

**ASSET MONITORING AGREEMENT**

Dated 2 March 2015

as lastly amended and restated on 26 October 2021

between

**VAN LANSCHOT KEMPEN N.V.**

as Issuer

and

**INTERTRUST ADMINISTRATIVE SERVICES B.V.**

as Administrator

and

**VAN LANSCHOT CONDITIONAL PASS-THROUGH COVERED BOND  
COMPANY B.V.**

as CBC

and

**STICHTING SECURITY TRUSTEE VAN LANSCHOT CONDITIONAL  
PASS-THROUGH COVERED BOND COMPANY**

as Security Trustee

**TABLE OF CONTENTS**

<b>CLAUSE</b>	<b>PAGE</b>
1 INTERPRETATION .....	4
2 APPOINTMENT OF THE ASSET MONITOR .....	4
3 ASSET COVER TEST .....	5
4 AMORTISATION TEST .....	7
5 LIQUIDITY RESERVE TEST.....	8
6 SALE OR REFINANCING OF SELECTED TRANSFERRED ASSETS ....	8
7 METHOD OF SALE OF SELECTED MORTGAGE RECEIVABLES.....	9
8 NO DISSOLUTION, NO NULLIFICATION .....	11
9 GOVERNING LAW AND JURISDICTION.....	11
<b>SCHEDULE 1 :</b>	<b>ASSET MONITOR APPOINTMENT AGREEMENT</b>
<b>SCHEDULE 2 :</b>	<b>ASSET COVER TEST</b>
<b>SCHEDULE 3 :</b>	<b>AMORTISATION TEST</b>
<b>SCHEDULE 4 :</b>	<b>LIQUIDITY RESERVE TEST</b>
<b>SCHEDULE 5:</b>	<b>REQUIRED CURRENT BALANCE</b>

**THIS ASSET MONITORING AGREEMENT** is dated 2 March 2015 as lastly amended and restated on 26 October 2021 and made between:

1. **VAN LANSCHOT KEMPEN N.V.** (previously named Van Lanschot Kempen Wealth Management N.V.), a public limited liability company (*naamloze vennootschap*) organised under the laws of the Netherlands, and established in 's-Hertogenbosch, the Netherlands;
2. **INTERTRUST ADMINISTRATIVE SERVICES B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) organised under the laws of the Netherlands, and established in Amsterdam, the Netherlands;
3. **VAN LANSCHOT CONDITIONAL PASS-THROUGH COVERED BOND COMPANY B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) organised under the laws of the Netherlands, and established in Amsterdam, the Netherlands; and
4. **STICHTING SECURITY TRUSTEE VAN LANSCHOT CONDITIONAL PASS-THROUGH COVERED BOND COMPANY**, a foundation (*stichting*) organised under the laws of the Netherlands, and established in Amsterdam, the Netherlands.

**WHEREAS:**

- A. The Issuer has set up the Programme on 2 March 2015.
- B. In connection with the establishment of the Programme it is required that the CBC issues the Guarantee. In order to enable the CBC to pay the Guaranteed Amounts, sufficient Eligible Assets need to be held by the CBC.
- C. An Asset Cover Test, an Amortisation Test and a Liquidity Reserve Test will be carried out for the benefit of the Security Trustee, so as to monitor the CBC's assets from time to time. The Administrator will provide the CBC Services to the CBC which include, amongst other things, certain calculations in relation to the Asset Cover Test and the Amortisation Test.
- D. An Asset Monitor will be appointed to carry out various testing and

notification duties in relation to such calculations subject to and in accordance with the terms of the Asset Monitor Appointment Agreement.

**IT IS AGREED** as follows:

## **1 INTERPRETATION**

- 1.1 In this Agreement (including its recitals), except so far as the context otherwise requires, words, expressions and capitalised terms used herein and not otherwise defined or construed herein shall have the same meanings as defined or construed in the master definitions agreement dated 2 March 2015 and signed by, amongst others, the parties to this Agreement as the same may be amended, restated, supplemented or otherwise modified from time to time (the "**Master Definitions Agreement**"). The rules of usage and of interpretation as set forth in the Master Definitions Agreement and all other agreements and understandings between the parties hereto contained therein shall apply to this Agreement, unless otherwise provided herein.
- 1.2 The expression "**Agreement**" shall herein mean this Asset Monitoring Agreement including the Schedules hereto.
- 1.3 This Agreement expresses and describes Dutch legal concepts in English and not in their original Dutch terms. Consequently, this Agreement is concluded on the express condition that all words, terms and expressions used herein shall be construed and interpreted in accordance with the laws of the Netherlands.
- 1.4 The Security Trustee has agreed to become a party to this Agreement only for the purpose of taking the benefit of certain provisions of this Agreement expressed to be for its benefit and for the better preservation and enforcement of its rights under the Pledge Agreements and, save as aforesaid, the Security Trustee shall assume no obligations or liabilities whatsoever to the Asset Monitor or the CBC by virtue of the provisions thereof.

