1.6. Interest rate calculation**

The Servicer will calculate the interest rates applicable in each of the interest periods as contemplated in the corresponding Mortgage Loan, making any communications and notifications contemplated in each Mortgage Loan agreement to this effect.

**3.7.1.7. Subrogation of the Borrower to the Mortgage Loans**

The Servicer will be authorised to permit subrogations to the position of the Borrower in the Mortgage Loan agreements only in those cases in which the new Borrower has similar features in respect of risk profile and others to those of the previous Borrower and such features conform to the Mortgage Loan assignment standards described in section 2.2.7 of this Additional Information, and provided that the expenses deriving from such subrogation are paid in full by the Borrower unless otherwise provided by law.

The Management Company may totally or partially limit this authority of the Servicer, or subject the power to conditions, if such subrogations may negatively affect the ratings of the Rated Notes given by the Rating Agencies.

The Management Company must in any case be immediately notified of any subrogation by the Servicer in accordance with the preceding paragraph.

In addition, the Borrower may request subrogation of the Mortgage Loans to the Servicer pursuant to Law 2/1994 on the subrogation and amendment of mortgage loans. In such case, the subrogation of a new creditor in the Mortgage Loan would result in the repayment in full of the Mortgage Loan and the cancellation of the corresponding MTC.

**3.7.1.8. Powers and actions in relation to Mortgage Loan forbearance processes**

The Management Company generally authorises the Servicer to enter into renegotiations with respect to the Mortgage Loans, without its prior consent, under the terms and conditions described below.

The Servicer may not release any security (including the mortgages) for any reason other than the repayment in full of the Mortgage Loans, waive or compromise on such security, forgive any amounts under the Mortgage Loans in whole or in part, or generally perform any actions that may result in a postponement of the rank of the security or the legal effectiveness or economic value of the Mortgage Loans.

Under no circumstances may the Servicer enter into renegotiations on the interest rate that could result in a reduction in the interest rate applicable to a Mortgage Loan on its own initiative and without a request to this end from a Borrower.

The Management Company authorises the Servicer to renegotiate the interest rate on the Mortgage Loans when requested to do so by a Borrower. The renegotiation of the applicable interest rate cannot result in the interest rate being adjusted to a level or index other than the interest rates or indices used in mortgage loans provided by the Seller. Any such renegotiation will need to comply with the following requirements:

- (a) In renegotiating the interest rate clause of the Mortgage Loans, the Servicer must ensure that the new terms are at the market interest rate and are no different than those applied by the Seller when renegotiating the mortgage loans in its portfolio. For purposes of this procedure, a market interest rate is an interest rate offered by lenders in the Spanish loan market.

- (b) Interest rates may be renegotiated to change, including both changes from variable interest rates to fixed interest rates and changes from fixed interest rates to variable interest rates. However, renegotiations from variable to fixed interest rate cannot amount to more than 5% of the Outstanding Balance of the Receivables as of the Date of Incorporation.

The powers of renegotiation given to the Servicer in this section are subject to the following limitations:

- (a) No increase in the Outstanding Balance of the Receivables arising from a Mortgage Loan will be allowed.
- (b) No modification in the frequency of repayments throughout the remaining term of the Mortgage Loans will be allowed.
- (c) A reduction in the instalments agreed to by the Recovery Division or the commercial division will be allowed, with a limit of 15% of the Outstanding Balance of the Receivables as of the Date of Incorporation.
- (d) In case of changes from fixed interest rate to variable interest rate, the applicable reference rate shall always be Euribor and the relevant applicable margin may not be renegotiated below 0.75%.
- (e) In case of changes from variable interest rate to fixed interest rate, the minimum interest rate applicable during the term of the relevant Mortgage Loan may not be renegotiated below 1.25%, and such term shall be at least 15 years.
- (f) The maturity date on a Mortgage Loan may be extended, provided that the new maturity date of such Mortgage Loan does not occur after the Final Maturity Date of the Notes.

In any event, after any renegotiation in accordance with the provisions of this section, the Servicer will immediately inform the Management Company of the terms and conditions resulting from such renegotiation.

Under exceptional circumstances, the Management Company, on behalf of the Fund, may suspend or amend the authorisation and requirements for renegotiation by the Servicer set forth in this section.

If the Servicer fails to comply with the provisions of this section in relation to the renegotiation of any of the Mortgage Loans, the replacement procedure described in section 2.2.9 of this Additional Information shall apply with respect to the Mortgage Loan in question (without prejudice to the liability of the Servicer for such circumstance). This does not mean that the Servicer guarantees the successful conclusion of the transaction, but rather the remedy of the effects of the breach of its obligations, in accordance with Article 1,124 of the Civil Code. The Management Company will immediately inform the CNMV of the replacement of the Receivables resulting from the Servicer's breach. The costs incurred to cure the Servicer's breach must be paid by the Servicer and cannot be passed on to the Fund.

The limits set forth above shall not apply to (and thus, any of the following are expressly allowed in any event):

- (a) any (i) settlement, suspension of payments, rescheduling of the amortisation plan or other contractual amendments resulting from or arising from mandatory provisions, or (ii) voluntary moratoriums or deferment of payments, together with

any decisions or recommendations of public authorities or conventions, arrangements or recommendations of institutional or industry associations, such as Covid-19 Moratoriums; and

- (b) those qualifying as renegotiations in accordance with Bank of Spain Circular 04/2017 of 27 November, to credit institutions, on public financial reporting standards and reserved and models of financial statements, and with regards to any guidelines that the EBA may issue in order to better define forbearance measures.

#### **3.7.1.9. Administration Fee**

A fixed quarterly fee of SIX THOUSAND EUROS (€ 6,000), including VAT, will accrue to the Servicer (or if replaced, the amount agreed with the new servicer) on each Payment Date up to and including the Legal Maturity Date on which total repayment of the issue takes place (or up to the Payment Date on which the Early Redemption of the issue takes place) for servicing the Mortgage Loans.

As stated on section 3.7.1.1 of this Additional Information, if the Servicer is replaced as Servicer of the Receivables, the Master Servicer or the entity in which the later might subdelegate the servicing duties will have the right to receive an Administration Fee that will occupy the first (1<sup>st</sup>) place in the Pre-Enforcement Priority of Payments or in the Liquidation Priority of Payments, as applicable, the set forth in section 3.4.7.2 and 3.4.7.4 of this Additional Information, as applicable (the "**Administration Fee**").

If the Fund, through its Management Company, fails to pay the entire fee on a Payment Date due to a lack of sufficient liquidity in the Cash Flow Account, in accordance with the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2, the unpaid amounts will accrue without penalty to the fee that must be paid on the following Payment Date, and will be paid at that time.

In addition, on each Payment Date, the Servicer will have the right to the repayment of all expenses of an exceptional nature that it may have incurred in relation to the Mortgage Loans, after reporting such expenses to the Management Company. These expenses, which will include, among others, those arising from the enforcement of the security and any sale of properties, will be paid if the Fund has sufficient liquidity in the Cash Flow Account and in accordance with the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2 of this Additional Information.

#### **3.7.1.10. Other expenses and compensation**

On an annual basis, as remuneration or compensation for the financial intermediation process, the Seller will also have the right to receive a subordinated and variable amount equal to the difference between the booked revenue and the expenses for the Fund in a fiscal year, such that the financial margin is extracted. The payments for this item may be made quarterly on each Payment Date in accordance with the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2 of the Additional Information and will be considered payments on account.

#### **3.7.1.11. Set-off**

If any of the Borrowers on the Mortgage Loans has a liquid, due and payable credit right against the Seller, with the result that one or more of the Mortgage Loans are set off against such right, the Seller will remedy this circumstance such that the set-off does not apply, or if it is not possible to remedy it, the Seller will deposit in the appropriate account with the Fund the amount which was set off plus the interest due from the date of set off

until the date on which the deposit is made, calculated in accordance with the terms and conditions applicable to the corresponding Mortgage Loan.

**3.7.1.12. Subcontracting**

The Servicer may subcontract any of the services which it has undertaken to provide by virtue of the above provisions and those of the Deed of Incorporation, except for those services that cannot be delegated pursuant to applicable law. In no case will such subcontracting entail any additional cost or expense for the Fund or the Management Company, and it must not cause a downgrade of the rating of the Rated Notes assigned by the Rating Agencies. Notwithstanding any subcontracting or delegation, the Servicer will not be discharged or released through such subcontracting or delegation from any of the liabilities that it has assumed and that are legally attributable to or enforceable against the Servicer.

**3.7.1.13. Notices**

The Management Company and the Seller have agreed to not notify the assignment of the Receivables to the relevant Borrowers except when required by law. As of the Date of Incorporation, the Seller must send the notice required by law to Borrowers in the Autonomous Community of Valencia, pursuant to Decree-Law 1/2019, of December 13, of the Consell, approving the consolidated version of the Statute of consumers and users of the Valencian Community, Andalucía, pursuant to Decree 175/2020, of 27 October, which regulates the right of information of consumer borrowers and guarantors in cases of issuance of mortgage shares or mortgage transfer certificates, as well as in cases of transfer, assignment or other legal acts that may result in the alteration of the ownership of the mortgage loans for housing, or the receivables derived therefrom, and Extremadura, pursuant Law 6/2019 of the statute of consumers. For these purposes, notice to the Borrowers is not a requirement for the validity of the issuance of the MTCs or for the validity of the assignment of the MTCs to the Fund.

However, the Seller will grant to the Management Company the broadest powers as are necessary under law so that it may, on behalf of the Fund, notify the Borrowers and the guarantors of the issuance or the assignment of the MTCs at the time it deems appropriate.

Notwithstanding the foregoing, in the event of insolvency or indications thereof, liquidation or the replacement of the Servicer, or because the Management Company considers it to be reasonably justified, the Management Company may request the Servicer to notify the Borrowers, and relevant guarantors and insurance providers, of the transfer of the outstanding Mortgage Loans to the Fund, as well as of the fact that the payments deriving thereof will only act as a release if they are made into the Cash Flow Account opened in the name of the Fund. However, both in the case that the Servicer has not notified the Borrowers and the guarantors within five (5) Business Days following receipt of the request, and in the case of insolvency of the Servicer, the Management Company itself, either directly or through a new servicer designated thereby, will notify the Borrowers and relevant guarantors and insurance providers.

**3.7.2. Management Company**

**3.7.2.1. Management, administration and representation of the Fund and of the Noteholders**

The administration and legal representation of the Fund will correspond to the Management Company, in the terms provided in article 26 of the Law 5/2015 and other applicable law, as well as in the terms of the Deed of Incorporation and this Prospectus.

The name, address and significant activities of the Management Company are detailed in section 6 of the Registration Document.

The Management Company is also responsible for representing and defending the interests of the Noteholders and of the other creditors of the Fund. Accordingly, the Management Company must at all times take into account the interests of the Noteholders and of the other creditors of the Fund, acting in the defence thereof and adhering to applicable law and regulations for such purpose.

The Management Company must perform its activities with the utmost diligence in accordance with Law 5/2015, representing the Fund and defending the interests of the Noteholders and of the other creditors of the Fund as if handling its own interests, caring for the levels of diligence, reporting and defence of the interests of the former and avoiding situations involving conflicts of interest, and giving priority to the interests of the Noteholders and the other creditors of the Fund over its own interests.

The Management Company will be liable to the Noteholders and the other creditors of the Fund for all damages caused thereto by a breach of its obligations. It will be liable for the penalties applicable thereto pursuant to the provisions of Law 5/2015.

The Management Company has the necessary resources, including suitable technology information systems, to discharge its duties of administering the Fund as attributed thereto by Law 5/2015.

### **3.7.2.2. Administration and representation of the Fund**

The Management Company's obligations and actions in the fulfilment of its duties to manage and act as the authorised representative of the Fund, for illustrative purposes only and without prejudice to any other obligations and actions provided in this Prospectus, are the following:

- (a) open the Cash Flow Account and the Cap Collateral Account, initially with the Fund Accounts Provider, in the name of the Fund and ensure that the proceeds from collections are deposited into the Cash Flow Account, in accordance with the terms set forth in this Prospectus;
- (b) open the Payment Agency Account, initially with the Paying Agent, in the name of the Fund and ensure that the sufficient amounts are transferred from the Cash Flow Account to the Payment Agency Account in order to make the corresponding payments on each Payment Date;
- (c) exercise the rights attaching to ownership of the Receivables of the Fund, and generally carry out any such acts of administration and disposal as are necessary for the proper performance of the administration and legal representation of the Fund;
- (d) carry out the financial servicing of the Receivables with diligence and rigor, without prejudice to the management duties assumed by the Seller in its capacity as Servicer in accordance with the provisions of section 3.7.1 above;
- (e) verify that the amount of income actually received by the Fund corresponds to the amounts to be received by the Fund in accordance with the terms and conditions of each Receivable and the terms and conditions of the various contracts;
- (f) validate and control the information it receives from the Servicer regarding the Mortgage Loans as regards collections of ordinary payments, prepayments of

principal, payments of unpaid instalments, and status and control of non-payments;

- (g) calculate the Available Funds and the movements of funds it will have to make once they have been applied in accordance with the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments, as applicable, ordering transfers of funds between the various asset and liability accounts and making the applicable payment instructions, including those allocated to pay the financial servicing on the Notes;
- (h) calculate and settle the amounts for interest and fees that must be received and paid by the various asset and liability financial accounts, as well as the fees to be paid for the various agreed financial services and the amounts pertaining to the Notes for the repayment of principal and for interest;
- (i) perform its calculation obligations as contemplated in this Additional Information and in the Subordinated Loan Agreement and in the Reinvestment Agreement, which are described in sections 3.4.4.1 and 3.4.5.1. of this Additional Information;
- (j) monitor the actions of the Servicer for recovery of non-payments, giving instructions, when applicable, in order to commence a foreclosure proceeding and, if applicable, with regard to the position to be adopted in property auctions. Bring the relevant actions when such circumstances occur;
- (k) handle the accounting of the Fund with due separation thereof from that of the Management Company, and render accounts and comply with the tax or other legal obligations applicable to the Fund;
- (l) furnish the Noteholders, the CNMV and the Rating Agencies with such information and notices as are established by applicable legal provisions, and especially those contemplated in this Prospectus;
- (m) enter into, extend or amend agreements it has executed on behalf of the Fund, replace each of the providers of services to the Fund by virtue of such agreements, and also, if necessary, enter into additional agreements, all of the foregoing subject to applicable law, after obtaining the prior authorisation, if required, from the CNMV or competent governmental body, and after notifying the Rating Agencies, and provided that such actions do not lead to a decrease in the rating of the Notes and do not impair the interests of the Noteholders, so as to ensure that the Fund operates in accordance with the terms set forth herein by the law in effect from time to time;
- (n) appoint and replace, as applicable, the financial auditor charged with auditing the annual financial statements of the Fund;
- (o) prepare and submit to the CNMV and other competent bodies all documents and information that must be submitted pursuant to applicable legal provisions and the terms of this Prospectus, or when so requested by the CNMV and other competent bodies, and prepare and submit to the Rating Agencies any information they may reasonably request;
- (p) make appropriate decisions in relation to the liquidation of the Fund, including the decision for early termination of the Notes issued and liquidation of the Fund, in accordance with the provisions of this Prospectus;

- (q) not take actions that could decrease the rating of the Notes, and procure the adoption of those measures which are reasonably within its reach in order for the rating on the Notes not to be adversely affected at any time;
- (r) manage the Fund in such a manner that the shareholders' equity therein is always zero; and,
- (s) pay the Ordinary Expenses and the Extraordinary Expenses incurred by the Management Company on behalf of the Fund.

### **3.7.2.3. Resignation and replacement of the Management Company**

The Management Company will be replaced in the administration and representation of the Fund in accordance with the provisions of articles 27, 32 and 33 of Law 5/2015.

#### **Resignation**

In accordance with article 32 of Law 5/2015, the Management Company may resign from its duties of management and representation of all or part of the funds managed whenever it deems appropriate, subject to the authorization of the CNMV in accordance with the procedure and on the terms which may be established by way of subsequent implementing regulations.

The Management Company may in no event resign its duties until and unless all requirements and formalities have been complied with in order for the entity replacing it to take over its duties. The substitution expenses originated shall be borne by the resigning management company and may in no event be passed on to the Fund.

All expenses arising from such replacement must be paid by the Management Company itself and may not in any event be attributed to the Fund.

#### **Forced replacement**

The Management Company will be replaced if it is subject to any of the grounds for dissolution under articles 360 et seq. of the Capital Companies Act. The Management Company must notify the CNMV of the occurrence of any of such grounds. In such case, the Management Company must comply with the provisions of the previous section prior to its dissolution.

If the Management Company is declared insolvent or its authorisation revoked, in accordance with articles 33 and 27 of Law 5/2015, respectively, a management company must be appointed to replace it. The replacement must become effective within four (4) months of the date of occurrence of the event causing the replacement. If the Management Company has not appointed a new management company within four (4) months of the event causing the replacement, there will be an Early Liquidation of the Fund and redemption of the Notes, requiring the actions contemplated in section 4.4.5 of the Registration Document.

The replacement of the Management Company and appointment of the new management company, approved by the CNMV in accordance with the provisions of the above paragraphs, will be reported to the Rating Agencies and will be published within a period of fifteen (15) days by means of an announcement in two nationally-circulated newspapers and in the bulletin of the AIAF.

The Management Company undertakes to execute any public or private documents needed to proceed with the replacement thereof by another management company in

accordance with the procedure explained in the preceding paragraphs of this section. The replacement management company must subrogate to the rights and obligations of the Management Company as established in this Additional Information. Furthermore, the Management Company must deliver to the new management company any documents and accounting and database records relating to the Fund that are in its possession.

**3.7.2.4. Subcontracting of the Management Company**

Pursuant to the provisions of the Prospectus, the Management Company will be entitled to subcontract or delegate the provision of any of the services to be performed in its duties of administration and legal representation of the Fund to reputable third parties, provided that the subcontractor or delegate waives any actions against the Fund for liability.

In any case, the subcontracting or delegation of any service (i) cannot involve any additional cost or expense for the Fund, (ii) must be lawful, (iii) must not cause a decrease in the rating of the Notes by the Rating Agencies, and (iv) must be communicated to the CNMV, and if legally required must have the prior approval thereof. Such subcontracting or delegation will not be a waiver of or release the Management Company from any of the liabilities assumed by virtue of this Prospectus that are legally attributable thereto or that may be enforced against it.

**3.7.2.5. Management Company's remuneration for the performance of its duties**

In consideration of the functions to be discharged by the Management Company, the Fund will pay the Management Company a servicing fee consisting of:

- (a) an initial fee which shall accrue upon the Fund being incorporated and be payable on the Date of Incorporation; and
- (b) on each Payment Date and provided that the Fund has sufficient Available Funds in the Cash Flow Account in accordance with the Pre-Enforcement Priority of Payments or the Liquidation Priority of Payments, as applicable, set forth in sections 3.4.7.2 and 3.4.7.4 of the Additional Information, a periodic annual administration fee, which will accrue for the actual days in each Interest Accrual Period, and will be calculated on the basis of the sum of the Outstanding Balance of the Notes, on the Determination Date corresponding to that Payment Date. The fee accrued from the Date of Incorporation until the first Payment Date will be adjusted in proportion to the days elapsed between both dates and will be calculated based on the nominal value of the Notes issued.

**3.8. Name and address and brief description of any swap counterparties and any providers of other material forms of credit/liquidity enhancement or accounts**

Section 5.1 of the Registration Document contains a brief description of the counterparties to the contracts described below.

**3.8.1. Reinvestment Agreement**

Banco Santander is the Fund Accounts Provider under the Reinvestment Agreement.

A description of the Reinvestment Agreement is included in section 3.4.5 of this Additional Information.



### **3.8.2. Subordinated Loan Agreement**

UCI is the Subordinated Loan Provider. A description of the Subordinated Loan Agreement is included in section 3.4.4.1 of this Additional Information.

### **3.8.3. Cap Agreement**

BNP Paribas is the Cap Counterparty under the Cap Documentation, as described in section 3.4.8.1 of this Additional Information.

## **4. POST ISSUANCE REPORTING**

### **4.1. Obligations and deadlines envisaged for the preparation, auditing and approval of the annual and quarterly financial statements and management report**

The Management Company will present the Fund's annual financial statements mentioned in sub-section 1 of article 35 of Law 5/2015, together with the auditors' report in respect thereof, to the CNMV within four (4) months following the close of the Fund's financial year, which will coincide with the calendar year (i.e. prior to 30 April of each year).

Additionally, according to sub-section 3 of article 35 of Law 5/2015, the Management Company must present the Fund's quarterly financial statements to the CNMV within two (2) months from the end of each calendar quarter.

#### **4.1.1. Ordinary periodic notices**

The Management Company, in its management and administration of the Fund, undertakes to supply the information described below and any other additional information as may be reasonably requested thereof with the utmost diligence possible and within the deadlines provided.

##### **4.1.1.1. Information in relation to the notes**

For so long as the Notes remain outstanding, at least two (2) Business Days in advance of each Payment Date, the Management Company will inform the Noteholders of the following:

- (a) the Interest Rate resulting for the Notes for the following Interest Accrual Period;
- (b) the resulting interest on the Notes for the current Interest Accrual Period;
- (c) the repayment of the principal of the Notes for the current Interest Accrual Period;
- (d) the actual average prepayment rates of the Receivables as of the Determination Date corresponding to the Payment Date in question;
- (e) the average residual life of the Notes calculated pursuant to the assumptions regarding such actual average prepayment rate; and
- (f) the Outstanding Principal Balance of each Note (after the repayment to be made on the Payment Date in question), and the percentage that such Outstanding Principal Balance represents of the total initial nominal value of each Note.
- (g) The amounts outstanding for matured principal/interest payments on the Notes;

- (h) A cash flow model setting out the transaction cash flows assuming zero losses.