## **2 APPOINTMENT OF THE ASSET MONITOR**

An Asset Monitor shall be appointed subject to and in accordance with the terms of an agreement substantially in the form as **Schedule 1** hereto (the "**Asset Monitor Appointment Agreement**").

### 3 ASSET COVER TEST

3.1 The CBC shall use reasonable efforts to procure that as at the end of each calendar month for so long as the Covered Bonds remain outstanding, provided that no Issuer Acceleration Notice or CBC Acceleration Notice has been served:

- (i) the Adjusted Aggregate Asset Amount (as defined in **Schedule 2**) shall be an amount at least equal to the euro equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds at the end of such calendar month (or with respect to item B of the Asset Cover Test, up to the date specified in item B) all as calculated on the immediately succeeding Calculation Date; and
- (ii) the First Regulatory Current Balance Amount shall be at least equal to 105%, or such other percentage as may be required from time to time under the CB Regulations, of the aggregate Principal Amount Outstanding of the Covered Bonds at the end of such calendar month (or with respect to item B of the Asset Cover Test, up to the date specified in item B) all as calculated on the immediately succeeding Calculation Date;
- (iii) the Outstanding Principal Amount of all Mortgage Receivables, excluding any Defaulted Receivables, plus (a) the Collateral Market Value of all Transferred Collateral in the form of Substitution Assets plus (b) all amounts standing to the balance of the CBC Transaction Accounts, excluding Swap Collateral and excluding amounts standing to the balance of the Construction Account, will always be at least equal to 115% of the aggregate Principal Amount Outstanding of the Covered Bonds at the end of such calendar month all as calculated on the immediately succeeding Calculation Date; and
- (iv) the Second Regulatory Current Balance Amount will be at least equal to 100%, or such other percentage as may be required from time to time under the CB Regulations, of the aggregate Principal Amount Outstanding of the Covered Bonds at the end of such calendar month (or with respect to item B of the Asset Cover Test, up to the date specified in item B) all as calculated on the immediately succeeding Calculation Date,

(items (i) up to and including (iv) the "**Asset Cover Test**"), all in accord-

ance with Schedule 2 hereto.

- 3.2 As of the latest amendment and restatement of this Agreement, the Asset Percentage is 95%. The Issuer may request the CBC to increase or decrease the Asset Percentage. The CBC will accept any request for a decrease of the Asset Percentage and the Asset Percentage will be adjusted accordingly. The CBC will only accept any request for an increase of the Asset Percentage and the Asset Percentage will only be adjusted accordingly if each of the Rating Agencies has been notified thereof and by the third (3<sup>rd</sup>) Business Day after such notification, none of the Rating Agencies has communicated that any such increase of the Asset Percentage will have a negative effect on the then current rating assigned by it to the Covered Bonds.

The Asset Percentage will be included in the Investor Report.

- 3.3 If at the end of a calendar month (or with respect to item B of the Asset Cover Test, up to the date specified in item B) the Asset Cover Test is not met as calculated and determined on the immediately succeeding Calculation Date, then (i) the Administrator shall immediately notify the CBC thereof and (ii) the CBC (or the Administrator on its behalf) shall immediately notify the Security Trustee and the Issuer thereof in writing and (iii) the CBC shall request the Issuer to undertake its best efforts to procure transfer of sufficient further Eligible Receivables by the Transferors to the CBC in accordance with the Guarantee Support Agreement to ensure that the Asset Cover Test is met at the end of the next succeeding calendar month, and if the Asset Cover Test is not met at the end of such next succeeding calendar month as calculated on the immediately succeeding Calculation Date (such failure to remedy the Asset Cover Test as calculated on the next succeeding Calculation Date being a "**Breach of Asset Cover Test**"), it will entitle the Security Trustee to serve a Breach of Asset Cover Test Notice on the Issuer and the CBC. A Breach of Asset Cover Test on a Calculation Date will, until remedied, prevent the Issuer from issuing any further Series. Upon receipt of such Breach of Asset Cover Test Notice the Issuer will (continue to) use its best efforts to procure the transfer of sufficient Eligible Assets by the Transferors to the CBC. A Breach of Asset Cover Test may be remedied and after being remedied the Issuer may issue new Series subject to the other conditions being met.
- 3.4 The CBC (or the Administrator on its behalf) will value any Transferred Collateral other than cash on a monthly basis on their mark-to-market

value.