Notices specified in this section 4.1.1 shall be submitted to CNMV, IBERCLEAR and AIAF at least two (2) Business Days in advance of each Payment Date.

**4.1.1.2. Information**

In relation to the Receivables following a Payment Date, the following information shall be published in the Management Company's website: (i) Outstanding Balance; (ii) interest and principal amount of instalments in arrears; and (iii) Outstanding Balance of Defaulted Receivables.

In relation to the economic and financial position of the Fund:

- (a) Report on the source and subsequent application of the Available Funds in accordance with the Pre-Enforcement Priority of Payments of the Fund.

**4.1.1.3. Reports**

- (a) The Management Company will submit to the CNMV the following reports:
- (b) The annual report referred to in article 35.1 of Law 5/2015 containing, inter alia, the annual accounts (balance sheet, profit & loss account, cash flow and recognised income and expense statements, annual report and management report) and audit report, within four (4) months following the close of the Fund's financial year, which will coincide with the calendar year (i.e. prior to 30 April of each year).
- (c) The quarterly reports referred to in article 35.3 of Law 5/2015, containing the Fund's quarterly financial statements within two (2) months following the end of each calendar quarter.

**4.1.2. Information referred to EU Securitisation Regulation**

Pursuant to the obligations set forth in article 7(2) of the EU Securitisation Regulation, the originator, the securitisation special purpose entity ("**SSPE**") of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of article 7(1) to a registered securitisation repository of the EU Securitisation Regulation. The disclosure requirements of article 7 of the EU Securitisation Regulation apply in respect of the Notes.

The EU Disclosure RTS set out the information and the details to be made available by the originator, sponsor and SSPE of a securitisation and the EU Disclosure ITS set out the format and standardised templates for making available the information and details of a securitisation.

**Article 7, in accordance with article 22.5 of the EU Securitisation Regulation**

The Reporting Entity, directly or delegating to any other agent on its behalf, will:

- (a) following the Date of Incorporation:
- (1) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the EU Securitisation Regulation the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date;

- (2) publish on a quarterly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(a) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date, and simultaneously with the quarterly investor report;
- (b) publish, in accordance with article 7(1)(f) of the EU Securitisation Regulation, without delay any inside information made public in accordance with article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;
- (c) publish without delay any significant event including any significant events described in article 7(1)(g) of the EU Securitisation Regulation; and
- (d) make available in accordance with the article 7(1)(b) and article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Date of Incorporation, copies of the relevant Transaction Documents and this Prospectus.

The Reporting Entity, directly or delegating to any other agent on its behalf, will publish or make otherwise available the reports and information referred to above as required under article 7 and article 22 of the EU Securitisation Regulation by means of:

- (a) once there is a securitisation repository registered under article 10 of the EU Securitisation Regulation (the “**SR Repository**”) and appointed by the Reporting Entity for the securitisation transaction as described in this Prospectus, the SR Repository; or
- (b) while no SR Repository has been registered and appointed by the Reporting Entity, the external website <https://editor.eurodw.eu/>, being an external website that conforms to the requirements set out in the fourth paragraph of article 7(2) of the EU Securitisation Regulation.

The Seller shall be responsible for compliance with article 7, in accordance with article 22.5 of the EU Securitisation Regulation and has been designated as the “Reporting Entity” for the purposes of article 7.2 of the EU Securitisation Regulation.

The Reporting Entity (or any agent on its behalf) will make the information referred to above available to the Noteholders, relevant competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes.

The quarterly investor reports shall include, in accordance with article 7(1), subparagraph (e)(iii) of the EU Securitisation Regulation, information about the risk retention, including information on which of the modalities provided for in article 6(3) has been applied, in accordance with article 6 of the EU Securitisation Regulation.

#### Article 22 of the EU Securitisation Regulation

Furthermore, in accordance with article 22 of the EU Securitisation Regulation, the Seller (or any agent on its behalf) will make available (or has made available in <https://uci.com/> and/or <https://eurodw.eu/>) to potential investors, before pricing, the following information:

- (a) delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, for a period no shorter than 5 years;
- (b) a liability cash flow model, elaborated and published by INTEX and/or Bloomberg, which precisely represents the contractual relationship of the Receivables and the payments flowing between the Seller, the Fund and the Noteholders, (and shall, after pricing, make that model available to Noteholders on an ongoing basis and to potential investors upon request);
- (c) upon request, the loan-by-loan information (including, inter alia, the information, if available related to the environmental performance of the assets) required by point (a) of the first subparagraph of article 7(1) of the EU Securitisation Regulation;
- (d) draft versions of the Transaction Documents and the STS Notification;

The final STS Notification will be made available to Noteholders on or about the Date of Incorporation or the Disbursement Date.

The Seller may also resign its appointment as Reporting Entity by giving a prior notice to the Management Company. Notwithstanding the foregoing, such resignation will not become effective until a new entity has been designated to replace it in accordance with article 7.2 of the EU Securitisation Regulation.

Any failure by the Seller to fulfil such obligations may cause the transaction to be non-compliant with the EU Securitisation Regulation.

The breach of the transparency obligations under article 7 of the EU Securitisation Regulation may lead to pecuniary sanctions being imposed on the Fund (or eventually, the Management Company) or the Seller (as originator) pursuant to article 32 of the EU Securitisation Regulation, without prejudice of the potential effect on the STS status of this transaction.

If a regulator determines that the transaction did not comply or is no longer in compliance with the reporting obligations, then investors may be required by their regulator to set aside additional capital against their investment in the Notes or take other remedial measures in respect of their investment in the Notes. The Fund (or eventually, the Management Company) and/or the Seller (as originator) may be subject to administrative sanctions in the case of negligence or intentional infringement of the disclosure requirements, including pecuniary sanctions.

Any such pecuniary sanctions imposed on the Fund (or eventually, the Management Company) may materially adversely affect the Fund's ability to perform its obligations under the Notes and any such pecuniary sanction levied on the Seller (as originator) may materially adversely affect the ability of the Seller to perform its obligations under the Transaction Documents and could have a negative impact on the price and liquidity of the Notes in the secondary market.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the EU Securitisation Regulation and none of the Seller (in its capacity as Reporting Entity), the Management Company (on behalf of the Fund), the Joint Lead Arrangers or the Joint Lead Managers, makes any representation that the information described above is sufficient in all circumstances for such purposes.

#### **4.1.3. Extraordinary notices**

Pursuant to Article 36 of Law 5/2015, the Management Company must give immediate notice to the CNMV and to its creditors of any material event specifically relevant to the situation or development of the Fund. Material facts specifically relevant to the Fund will be those that could have a significant impact on the Notes issued or on the Receivables.

In particular, material facts will include any relevant modification to the assets or liabilities of the Fund, any amendment to the Deed of Incorporation, and, if applicable, the resolution on the setting-up of the Fund or any eventual decision regarding the Early Liquidation of the Fund and Early Liquidation of the Notes for any of the causes established in this Prospectus. In the case of the latter, the Management will also submit to the CNMV the certificate executed before a public notary evidencing the winding-up of the Fund and subsequent liquidation procedure described in section 4.4.3 of the Registration Document.

Notice of any change to the Deed of Incorporation must be provided by the Management Company to the Rating Agencies and will be published by the Management Company in the regular public information on the Fund, and must also be published on the website of the Management Company.

This section also includes, *inter alia*, changes in the ratings of the Rated Notes and the steps to be taken if triggers are activated due to a downgrade in the rating of the counterparty to the financial agreements or due to any other cause.

#### **4.1.4. Procedure**

Notices to Noteholders which, pursuant to the above, must be provided by the Fund, through its Management Company, will be provided as follows:

1. Ordinary notices

Ordinary periodic notices referred to in section 4.1.1 above shall be given by publication in the AIAF daily bulletin or any other that may hereafter replace it or another of similar characteristics, or by publication as a material event with the CNMV.

2. Extraordinary notices

Extraordinary notices referred to in section 4.1.2 above shall be given by publication with the CNMV as a material event.

These notices will be deemed to be provided on the date of publication thereof, and are appropriate for any day of the calendar, whether or not a Business Day (for purposes of this Prospectus).

Additionally, the Management Company may provide Noteholders with ordinary and extraordinary notices and other information of interest to them through its website (<https://www.santanderdetitulizacion.com/san/Home/Fondos-de-Titulizacion>).

3. Reporting to the CNMV

Information regarding the Fund will be forwarded to the CNMV according to the formats contained in Circular 2/2016 regarding securitisation funds, as well as any information in addition to the above that is required by the CNMV or pursuant to the applicable legal provisions at any time.

4. Reporting to the Rating Agencies

The Management Company will provide the Rating Agencies with periodic information on the status of the Fund and the performance of the Loans so that they may monitor the ratings of the Rated Notes and the special notices. It will also use its best efforts to provide such information when reasonably requested to do so and, in any case, when there is a significant change in the conditions of the Fund, in the agreements entered into by the Fund through its Management Company, or in the interested parties.

5. Information to be furnished by the Servicer to the Management Company.

In addition, the Servicer undertakes to inform the Management Company, on behalf of the Fund, on a quarterly basis and in any case at the request thereof, of any non-payments, prepayments or changes in interest rates, and give prompt notice of payment demands, judicial actions, and any other circumstances that affect the Loans.

The Servicer will also provide the Management Company with all documentation the latter may request in relation to such Loans, and particularly the documentation required by the Management Company to commence any judicial actions.

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Mr. Iñaki Reyero Arregui, for and on behalf of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. acting in his capacity as General Manager of the Management Company, hereby signs this Prospectus in Madrid on 29 April 2021.

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Iñaki Reyero Arregui  
*General Manager (Director General)*

## DEFINITIONS

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### Interpretation

Words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set out in this section headed “**Definitions**”.

All references in this Prospectus to Euro, euro, EUR or € are to the lawful currency of the Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union.

Certain monetary amounts and currency translations included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which preceded them.

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

### Glossary

“**3-month EURIBOR**” (“**EURIBOR a 3 meses**”) means, for a given day, the rate for deposits in euros for a period of 3 months which appears on the REUTERS Screen “EURIBOR1” Page.

“**12-month EURIBOR**” (“**EURIBOR a 12 meses**”) means, for a given day, the rate for deposits in euros for a period of 12 months which appears on the REUTERS Screen “EURIBOR1” Page.

“**Additional Information**” (“**Información Adicional**”) means the additional information to the Securities Notes to be included in the Prospectus, prepared using the form provided in Annex 19 of the Prospectus Delegated Regulation.

“**Adjourned Meeting**” means the Meeting of Creditors held 10 calendar days after the Initial Meeting, in the event that relevant quorum for such Initial Meeting is not met.

“**Administration Fee**” (“**Comisión de Administración**”) means a fixed quarterly fee of SIX THOUSAND EUROS (€ 6,000), including VAT, that will accrue to the Servicer (or if replaced, the amount agreed with the new servicer) on each Payment Date up to and including the Legal Maturity Date, as established in section 3.7.1.9.

“**AIAF**” means AIAF Fixed-Income Market (AIAF Mercado de Renta Fija).

“**A&O**” means ALLEN & OVERY.

“**Alternative Base Rate**” means the alternative base rate determined by the Rate Determination Agent to substituted EURIBOR as the Reference Rate of the Notes.

“**Available Funds**” (“**Fondos Disponibles**”) calculated on the Determination Date immediately preceding the relevant Payment Date shall consist of:

1. any proceeds obtained from the Mortgage Loans as interest or principal, during the Determination Period immediately preceding such Determination Date;



2. In case of replacement of the Fund Accounts Provider, any interests, if applicable, accrued on the amounts deposited in the Cash Flow Account during the Determination Period immediately preceding such Determination Date;
3. any other amounts collected under the Mortgage Loans, including any partial prepayment fees or compensation fees for fixed interest rates, indemnifications from fire and damage insurance policies and payments made by guarantors;
4. any other amounts that the Fund may receive, including any proceeds from the enforcement of the security of the Mortgage Loans;
5. The amount corresponding to the Reserve Fund, and
6. any amount received from the Cap Counterparty by the Fund under the Cap Agreement, but initially excluding:
  - (A) any collateral amount provided by the Cap Counterparty; or
  - (B) any amount paid by the Cap Counterparty upon a termination of the Cap Agreement in respect of any termination payment.

Provided that:

- (1) The amount (A) can be applied towards payment of any premium payable to a replacement Cap Counterparty only if, upon termination of the Cap Agreement, the Cap Counterparty is the affected party or the defaulting party under the Cap Agreement. Any amount in excess shall be returned to the Cap Counterparty outside of the Pre-Enforcement Priority of Payment or the Liquidation Priority of Payments upon, as applicable. For the avoidance of doubt, if the Cap Agreement is terminated and the Cap Counterparty is not the affected party or the defaulting party under the Cap Agreement the amount (A) shall be returned entirely to the Cap Counterparty in accordance with the terms of the Cap Agreement.
- (2) Amount (B) can subsequently form part of the Available Funds in the following terms:
  - a. Following any application above towards payment of any premium payable to a replacement Cap Counterparty in consideration for it entering into a substituting cap agreement with the Fund on the same terms as the Cap Agreement, any remaining amounts shall form part of the Available Funds.
  - b. In the event of inability to entering into a substituting cap agreement with the Fund on the same terms as the Cap Agreement, amount (B) shall form part of the Available Funds. “**Back-Up Servicer Facilitator**” (“**Administrador de Respaldo**”) means Banco Santander, S.A., who has agreed, if so required, to perform the duties of searching for a new servicer.

“**Banco Santander**” means Banco Santander, S.A.

“**Base Rate Modification**” means any amendments to the Transaction Documents to be made by the Management Company, in the name and on behalf of the Fund, as are necessary or advisable to facilitate the change of EURIBOR to the Alternative Base to the Alternative Base Rate.

“**Base Rate Modification Certificate**” means the written certificate to be sent by the Rate Determination Agent to the Management Company confirming that the Base Rate Modification has been determined.

“**Base Rate Modification Event**” means any of the following events:

- (a) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published; or;
- (b) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed); or
- (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 or will be changed in an adverse manner); or
- (d) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner; or
- (e) a public statement by the supervisor of the EURIBOR administrator which means that EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or
- (f) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Notes; or
- (g) the reasonable expectation of the Management Company, in the name and on behalf of the Fund (acting on the advice of the Seller) that any of the events specified in sub-paragraphs (i), (ii), (iii), (iv), (v) or (vi) above will occur or exist within six (6) months of the proposed effective date of such Base Rate Modification.

**“Base Rate Modification Noteholder Notice”** means a written notice from the Management Company, acting in the name and on behalf of the Issuer, to notify Noteholders of a proposed Base Rate Modification confirming the following:

- (a) the date on which it is proposed that the Base Rate Modification shall take effect;
- (b) the period during which Noteholders of the Most Senior Class of Floating Notes who are Noteholders on the Base Rate Modification Record Date may object to the proposed Base Rate Modification (which notice period shall commence at least 40 calendar days prior to the date on which it is proposed that the Base Rate Modification would take effect and continue for a period of not less than 30 calendar days) and the method by which the may object;
- (c) the Base Rate Modification Event or Events which has or have occurred;
- (d) the Alternative Base Rate which is proposed to be adopted pursuant section 4.8.13(c) of the Securities Note and the rationale for choosing the proposed Alternative Base Rate;
- (e) details of any modifications that the Management Company, acting in the name and on behalf of the Issuer, has agreed will be made to any hedging agreement to which it is party for the purpose of aligning any such hedging agreement with proposed Base Rate Modification or, where it has not been possible to agree such modifications with hedging counterparties, why such agreement has not been possible and the effect that this may have on the transaction (in the view of the Rate Determination Agent); and
- (f) details of (i) any amendments which the Management Company, acting in the name and on behalf of the Issuer, proposes to make to these conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Management Company, acting in the name and on behalf of the Issuer, proposes to enter to facilitate the changes envisaged pursuant to section 4.8.13.

**“Base Rate Modification Record Date”** means the date specified to be the Base Rate Modification Record Date in the Base Rate Modification Noteholder Notice.

**“Benchmark Regulation” (“Reglamento de Índices de Referencia”)** means Regulation (EU) no. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

**“Bloomberg”** means Bloomberg Finance L.P.

**“BNP PARIBAS”** means BNP Paribas.

**“Borrowers” (“Deudores”)** means the natural persons who were resident in Spain at the time of execution of the relevant Mortgage Loan agreement to whom the Seller has provided the Mortgage Loans from which the securitised Receivables derive.

**“BP2S”** means BNP Paribas Securities Services, Sucursal en España.

**“BRRD”** means Directive 2014/59/EU, of May 15 establishing a framework for the recovery and resolution of credit institutions and investment firms.

**“Business Day” (“Día Hábil”)** means any day that is not one of the following:

- (a) Saturday;
- (b) Sunday;
- (c) A holiday according to the TARGET2 calendar (only for the purposes of determining the nominal interest rate applicable for each Interest Accrual Period). Apart from the days recognised in paragraphs (i) and (ii) above, it also includes 1 January, Good Friday, Easter Monday, 1 May, and 25 and 26 December; and
- (d) Public holidays in Madrid (for the purposes of determining the nominal interest rate applicable for each Interest Accrual Period and for the other terms and conditions of the issue).

**“Cap Agreement” (“Contrato Cap”)** means the agreement entered into by the Fund with the Cap Counterparty under the Cap Documentation.

**“Cap Documentation” (“Documentación Cap”)** means the ISDA Master Agreement (Multicurrency-Cross Border) of 1992 of the International Swap Dealers Association together with the Credit Support Annex, to be entered into between the Management Company, acting on behalf of the Fund and the Cap Counterparty.

**“Cap Rate” (“Tipo del Cap”)** means 3.00%.

**“Cap Upfront Premium” (“Prima Inicial del Cap”)** means the upfront premium to be paid on Disbursement Date in consideration for the Cap Agreement.

**“Cap Notional Amount” (“Importe Nocial del Cap”)** means the amount described in section 3.4.8.1 of the Additional information.

**“Cap Counterparty Downgrade Event” (“Supuesto de Downgrade de Contrapartida del Cap”)** means the failure by the Cap Counterparty to maintain the Interest Rate Cap Required Ratings.

**“Cap Counterparty” (“Contrapartida del Cap”)** means BNP Paribas, in its capacity as Cap Counterparty, or its permitted successors or assigns from time to time or any other person for being acting as Cap Counterparty pursuant the Cap Documentation.

**“Cap Collateral Account” (“Cuenta de Colateral Cap”)** means the Euro denominated account established in the name of the Fund, or such other substitute account as may be opened in accordance with the Reinvestment Agreement.

**“Capped Reference Interest Rate” (“Tipo de Interés Limitado”)** is the lower of: (a) the Reference Interest Rate, and (b) 2.50 per cent. per annum.

**“Capital Companies Act” (“Ley de Sociedades de Capital”)** means Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act.

**“Cash Flow Account” (“Cuenta de Tesorería”)** means the account to be opened in the name of the Fund by the Management Company at the Fund Accounts Provider, the operation of which will be covered by the Reinvestment Agreement.

**“CET” (“CET”)** means Central European Time.

**“CIRBE” (“Central de Información de Riesgos del Banco de España”)** means Bank of Spain Risk Information Centre.

**“Circular 2/2016” (“Circular 2/2016”)** means Circular 2/2016 of 20 April, of the Spanish Securities Market Commission, on securitisation fund accounting rules, annual accounts, public financial statements and non-public statistical information statements.

**“CIT Regulation” (“Reglamento de Impuesto sobre Sociedades”)** means the Corporate Income Tax Regulation approved by Royal Decree 634/2015, of 10 July.

**“Civil Code” (“Código Civil”)** means the Civil Code published by virtue of the Royal Decree of 24 July 1889 and the other preparatory provisions.

**“Civil Procedure Act” or “Law 1/2000” (“Ley de Enjuiciamiento Civil” or “Ley 1/2000”)** means Law 1/2000 of 7 January on Civil Procedure.

**“Class” (“Clase”)** means each class of Notes.

**“Class A Margin” (“Margen de la Clase A”)** means a margin of 0.7% per annum to (and including) the Step-up Date and margin of 1.20% per annum from (but excluding) the Step-up Date to (and including) the Legal Maturity Date.

**“Class A Interest Rate” (“Tipo de Interés de la Clase A”)** means the higher of (i) zero percent (0%) and (ii):

- Until the Step-up Date (included): a floating rate equal to the Reference Interest Rate plus the Class A Margin, per annum.
- From the Step-up Date (excluded): a floating rate equal to the Capped Reference Interest Rate plus the Class A Margin, per annum.

**“Class Z Interest Rate” (“Tipo de Interés de la Clase Z”)** means 0.10% per annum to (and including) the Legal Maturity Date.

**“Class B Margin” (“Margen de la Clase B”)** means a margin of 0.80% per annum to (and including) the Legal Maturity Date.

“**Class B Interest Rate**” (“**Tipo de Interés de la Clase B**”) means the higher of (i) zero percent (0%) and (ii) a floating rate equal to the Capped Reference Interest Rate plus the Class B Margin, per annum.