#### **4 AMORTISATION TEST**

4.1 The CBC shall use reasonable efforts to procure that for so long as the Covered Bonds remain outstanding, as at the end of each calendar month following service of a Notice to Pay (but prior to service of a CBC Acceleration Notice):

- (i) the Amortisation Test Aggregate Asset Amount (as defined in **Schedule 3** hereto) will be an amount at least equal to the euro equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as at the end of such calendar month (or with respect to item B of the Amortisation Test, up to the date specified in item B), all as calculated on the immediately succeeding Calculation Date; and
- (ii) the First Regulatory Current Balance Amount shall be at least equal to 105%, or such other percentage as may be required from time to time under the CB Regulations, of the aggregate Principal Amount Outstanding of the Covered Bonds at the end of such calendar month (or with respect to item B of the Asset Cover Test, up to the date specified in item B) all as calculated on the immediately succeeding Calculation Date;
- (iii) the Outstanding Principal Amount of all Mortgage Receivables, excluding any Defaulted Receivables, plus (a) the Collateral Market Value of all Transferred Collateral in the form of Substitution Assets plus (b) all amounts standing to the balance of the CBC Transaction Accounts, excluding Swap Collateral and excluding amounts standing to the balance of the Construction Account, will always be at least equal to 115% of the aggregate Principal Amount Outstanding of the Covered Bonds; and
- (iv) the Second Regulatory Current Balance Amount will be at least equal to 100%, or such other percentage as may be required from time to time under the CB Regulations, of the aggregate Principal Amount Outstanding of the Covered Bonds at the end of such calendar month (or with respect to item B of the Asset Cover Test, up to the date specified in item B) all as calculated on the immediately succeeding Calculation Date,

(items (i) up to and including (iv) the "**Amortisation Test**"), all in accordance with Schedule 3 hereto.

- 4.2 The CBC (or the Administrator on its behalf) shall, on each Calculation Date following the service of a Notice to Pay, conduct the Amortisation Test.
- 4.3 If on any Calculation Date following the service of a Notice to Pay the Amortisation Test is not met per the end of the previous calendar month (such failure to meet the Amortisation Test on the next succeeding Calculation Date being a "**Breach of Amortisation Test**" on such Calculation Date), then the CBC (or the Administrator on its behalf) shall immediately notify the Security Trustee thereof in writing, and the Security Trustee will be entitled to serve a Breach of Amortisation Test Notice on the Issuer and the CBC in writing.

## **5 LIQUIDITY RESERVE TEST**

The CBC (or the Administrator on its behalf) shall conduct the test set out in article 40g of the Wft Prudential Rules Decree (*Besluit prudentiële regels Wft*) (the "**Liquidity Reserve Test**") for so long as the Covered Bonds remain outstanding, i.e. whether  $K + L + M \geq N$ , all in accordance with **Schedule 4** hereto.

## **6 SALE OR REFINANCING OF SELECTED TRANSFERRED ASSETS**

- 6.1 The CBC undertakes towards the Security Trustee (but not towards the Issuer) to use its best efforts to sell or refinance Selected Transferred Assets as soon as possible if:
- a. an Issuer Event of Default has occurred and a Notice to Pay has been served on the CBC; and
  - b. (i) any amount remains unpaid in respect of any Series on the relevant Maturity Date, (ii) any Maturity Date of any Series falls within a period of six (6) calendar months or (iii) a Breach of Amortisation Test Notice is served on the CBC,

and thereafter on each sixth (6th) CBC Payment Date, (each such date a "**Refinance Date**").

6.2 The CBC (or the Administrator on its behalf) shall sell all Transferred Assets that consist of Substitution Assets as quickly as reasonably practicable, subject to the pre-emption rights enjoyed by the relevant Transferor pursuant to the Guarantee Support Agreement following service of an Issuer Acceleration Notice, a Notice to Pay or a Breach of Amortisation Test Notice and subject to Clause 7.9.

## **7 METHOD OF SALE OF SELECTED MORTGAGE RECEIVABLES**

7.1 This Clause 7 shall apply if the CBC is required to sell or refinance Selected Mortgage Receivables in accordance with Clause 6.1 (subject to the proceeds being at least equal to the Adjusted Required Redemption Amount (after deduction of costs and as reduced by or increased with, as the case may be, any swap termination payment due by the CBC to the relevant Swap Counterparty, or by the relevant Swap Counterparty to the CBC, in connection with the termination of the Swap Agreement related to the relevant Series or a relevant part thereof)) and is at all times subject to Clause 9 of the Guarantee Support Agreement.