“**Class C Margin**” (“**Margen de la Clase C**”) means a margin of 0.90% per annum to (and including) the Legal Maturity Date.

“**Class C Interest Rate**” (“**Tipo de Interés de la Clase C**”) mean the higher of (i) zero percent (0%) and (ii) a floating rate equal to the Capped Reference Interest Rate plus the Class C Margin, per annum.

“**Class A Notes**” (“**Bonos de Clase A**”) means the securitisation notes issued against the Fund in the total nominal amount of THREE HUNDRED EIGHTY-TWO MILLION EUROS (€ 382,000,000), made up of THREE THOUSAND EIGHT HUNDRED AND TWENTY (3,820) Notes each with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries.

“**Class Z Notes**” (“**Bonos de Clase Z**”) means the securitisation notes issued against the Fund in the total nominal amount of FIFTY MILLION EUROS (€ 50,000,000), made up of FIVE HUNDRED (500) Notes each with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries.

“**Class B Notes**” (“**Bonos de Clase B**”) means the securitisation notes issued against the Fund in the total nominal amount of TWENTY-SIX MILLION FOUR HUNDRED THOUSAND EUROS (€ 26,400,000), made up of TWO HUNDRED AND SIXTY-FOUR (264) Notes each with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries.

“**Class C Notes**” (“**Bonos de Clase C**”) means the securitisation notes issued against the Fund in the total nominal amount of TWENTY-ONE AND SIX HUNDRED THOUSAND EUROS (€ 21,600,000), made up of TWO HUNDRED AND SIXTEEN (216) Notes each with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000), represented by means of book-entries.

“**Class A Target Amortisation Amount**” (“**Importe Objetivo de Amortización de los Bonos de la Clase A**”) means an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class A Notes, Class Z Notes, Class B Notes and Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the Payment Date.

“**Class Z Target Amortisation Amount**” (“**Importe Objetivo de Amortización de los Bonos de la Clase Z**”) means, once the Class A Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class Z Notes, Class B Notes and Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the Payment Date.

“**Class B Target Amortisation Amount**” (“**Importe Objetivo de Amortización de los Bonos de la Clase B**”) means, once the Class A Notes and the Class Z Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class B Notes and Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the Payment Date.

“**Class C Target Amortisation Amount**” (“**Importe Objetivo de Amortización de los Bonos de la Clase C**”) means, once the Class A Notes, the Class Z Notes and the Class B Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class C Notes and (ii) the aggregate of the Outstanding Balance

of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the Payment Date.

**“Class B Interest Deferral Trigger Event”** (“**Evento Desencadenante de Diferimiento de los Bonos de la Clase B**”) means on the Determination Date preceding any Payment Date, including the Determination Date preceding the First Payment Date, in which the Cumulative Default Ratio is equal to or higher than the following percentages:

- (a) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 1 year after the Date of Incorporation: 2.70%;
- (b) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 2 years after the Date of Incorporation: 5.30%;
- (c) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 3 years after the Date of Incorporation: 7.30%;
- (d) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 4 years after the Date of Incorporation: 9.30%;
- (e) Until the Determination Date (inclusive) immediately preceding the Payment Date falling in 5 years after the Date of Incorporation: 11.30%;
- (f) After the Determination Date (exclusive) immediately preceding the Payment Date falling in 5 years after the Date of Incorporation: 13.20%.

For the avoidance of doubt, payment of the interest due and payable on the Class B Notes will be deferred on any Payment Date to item 9<sup>th</sup> of the Pre-Enforcement Priority of Payments only if a Class B Interest Deferral Trigger Event occurs on the Determination Date preceding such Payment Date. If a Class B Interest Deferral Trigger Event does not occur on the subsequent Determination Date, the interest due and payable on the Class B Notes for the following Interest Payment Date will be paid under item fourth of the Pre-Enforcement Priority of Payments. The occurrence of a Class B Interest Deferral Trigger Event will be verified on each Determination Date preceding each Payment Date and the deferral of the interest due and payable on the Class B Notes will take place in accordance with the above.

**“Clean-up Call Event”** (“**Opción de Compra por Clean-Up Call**”) means when the Management Company exercises its right to early liquidation of the Fund if at any time, the aggregate Outstanding Balance of the Receivables less non-principal collections applied to reduce outstanding principal balance, falls below 10% of the aggregate outstanding balance thereof on the Date of Incorporation, in accordance with section 4.4.3. of the Registration Document.

**“CNMV”** means the National Securities Market Commission (**Comisión Nacional del Mercado de Valores**).

**“Code of Good Practices”** (“**Código de Buenas Prácticas**”) means the Code which contains a set of measures that may affect the recovery of the unpaid amounts under the Mortgage Loans, the period for foreclosure of the property and, therefore, a loss in the value of the Mortgage Loans and ultimately the amount of Available Funds to service the Notes.

**“Commercial Code”** (“**Código de Comercio**”) means the Commercial Code published by virtue of the Royal Decree of 22 August 1885.

**“Commission Delegated Regulation”** (“**Regulación Delegada**”) means the securitisation delegated regulation of the European Commission in relation to the Disclosure Technical Standards, which are not yet adopted on the date of the Prospectus.

“**Consumer Protection Law**” means the Royal Legislative Decree 1/2007, of November 16, approving the consolidated text of the General Law for the Defence of Consumers and Users and other complementary laws

“**Covid-19 Contractual Moratoriums**” means any of the voluntary moratoriums or deferment of payments, together with any decisions or recommendations of public authorities or conventions, arrangements or recommendations of institutional or industry associations granted in connection with measures in force to tackle the effects of the Covid-19.

“**Covid-19 Legal Moratoriums**” means the moratorium foreseen in Royal Decree-Law 8/2020 and Royal Decree-Law 11/2020 (as amended by, among others, Royal Decree-law 26/2020 and Royal Decree-Law 3/2021), together with any settlement, suspension of payments, rescheduling of the amortisation schedule or other contractual amendments resulting from or arising from mandatory provisions of law or regulation granted in connection with measures in force to tackle the effects of the Covid-19.

“**Covid-19 Moratoriums**” means the Covid-19 Legal Moratoriums and the Covid-19 Contractual Moratoriums.

“**CPI**” (“**IPC**”) means the Consumer Price Index for the last twelve (12) months published in the National Statistics Institute bulletin (*Boletín del Instituto Nacional de Estadística*), one (1) month before the revision of the interest rates of the Mortgage Loans.

“**CPR**” (“**Tasa Anual Constante de Prepago**”) means Constant Annual Pre-Payment Rate.

“**CRA Regulation**” (“**Reglamento CRA**”) means Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended.

“**Credit Support Annex**” means the financial collateral agreement to be underwritten between the Management Company, acting on behalf of the Cap Counterparty in relation with the Cap Agreement.

“**CRR**” (“**Reglamento CRR**”) means Regulation (EU) No 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

“**CRR Assessment**” (“**Informe CRR**”) means the assessment of the compliance of the Notes the relevant provisions of article 243 and article 270 of the CRR, prepared by PCS.

“**Cuatrecasas**” means CUATRECASAS, GONÇALVES PEREIRA, S.L.P.

“**Cumulative Default Ratio**” (“**Ratio de Fallidos Acumulado**”) means on any Determination Date, the cumulative balance of the Defaulted Receivables since the Date of Incorporation divided by the Outstanding Balance of the Receivables on the Date of Incorporation.

“**Data Protection Law**” (“**Ley de Protección de Datos**”) means the Spanish Organic Law 3/2018, of 4 December 2018, on the Personal Data and digital rights protection.

“**Date of Incorporation**” (“**Fecha de Constitución**”) means the day on which the Deed of Incorporation is authorised. The Date of Incorporation is scheduled for 4 May 2021.

“**DBRS**” means DBRS Ratings GmbH.

“**Decree-Law 1/2015**” (“**Decreto-Ley 1/2015**”) means Decree-Law 1/2015 of March 24, on extraordinary and urgent measures for the mobilisation of housing deriving from foreclosure processes

**“Deed of Incorporation” (“Escritura de Constitución”)** means the Deed of Incorporation of the Fund for the Securitisation of Receivables, assignment of Receivables and the issue of Notes.

**“Defaulted Receivable” (“Derecho de Crédito Fallido”)** means, at any time, any Receivable that (i) has instalments pending payment for twelve (12) or more months, or (ii) whose debt, in the opinion of the Servicer, has been deemed not recoverable.

**“Delegated Regulation (EU) 2019/979” (“Reglamento Delegado (UE) 2019/979”)** means Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.

**“Determination Date” (“Fecha de Determinación”)** means the date on which the Management Company will carry out the calculations required to determine the Outstanding Principal Balance of the Notes and the Outstanding Balance of the Receivables in the name of the Fund. The Determination Dates will be those which correspond to the fifth (5th) Business Day before each Payment Date.

**“Determination Period” (“Periodo de Determinación”)** means each of the periods included between two consecutive Determination Dates, including the initial Determination Date of the corresponding period in each Determination Period and excluding the Determination Date at the end of the corresponding period.

**“Disbursement Date” (“Fecha de Desembolso”)** means 6 May 2021.

**“DTI ratio”** means debt-to-income ratio.

**“Early Liquidation” (“Liquidación Anticipada”)** means the liquidation of the Fund and, thus, the early redemption of the Notes at any time prior to the Legal Maturity Date of the Fund, in the instances and in accordance with the procedure set out in section 3.4.3 of the Registration Document.

**“Early Liquidation Resolution”** means an Extraordinary Resolution to decide on the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015.

**“Early Redemption” (“Amortización Anticipada”)** means the redemption of the Notes at any time prior to the Legal Maturity Date in the event of Early Liquidation of the Fund in accordance with the requirements set forth in section 3.4.3 of the Registration Document, including an Optional Redemption pursuant to section 4.9.4 of the Securities Note.

**“EBA”** means the European Banking Authority.

**“ECB” (“BCE”)** means European Central Bank (Banco Central Europeo).

**“EEA” (“EEE”)** means the European Economic Area (Espacio Económico Europeo).

**“EDW”** means EuropeanDataWarehouse.

**“Eligible Investment” (“Inversión Elegible”)** means (i) any dematerialised euro-denominated senior (unsubordinated) debt securities, (ii) other debt instruments (including, for the avoidance of doubt, deposits), or (iii) commercial paper issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have at least the following ratings:



- (a) with respect to Fitch: (1) to the extent such Eligible Investment has a maturity not exceeding thirty (30) calendar days: a long-term rating of at least A or a short-term rating of at least F1, or (2) to the extent such Eligible Investment has a maturity exceeding thirty (30) calendar days but not exceeding the immediately following Payment Date after the relevant investment is made: a long-term rating of at least AA- or F1+;
- (b) with respect to DBRS: a long-term rating of at least AA (low) or a short-term rating of at least R-1 (middle) to the extent such Eligible Investment has a maturity not exceeding the immediately following Payment Date after the relevant investment is made;
- (c) with respect to Scope: (1) to the extent such Eligible Investment has a maturity not exceeding thirty (30) calendar days: a long-term rating of at least A or a short-term rating of at least S-1, or (2) to the extent such Eligible Investment has a maturity exceeding thirty (30) calendar days but not exceeding the immediately following Payment Date after the relevant investment is made: a long-term rating of at least AA- or S-1;

or in case of money markets funds rated, at all times, AAA (mf) by Fitch, AAA by DBRS, AAA by Scope, or in the case it is not rated by Fitch, DBRS or Scope, having an equivalent rating from at least three other global rating agency, provided that, in all cases, such investments (1) are immediately repayable on demand, disposable without penalty and in any case have a maturity date falling on no later than one (1) Business Day before the immediately following Payment Date, and (2) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or in case of repayment or disposal, the principal amount upon repayment or disposal is at least equal to the principal amount invested; and further provided that in no case shall such investment be made, in whole or in part, actually or potentially, in (a) tranches of other asset-backed securities; or (b) credit-linked notes, swaps or other derivative instruments, or synthetic securities; or (c) any other instrument not allowed by the European Central Bank monetary policy regulations applicable from time to time for the purpose of qualifying the Class A Notes as eligible collateral; and further provided that in the event of downgrade below the rating allowed under this definition, the relevant securities shall be sold, if this can be achieved without a loss, or otherwise shall be allowed to mature.

“**EMMI**” means the European Money Markets Institute who provide and administered the EURIBOR.

“**Equity Release Mortgage Loans**” (“**Préstamo Hipotecario con Liberación de Capital**”) means residential mortgage loans where borrowers have monetised their properties for either a lump sum of cash or regular periodic income.

“**ESMA**” (“**AEVM**”) means the European Securities and Markets Authority (Autoridad Europea de Valores y Mercados).

“**EU**” (“**Unión Europea**” o “**UE**”) means the European Union.

“**EU Disclosure ITS**” (“**Reglamentos Técnicos de Desarrollo de Implementación**”) means Commission Delegated Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE.

“**EU Disclosure RTS**” (“**Reglamentos Técnicos de Desarrollo Regulatorio**”) means Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing the EU Securitisation Regulation with respect to regulatory technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and SSPE.

“**EURIBOR**” means Euro-Zone interbank offered rate.

**“Eurosystem Eligible Collateral”** means a collateral that is eligible for Eurosystem monetary policy and intra-day credit operations.

**“EU Securitisation Regulation” (“Reglamento Europeo de Titulización”)** means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

**“Exchange Act”** means the U.S. Securities Exchange Act of 1934, as amended.

**“Extraordinary Expenses” (“Gastos Extraordinarios”)** means:

- (a) Expenses, if any, derived from preparation and execution of the amendment of the Deed of Incorporation and/or the Transaction Documents and/or any additional agreements;
- (b) The extraordinary expenses of audits and legal advice;
- (c) All expenses that may arise from the sale of the Receivables and the remaining assets of the Fund upon liquidation thereof;
- (d) All costs related to convening a Meeting of Creditors;
- (e) Those necessary to commence enforcement of the Mortgage Loans and those arising from the required actions for recovery;
- (f) Notification to Borrowers and, when applicable, the guarantors, insurance companies regulated under section 3.7.1.13 of the Additional Information;
- (g) In the case of removal of the Fund Accounts Provider by the Management Company’s decision, any costs resulting from said replacement including any fee to be paid to the replacement Fund Accounts Provider, provided that the Reinvestment Agreement is replaced and the terms of such substituting agreement foresee the payment of any fee whatsoever;
- (h) The extraordinary expense related to the payment of any upfront payment to any replacement Cap Counterparty, provided that the collateral posted by the incumbent Cap Counterparty is firstly not sufficient, in the terms foreseen in section 3.4.7.2, paragraph (6) of the Available Funds definition, and

Generally, all other extraordinary expenses borne by the Fund or by the Management Company in representation or on behalf thereof..

**“Extraordinary Resolution” (“Resolución Extraordinaria”)** means a resolution in relation to a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.

**“Final Maturity Date of the Notes” (“Fecha de Vencimiento Final de los Bonos”)** means the last Payment Date of the Notes, i.e., 1 February 2052, or, if this is not a Business Day, the immediately following Business Day.

**“First Interest Accrual Period” (“Primer Periodo de Devengo de Intereses”)** means the period from the Disbursement Date (inclusive) to the First Payment Date (exclusive).

**“First Payment Date” (“Primera Fecha de Pago”)** means 15 September 2021.

**“FITCH”**, means FITCH RATINGS IRELAND LIMITED.

**"Fixed Mortgage Loans"** (**"Préstamos Hipotecario a Tipo Fijo"**) means the Mortgage Loans with a fixed interest rate.

**"Fixed and Mixed Mortgage Loans"** (**"Préstamos Hipotecarios a Tipo Fijo y Mixto"**) means the Fixed Mortgage Loans and the Mixed Mortgage Loans in their initial fixed rate period only.

**"Fund"** or **"Issuer"** (**"Fondo"** o **"Emisor"**) means FONDO DE TITULIZACIÓN, RMBS PRADO VIII.

**"Fund Accounts"** (**"Cuentas del Fondo"**) means Cash Flow Account and Cap Collateral Account.

**"Fund Accounts Provider"** (**"Proveedor de Cuentas del Fondo"**) means Banco Santander.

**"Fixed Rate Notes"** (**"Bonos a Tipo Fijo"**) means Class Z Notes.

**"Floating Mortgage Loans"** (**"Préstamos a Tipo Variable"**) means the Mortgage Loans with a variable interest rate, referenced to either 12-month EURIBOR or IRPH.

**"Floating Rate Notes"** (**"Bonos a Tipo Variable"**) means Class A Notes, Class B Notes and Class C Notes.

**"General Data Protection Regulation"** means Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

**"General Tax Regulations"** (**"Reglamento General Fiscal"**) means general regulations regarding tax management and inspection courses of action and procedures and developing the common rules of tax application procedures, passed by Royal Decree 1065/2007, of 27 July (Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por el Real Decreto 1065/2007, de 27 de julio)

**"IBERCLEAR"** means SOCIEDAD DE GESTIÓN DE LOS SISTEMAS DE REGISTRO, COMPENSACIÓN Y LIQUIDACIÓN DE VALORES, S.A.

**"Initial Meeting"** means the first Meeting of Creditors.

**"Initial Reserve Fund"** (**"Fondo de Reserva Inicial"**) means the Reserve Fund created on the Disbursement Date in an amount equal to NINE MILLION SIX HUNDRED THOUSAND EUROS (€ 9,600,000).

**"Initial Fitch Rating"** means ratings at least A or F1, calculated in respect of Cap Counterparty by considering either Fund's DCR - if assigned- or LT IDR (when DCR is not assigned), each DCR and LT IDR as defined in the relevant Fitch Criteria applicable from time to time.

**"Insolvency Law"** (**"Ley Concursal"**) means the Royal Decree-Law 1/2020, of 5 May, approving the recast of the Insolvency Law, as currently worded (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*).

**"Interest Accrual Periods"** (**"Periodo de Devengo de Intereses"**) means each of the periods into which the issue of the Notes is divided, and includes the days actually elapsed between each Payment Date, including the initial Payment Date of the corresponding period in each Interest Accrual Period and excluding the final Payment Date of the corresponding period.

**"Interest Period"** (**"Periodo de Intereses"**) means quarterly interest period under the Cap Agreement which are the equivalent to the Interest Accrual Periods.

**"INTEX"** means INTEX SOLUTIONS, INC.

**"IRPH"** means the reference rate for the determination of the applicable reference interest rate of mortgage loans for a maturity period longer than three years, granted by the aggregate of credit entities in Spain.

**"Investment Company Act" ("Ley de Sociedades de Inversión")** means the Investment Company Act of 1940, as amended.

**"IRR"** means the Internal Rate of Return for the Noteholders.

**"Issuer"** or the **"Fund"** (**"Emisor"** o **"Fondo"**) means FONDO DE TITULIZACIÓN, RMBS PRADO VIII.

**"Joint Lead Arrangers"** (**"Entidades Directoras"**) means Banco Santander and BNP Paribas.

**"Joint Lead Managers"** (**"Entidades Colocadoras"**) means Banco Santander and BNP Paribas.

**"Law 1/2013"** (**"Ley 1/2013"**) means Law 1/2013 of 14 May, on measures to strengthen the protections for mortgage debtors, debt restructuring and social rent.

**"Law 2/1994"** (**"Ley 2/1994"**) means Law 3/1994 of 3 March on subrogation and modification of Mortgage Loans.

**"Law 5/2015"** (**"Ley 5/2015"**) means Law 5/2015 of 27 April on the Promotion of Enterprise Funding.

**"Law 5/2019"** (**"Ley 5/2019"**) means Law 5/2019 of 15 March regulating real estate credit agreements.

**"Law 10/2014"** (**"Ley 10/2014"**) means Law 10/2014, of 26 June, on regulation, supervision and solvency of credit institutions.

**"Law 11/2020"** (**"Ley 11/2020"**) means Catalan Law 11/2020, of 18 September, on urgent measures to contain income in housing leases in Catalonia.

**"Law 24/2015"** (**"Ley 24/2015"**) means Law 24/2015 of 29 July of urgent measures to address the housing and energy poverty crisis.

**"Law 25/2015"** (**"Ley 25/2015"**) means Law 25/2015 of 28 July on the second-chance mechanism, reduction of financial burden and other social measures.

**"Law 27/2014"** (**"Ley 27/2014"**) means Law 27/2014 of 27 November of Corporate Income Tax.

**"LCR Assessment" ("Informe LCR")** means the assessment made by PCS in relation to compliance with the criteria set forth in the LCR Delegated Regulation, as amended by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018.

**"LCR Delegated Regulation" ("Reglamento LCR")** means Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions.

**"Legal Maturity Date" ("Fecha de Vencimiento Legal")** means the Payment Date falling in the month of March 2055 (subject to Modified Following Business Day Convention).

**"LEI Code" ("Código LEI")** means the Legal Entity Identifier Code.

**“Liquidation Priority of Payments” (“Orden de Prelación de Pagos de Liquidación”)** means the order of priority of the payment or deduction obligations of the Fund as regards the application of the Available Funds for Liquidation.

**“LTV”** means “Loan-to-Value”, i.e., the ratio between the outstanding principal balance and the appraisal of each Mortgage Loan.

**“Management Company” (“Sociedad Gestora”)** means SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.

**“Management, Placement and Subscription Agreement” (“Contrato de Dirección, Colocación y Suscripción”)** means the management, placement and subscription agreement to be entered into by the Management Company, for and on behalf of the Fund, the Joint Lead Managers and UCI.