7.2 The CBC shall ensure that Selected Mortgage Receivables will be selected on a random basis, provided that no more Selected Mortgage Receivables will be selected than are necessary for the estimated sale or refinancing proceeds to equal the Adjusted Required Redemption Amount (after deduction of costs and as reduced by or increased with, as the case may be, any swap termination payment due by the CBC to the relevant Swap Counterparty, or by the relevant Swap Counterparty to the CBC, in connection with the termination of the Swap Agreement related to the relevant Series or a relevant part thereof (if any)), and the aggregate Current Balance of such Selected Mortgage Receivables does not exceed the Required Current Balance Amount (as defined in **Schedule 5** hereto).

7.3 The CBC will offer the Selected Mortgage Receivables for sale or refinancing to any third party or the relevant Transferor for the best terms reasonably available but in any event for an amount not less than the Adjusted Required Redemption Amount (after deduction of costs and as reduced by or increased with, as the case may be, any swap termination payment due by the CBC to the relevant Swap Counterparty, or by the relevant Swap Counterparty to the CBC, in connection with the termination of the Swap Agreement related to the relevant Series or a relevant part thereof (if any)). If the Selected Mortgage Receivables have not been

sold or refinanced (in whole or in part) for an amount equal to the Adjusted Required Redemption Amount (after deduction of costs and as reduced by or increased with, as the case may be, any swap termination payment due by the CBC to the relevant Swap Counterparty, or by the relevant Swap Counterparty to the CBC, in connection with the termination of the Swap Agreement related to the relevant Series or a relevant part thereof (if any)), the CBC will undertake its best efforts to sell or refinance Selected Mortgage Receivables on the next Refinance Date.

- 7.4 If the CBC intends to sell or refinance Selected Mortgage Receivables vis-à-vis a third party, subject to Clause 9.3 of the Guarantee Support Agreement, it may appoint a portfolio manager of recognised standing to advise in relation to the sale or refinancing on the basis of a success fee, which may consist of a percentage of the portfolio as agreed between the CBC and the portfolio manager and which shall only be payable upon sale or refinancing of such portfolio and shall be deducted from the proceeds. The CBC will appoint the portfolio manager through a tender process. The terms of the agreement giving effect to the appointment are to be approved by the Security Trustee. In respect of any sale or refinancing of Selected Mortgage Receivables pursuant to Clause 7.1, the CBC will instruct the portfolio manager to use best efforts to procure that Selected Mortgage Receivables are sold or refinanced as quickly as reasonably practicable (in accordance with the recommendations of the portfolio manager) taking into account the market conditions at that time and the scheduled repayment dates of the Covered Bonds and the terms and conditions of the Guarantee Support Agreement and this Agreement.
- 7.5 The CBC shall ensure that the third party purchasing or refinancing the Selected Mortgage Receivables shall on or before the date of such purchase or refinancing represent that it has not been granted a (preliminary) suspension of payments (*voorlopige surseance van betaling verleend*), been declared bankrupt (*failliet verklaard*), filed a declaration with a court on the preparation of a scheme of arrangements (*gehomologeerd onderhands akkoord*), had a restructuring expert (*herstructureringsdeskundige*) appointed in respect of it by a court nor become subject to analogous insolvency proceedings under applicable law or otherwise be limited in its right to dispose of its assets.
- 7.6 The terms of any sale and purchase agreement pursuant to this Clause 7 with respect to the sale of Selected Mortgage Receivables or the terms of any refinancing will be subject to the prior written approval of the Security Trustee and release by the Security Trustee of the Security in

respect of the Selected Mortgage Receivables, such approval and release not to be unreasonably withheld.

- 7.7 If any third party or the Transferor accepts the offer or offers from the CBC, then the CBC will, subject to Clause 7, enter into a sale and purchase agreement with the relevant third party or the Transferor, which will require, among other things, a cash payment from the relevant third party or the Transferor. Any such sale or any refinancing may not include any representations and warranties from the CBC in respect of the Selected Mortgage Receivables, unless expressly agreed by the Security Trustee.
- 7.8 The CBC is permitted to sell or refinance a random part of any portfolio of Selected Mortgage Receivables ("**Partial Portfolio**"). The sale or refinancing of the Partial Portfolio shall be for an amount at least equal to such part of the Adjusted Required Redemption Amount as bears the same proportion to the Adjusted Required Redemption Amount as the aggregate principal amount of the Partial Portfolio bears to the aggregate principal amount of the relevant portfolio of Selected Mortgage Receivables.
- 7.9 Any sale or refinancing of Selected Mortgage Receivables and subsequent redemption of the respective Covered Bonds and any sale or refinancing of Substitution Assets may not result in a deterioration of the quotient of (i) the Amortisation Test Aggregate Asset Amount and (ii) the Principal Amount Outstanding of all Series outstanding.