**“Material Adverse Change”** means, any adverse change or event established in the section 4.2.3. of the Securities Note of the Prospectus.

**“Maximum Receivables Amount” (“Importe Máximo de Derechos de Crédito”)** means the maximum Outstanding Balance of the Receivables pooled in the Fund, which will be an amount equal to or slightly higher than FOUR HUNDRED AND EIGHTY MILLION EUROS (€ 480,000,000).

**“Meeting of Creditors” (“Junta de Acreedores”)** means the meeting of the Noteholders, and the Subordinated Loan Provider that shall be established upon and by virtue of the issuance of the Notes and shall remain in force and in effect until repayment in full or cancellation of the Fund.

**“Mixed Mortgage Loan” (“Préstamos a Tipo Mixto”)** means the Mortgage Loans with an initial fixed-rate period of three (3), five (5), seven (7) or ten (10) years and then switch to a variable interest rate.

**“MIFID II”** means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

**“MIFIR” (“MIFIR”)** means Regulation 600/2013/UE of the European Parliament and of Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.

**“Modified Following Business Day Convention” (“Convención del Siguiete Día Hábil Modificado”)** means the convention by virtue of which if a Payment Date is not a Business Day, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day.

**“Mortgage Loans” (“Préstamos Hipotecarios”)** means mortgage loans secured by first-priority property mortgages provided by the Seller to individuals to finance transactions (i) involving the acquisition of finished residences in Spain or (ii) the subrogation of individuals to the financing provided to developers for the construction of houses in Spain for sale. None of the Mortgage Loans have been granted to real estate developers or to finance renovation of houses. All Mortgage Loans are secured with finished residences.

**“Mortgage Loan Global Portfolio”** means all the mortgage loans granted by the Seller, including those which have not been securitized.

**“Mortgage Market Law” (“Ley del Mercado Hipotecario”)** means the Law 2/1981 of 25 March on regulation of the mortgage market and other rules of the mortgage and financial systems.

**“Mortgage Transfer Certificates”** or **“MTCs”** (**“Certificados de Transmisión de Hipoteca”** o **“CTHs”**) means the mortgage transfer certificates to be issued by the Seller regarding the Mortgage Loans in accordance with the provisions of section 3.3.1.3 of the Additional Information.

**“Most Senior Class of Floating Notes”** (**“Clase Más Senior de Bonos a Tipo Variable”**) means:

- (1) the Class A Notes (for so long there are Class A Notes outstanding), or
- (2) if no Class A Notes are outstanding, the Class B Notes (for so long there are Class B Notes outstanding).
- (3) if no Class B Notes are outstanding, the Class C Notes (for so long there are Class C Notes outstanding).

**“Multiple Title”** (**“Título Múltiple”**) means the security instrument representing the MTCs issued by the Seller on the Mortgage Loans.

**“Nominal Interest Rate”** (**“Tipo de Interés Nominal”**) means the interest rate applicable to the Notes on each Payment Date obtained from adding the relevant margin of the Notes to the Reference Interest Rate.

**“Non-Defaulted Receivable”** (**“Crédito No Fallido”**) means, at any time, any Receivable that is not considered as a Defaulted Receivable.

**“Notes”** (**“Bonos”**) means Class A Notes, Class Z Notes, Class B Notes and Class C Notes.

**“Noteholders”** (**“Bonistas”**) means holders of the Notes.

**“Optional Redemption”** (**“Amortización Opcional”**) means any decision to redeem the Notes in whole (but not in part) at the Outstanding Principal Balance of the Class A Notes, the Class Z Notes and Class B Notes together with all accrued unpaid interest thereon in accordance with the requirements set forth in Section 4.9.4 of the Securities Note.

**“Optional Redemption Date”** (**“Fecha de Amortización Opcional”**) means any Payment Date occurring after the Step-up Date in which the Seller will have the option to request the Management Company to redeem the Notes in whole at their Outstanding Principal Balance together with all accrued but unpaid interest thereon up to and including the relevant Payment Date.

**“Order ECO/805/2003”** (**“Orden ECO/805/2003”**) means Order ECO/805/2003, of 27 March, on rules for the valuation of real estate and certain rights for certain financial purposes.

**“Ordinary Expenses”** means, without limitation, expenses incurred in or deriving from, compulsory administrative verifications, registrations and authorisations, admission expenses and the ongoing fee payable to EDW, INTEX and Bloomberg or any ongoing fees to a Third-Party Verification Agent, if any, keeping the book-entry registry of the Notes and placing them on organised secondary markets; administering the Fund (management fees); repaying the Notes (paying agent fees); deriving from the annual audits of the financial statements of the Fund; notary expenses; maintenance of the ratings of the Rated Notes; notifications that must be made to the holders of outstanding Notes in accordance with the provisions of this Prospectus, and any other expenses incurred by the Management Company and deriving from their work of representation and management of the Fund.

**“Ordinary Resolution”** (**“Resolución Extraordinaria”**) means a resolution in relation to any matter other than a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.

**“Origination Policy” (“Póliza de Originación”)** means the procedures established by the Seller for the granting of mortgage loans.

**“Other Creditors” (“Otros Acreedores”)** means the Subordinated Loan Provider and the Cap Counterparty.

**“Outstanding Balance of the Defaulted Receivables” (“Saldo Vivo de los Derechos de Crédito Fallidos”)** means the sum of the principal amounts not yet due and of the principal amounts due and uncollected by the Fund of the Defaulted Receivables.

**“Outstanding Balance of the Non-Defaulted Receivables” (“Saldo Vivo de los Derechos de Crédito No Fallidos”)**: means the Outstanding Balance of the Receivables less the Outstanding Balance of the Defaulted Receivables.

**“Outstanding Balance of the Receivables” (“Saldo Vivo de los Derechos de Crédito”)**: means at any time and with respect to any Receivable the principal amounts due and uncollected together with the principal amounts of the Receivables not yet due.

**“Outstanding Principal Balance of the Class A Notes” (“Saldo Vivo de los Bonos de la Clase A”)** means, on each day, the principal amount of the Class A Notes upon issue less the aggregate amount of all principal payments on the Class A Notes that have been repaid on or prior to such date.

**“Outstanding Principal Balance of the Class B Notes” (“Saldo Vivo de los Bonos de la Clase B”)**: means, on each day, the principal amount of the Class B Notes upon issue less the aggregate amount of all principal payments on the Class B Notes that have been repaid on or prior to such date.

**“Outstanding Principal Balance of the Class C Notes” (“Saldo Vivo de los Bonos de la Clase C”)**: means, on each day, the principal amount of the Class C Notes upon issue less the aggregate amount of all principal payments on the Class C Notes that have been repaid on or prior to such date.

**“Outstanding Principal Balance of the Class Z Notes” (“Saldo Vivo de los Bonos de la Clase Z”)** means, on each day, the principal amount of the Class Z Notes upon issue less the aggregate amount of all principal payments on the Class Z Notes that have been repaid on or prior to such date.

**“Outstanding Principal Balance of the Notes” (“Saldo Vivo de los Bonos”)** means, on any Payment Date the principal amount of the aggregate of Class A, Class Z, Class B and Class C Notes upon issue less the aggregate amount of principal payments made on such Notes on or prior to such date.

**“Paying Agent” (“Agente de Pagos”)** means BP2S.

**“Payment Agency Account” (“Cuenta de Agencia de Pagos”)** means the account to be opened in the name of the Fund by the Management Company at the Paying Agent, the operation of which will be covered by the Payment Agency Agreement.

**“Payment Agency Agreement” (“Contrato de Agencia de Pagos”)** means the payment agency agreement to be entered into by the Management Company, for and on behalf of the Fund, and the Paying Agent.

**“Payment Dates” (“Fechas de Pago”)** means the 15<sup>th</sup> day of March, June, September and December each year (subject to Modified Following Business Day Convention).

**“PCS”** means Prime Collateralised Securities (EU) SAS.

**“PCS Assessments” (“Informes de PCS”)** means STS Verification, CRR Assessment and LCR Assessment issued by PCS.

**"Performing Outstanding Balance of Fixed and Mixed Mortgage Loans"** (**"Saldo Vivo de los Préstamos Hipotecarios a Tipo Fijo y Tipo Mixto No Morosos"**) means the sum of the principal amounts not yet due and of the principal amounts due and uncollected by the Fund in relation to the performing Fixed and Mixed Mortgage Loans. For the purposes of this definition, performing Fixed and Mixed Mortgage Loans shall be those Fixed and Mixed Mortgage Loans which do not give rise to Receivables with ninety (90) days or more in arrears nor Receivables considered Defaulted Receivables.

**"Preliminary Portfolio"** (**"Cartera Preliminar"**) means the aggregate of 3,827 loans from which the Receivables shall be taken.

**"PRIIPS Regulation"** means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.

**"Priority of Payments"** (**"Orden de Prelación de Pagos"**) means the order of priority for the application of the payment or deduction obligations of the Fund, both as regards the application of the Available Funds.

**"Prospectus"** (**"Folleto"**) means, collectively, the table of contents, the document describing the risk factors, the Registration Document, the Securities Note, the Additional Information and the document containing the definitions.

**"Prospectus Delegated Regulation"** (**"Reglamento Delegado de Folletos"**) means the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.

**"Prospectus Regulation"** (**"Reglamento de Folletos"**) means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

**"PwC"** means PRICEWATERHOUSECOOPERS AUDITORES, S.L.

**"Rated Notes"** means the Class A Notes, the Class Z Notes, and the Class B Notes.

**"Rate Determination Agent"** means the agent appointed by the Management Company upon the occurrence of a Base Rate Modification Event, responsible for carrying out the tasks referred to in section 4.8.13 of the Securities Notes.

**"Rate Setting Date"** (**"Fecha de Fijación del Tipo"**) means the second Business Day in accordance with the Tran-European Automated Real-time Gross Settlement Express Transfer System (TARGET 2) calendar prior to the commencement of each Interest Accrual Period. For the avoidance of doubt, the Rate Setting Date for the First Interest Accrual Period will be the Date of Incorporation.

**"Rating Agencies"** (**"Agencias de Calificación"**) means Scope, Fitch and DBRS.

**"Receivables"** (**"Derechos de Crédito"**) means the credit rights arising from the Mortgage Loans provided by the Seller and which are being assigned to the Fund.

**"Reference Banks"** means BNP Paribas, S.A., Banco Bilbao Vizcaya Argentaria S.A. London Branch, Banco Santander, S.A., London Branch and Cecabank, S.A, London Branch.



**"Reference Interest Rate"** (**"Tipo de Interés de Referencia"**) means the interest rate used as the base rate for purposes of calculating the Nominal Interest Rate, calculated as provided in section 4.8.6 of the Securities Note.

**"Registration Document"** (**"Documento de Registro"**) means the asset-backed securities registration document in this Prospectus, prepared using the outline provided in Annex 9 of the Prospectus Delegated Regulation.

**"Regulation S"** means the regulation S under the Securities Act.

**"Reinvestment Agreement"** (**"Contrato de Reinversión"**) means the agreement to be signed by the Management Company, acting on behalf and in representation of the Fund, and the Fund Accounts Provider.

**"Relevant Banking Entities"** means U.S. banks, non-U.S. banks with U.S. branches or agencies, companies that control U.S. banks, and their affiliates.

**"Reporting Entity"** (**"Entidad Informadora"**) means the entity designated to fulfil the information requirements according to EU Securitisation Regulation (the Seller).

**"Reserve Fund"** (**"Fondo de Reserva"**) means the reserve fund to be funded by the Management Company, in representation and on behalf of the Fund, in accordance with the provisions of section 3.4.2 of the Additional Information.

**"Reserve Fund Required Amount"** (**"Importe Requerido del Fondo de Reserva"**) means the minimum Reserve Fund amount in accordance with the provisions of section 3.4.2.2 of the Additional Information.

**"Resolution"** (**"Resolución"**) means a resolution passed by the Noteholders or Other Creditors (i) at a Meeting of Creditors of one or several Classes of Notes and/or Other Creditors or (ii) by virtue of a Written Resolution.

**"Restructured Receivable"** (**"Derechos de Crédito Restructurados"**) means a Receivable where a Restructuring has occurred.

**"Restructuring"** (**"Reestructuración"**) means, with respect to a Receivable, the forgiveness, reduction or postponement of principal, interest or fees or a change in the ranking, priority or subordination of such obligation (together, the "Restructuring Events"), provided that such decision, with respect to the Restructuring Events, will be made: (i) with regard to the standards of a reasonable and prudent holder of such obligation (disregarding for such purposes the effect of any securitisation of such Receivable but taking into account any security or collateral allocable to that Receivable); and (ii) with the intent that such Restructuring is (a) to minimise any expected loss in respect of such Receivable, or (b) to respond to a reasonable commercial request from the associated Borrower.

**"Risk Factors"** (**"Factores de Riesgo"**) means the description in this Prospectus of the major risk factors linked to the Issuer, the securities and the assets backing the issue.

**"Royal Decree 1065/2007"** (**"Real Decreto 1065/2007"**) means Royal Decree 1065/2007 of 27 July, which enacted the General Regulations on tax inspection and management actions and procedures and implementing the common rules on applicable tax procedures.

**"Royal Decree 716/2009"** (**"Real Decreto 716/2009"**) means Royal Decree 716/2009 of 24 April implementing certain aspects of Law 2/1981 of 25 March on regulation of the mortgage market and other rules of the mortgage and financial systems.

**"Royal Decree 1310/2005"** (**"Real Decreto 1310/2005"**) means Royal Decree 1310/2005 of 4 November partially implementing Law 24/1988 of 28 July on the Stock Market as regards the admission to negotiation of securities on official secondary markets, public offers of sale or subscription and the prospectus required for such purposes.

**"Royal Decree 634/2015"** (**"Real Decreto 634/2015"**) means Royal Decree 634/2015 of 10 July approving the Corporate Income Tax Regulations.

**"Royal Decree 878/2015"** (**"Real Decreto 878/2015"**) means Royal Decree 878/2015 of 2 October on the registration, clearing and settlement and registration of negotiable securities represented by book entries representations, on the legal regime of the securities central depositories and the central counterparties and the transparency requirements for security issuers admitted to trading on an official secondary market.

**"Royal Decree-Law 8/2020"** (**"Real Decreto 8/2020"**) means Royal Decree-law 8/2020 of 17 March in order to tackle the Covid-19 crisis, measures under the moratorium established.

**"Royal Decree-Law 11/2020"** (**"Real Decreto 11/2020"**) means Royal Decree-Law 11/2020 of 31 March adopting a new set of additional emergency measures to tackle the social and economic impact of Covid-19.

**"Royal Decree-Law 26/2020"** (**"Real Decreto 26/2020"**) means the Royal Decree-Law 26/2020, of July 7, on economic recovery measures to deal with the impact of Covid-19.

**"Rules"** or **"Rules for the Meeting of Creditors"** (**"Reglamento"** o **"Reglamento de la Junta de Acreedores"**) means the rules applicable to the Meeting of Creditors.

**"Screen Rate"** (**"Tipo de Pantalla"**) means the rate offered in the eurozone interbank market for three-month euro deposits (except for the First Interest Accrual Period) appearing on the Reuters-EuriborØ1 page or (A) such other page as may replace the Reuters-EuriborØ1 page for similar service for the purpose of displaying such information or (B) if that service ceases to display similar information, such other page or such equivalent service that displays this information (or, if more than one, the one which is used by the Paying Agent) or may replace the Reuters-EuriborØ1 page.

**"Securities Act"** (**"Ley de Valores"**) means the United States Securities Act of 1933, as amended.

**"Securities Market Act"** (**"Ley del Mercado de Valores"**) means Royal Decree-law 4/2015 of 23 October approving the restated text of the Spanish Securities Market Act.

**"Securities Note"** (**"Nota de Valores"**) means the securities note in this Prospectus, prepared using the outline provided in Annex 15 of the Prospectus Delegated Regulation.

**"Self-Certified Mortgage Loans"** (**"Préstamos Hipotecarios Certificados"**) means mortgage loans sold and underwritten on the basis that the applicants and/or intermediaries representing them were made aware before the start of the lender's assessment that income could be self-certified.

**"Seller"** (**"Cedente"**) means Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito.

**"Servicer"** (**"Administrador"**) means Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito.

**"Special Securitisation Reports on the Preliminary Portfolio"** (**"Informes de Especial de Titulización sobre la Cartera Preliminar"**) means the report issued by DELOITTE, S.L. for the purposes of (a) complying with article 22 of the EU Securitisation Regulation on certain features and attributes of a sample of the 533 selected loans, and (b) verification of (i) the accuracy of the data

disclosed in the stratification tables included in section 2.2.2.1 of the Additional Information, and (ii) the CPR tables included in section 4.10 of the Securities Notes.

**“SR Repository” (“Registro SR”)** means a securitisation repository registered under article 10 of the EU Securitisation Regulation and appointed by the Reporting Entity for the securitization transaction as described in this Prospectus.

**“SSPE”** means securitisation special purpose entity for the purposes of EU Securitisation Report.

**“Step-up Date” (“Fecha de Incremento del Margen”)** means the Payment Date falling on 15 June 2026. From this date, (i) Class A Margin increases in accordance to section 4.8 of the Securities Note; and (ii) the Management Company may exercise an Optional Redemption pursuant to section 4.9.4 of the Securities Note.

**“STS Notification” (“Notificación STS”)** means the STS notification to be submitted by the Seller to ESMA in accordance with article 27 of the EU Securitisation Regulation.

**“STS-securitisation” (“Titulización-STS”)** means simple, transparent and standardised securitisations according to the EU Securitisation Regulation.

**“STS Verification” (“Verificación STS”)** means the assessment of the compliance of the Notes with the requirements of articles 19 to 22 of the EU Securitisation Regulation prepared by PCS.

**“Subordinated Loan” (“Préstamo Subordinado”)** means the loan formalised pursuant to the Subordinated Loan Agreement defined below.

**“Subordinated Loan Agreement” (“Contrato de Préstamo Subordinado”)** means the subordinated loan agreement in the amount of ELEVEN MILLION EUROS (€ 11,000,000), to be signed by the Management Company on behalf of the Fund and the Subordinated Loan Provider, which will be used to finance the Reserve Fund, the expenses of incorporation of the Fund and the issuance of the Notes, to partially finance the acquisition of the Receivables and to cover the temporary mismatch in the First Interest Accrual Period caused by the difference between the interest on the Receivables covered during the First Interest Accrual Period and the interest on the Notes to be paid on the First Payment Date.

**“Subordinated Loan Provider” (“Proveedor del Préstamo Subordinado”)** means UCI.

**“Subsequent Fitch Rating”** means ratings at least BBB- or F3, calculated in respect of the Cap Counterparty by considering either Fund's DCR - if assigned- or LT IDR (when DCR is not assigned), each DCR and LT IDR as defined in the relevant Fitch criteria applicable from time to time.

**“Subscription Period” (“Periodo de Suscripción”)** means the Disbursement Date, from 10:00 CET to 12:00 CET.

**“Third-Party Verification Agent (STS)” (“Tercero Verificador”)** means PCS.

**“Transaction Documents” (“Documentos de la Operación”)** means the Deed of Incorporation, The Subordinated Loan Agreement; the Reinvestment Agreement; the Management, Placement and Subscription Agreement; the Cap Agreement; the Payment Agency Agreement; and any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designed as such by relevant parties.

**“Transaction Parties” (“Partes de la Operación”)** means any person who is a party to a Transaction Document, some or all of them.

**“Transfer Tax and Stamp Duty Act” (“Ley del Impuesto sobre Transmisión y Actos Jurídicos Documentados”)** means the consolidated text of the Transfer Tax and Stamp Duty Act approved by Legislative Royal Decree 1/1993 of 24 September.

**“Turbo Amortisation Event” (“Evento de Amortización Acelerada de los Bonos”)** means:

- (a) the Determination Date preceding any Payment Date, including the Determination Date preceding the First Payment Date, on which the Cumulative Default Ratio is equal to or higher than the following percentages:
  1. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 1 year after the Date of Incorporation: 1.00%;
  2. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 2 years after the Date of Incorporation: 2.00%;
  3. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 3 years after the Date of Incorporation: 3.00%;
  4. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 4 years after the Date of Incorporation: 4.00%;
  5. Until the Determination Date (inclusive) immediately preceding the Payment Date falling 5 years after the Date of Incorporation: 5.00%;
- (b) Any Payment Date occurring after the Step-up Date.

**“UCI”** means Unión de Créditos Inmobiliarios S.A., Establecimiento Financiero de Crédito.

**“U.S. Risk Retention Rules”** means the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934, as amended.

**“V.A.T.” (“IVA”)** means Value Added Tax.

**“VAT Act” (“Ley del IVA”)** means the Law 37/1992, of 28 December, on Value Added Tax.

**“Volcker Rule”** means section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules.

**“VPO” (“Vivienda de Protección Oficial”)** means those dwellings designed as permanent customary residences that are classified as officially protected, the type, size and price of which are regulated by the authorities, establishing economic and tax conditions for the benefit of the purchaser, who must meet certain conditions with respect to property ownership rights and individual or household income.

**“Written Resolution” (“Resolución Escrita”)** means a resolution in writing signed by or on behalf of all Noteholders and Other Creditors who are then entitled to receive notice of a meeting in accordance with the Rules for the Meeting of Creditors, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders or by or on behalf of one or more of the Other Creditors;