## **8 NO DISSOLUTION, NO NULLIFICATION**

To the extent permitted by law, the parties hereby waive their rights pursuant to Articles 6:265 to 6:272 inclusive of the Dutch Civil Code to dissolve (*ontbinden*), or demand in legal proceedings the dissolution (*ontbinding*) of, this Agreement. Furthermore, to the extent permitted by law, the parties hereby waive their rights under Article 6:228 of the Dutch Civil Code to nullify, or demand in legal proceedings the nullification of, this Agreement on the ground of error (*dwaling*).

## **9 GOVERNING LAW AND JURISDICTION**

- 9.1 This Agreement, including Clause 9.2 hereof, and any non-contractual obligations arising out of or in connection with this Agreement shall be

governed by and construed in accordance with the laws of the Netherlands.

- 9.2 Any disputes arising out of or in connection with this Agreement including, without limitation, any disputes relating to any non-contractual obligations arising out of or in connection with this Agreement shall be submitted to the exclusive jurisdiction of the competent court in Amsterdam, the Netherlands.

**THIS AGREEMENT HAS BEEN LASTLY AMENDED AND RESTATED BY THE PARTIES HERETO PURSUANT TO THE DEED OF AMENDMENT DATED 26 OCTOBER 2021 AND WHICH DEED OF AMENDMENT HAS BEEN SIGNED BY THE PARTIES HERETO.**

**VAN LANSCHOT KEMPEN N.V.**

**INTERTRUST ADMINISTRATIVE SERVICES B.V.**

**VAN LANSCHOT CONDITIONAL PASS-THROUGH COVERED BOND COMPANY B.V.**

**STICHTING SECURITY TRUSTEE VAN LANSCHOT CONDITIONAL PASS-THROUGH COVERED BOND COMPANY**

**SCHEDULE 1**

**ASSET MONITOR APPOINTMENT AGREEMENT**

*[separate copy attached]*

**SCHEDULE 2****ASSET COVER TEST**

**"Adjusted Aggregate Asset Amount"** means  $A + B + C - Z$ .

**"A"** means the lower of:

- (a) the sum of all Adjusted Current Balances of all Mortgage Receivables. The **"Adjusted Current Balance"** of a Mortgage Receivable is the lower of:
  - (i) the Current Balance of such Mortgage Receivable minus  $\alpha$ ; and
  - (ii) the LTV Cut-Off Percentage of the Indexed Valuation relating to such Mortgage Receivable, minus  $\beta$ ; and
- (b) the Asset Percentage of: the Current Balance minus  $\alpha$  of all Mortgage Receivables.

**" $\alpha$ "** means for each Mortgage Receivable the lower of its Current Balance and the sum of the following elements, to the extent applicable to it:

- (i) if it was in breach of the Mortgage Receivable Warranties as of the relevant Transfer Date: such amount as is necessary to reduce its Adjusted Current Balance or Current Balance, as the case may be, to zero;
- (ii) if it is 3 months or more in arrears or it is a Defaulted Receivable: such amount as is necessary to reduce its Adjusted Current Balance or Current Balance, as the case may be, to zero; and
- (iii) if it is a Mortgage Receivable with an interest rate below the Minimum Mortgage Interest Rate, an amount equal to the Minimum Mortgage Interest Rate Reduction;
- (iv) if the Issuer's rating from Fitch falls below 'A' (long term) or 'F1' (short term) or from S&P falls below 'A' (long term) or 'A-1' (short term), an additional amount in connection with the possible set-off risk pertaining to deposits maintained by Borrowers with the Issuer for mortgage loans issued by the Issuer being equal to (i) the amount deposited with the Issuer by the relevant Borrower minus any amounts which are guaranteed under the Dutch deposit guarantee scheme (*depositogarantiestelsel*) from time to time or (ii) a lower amount, subject to Rating Agency Confirmation;
- (v) if the Transferor has an Other Claim (excluding, for the avoidance of doubt, a Further Advance): an amount equal to the Deductible Other

Claim.

**"Deductible Other Claim"** means, in respect of a Mortgage Receivable, zero, in case the sum of the outstanding balance of the Other Claim and Outstanding Principal Amount of such Mortgage Receivable is lower than the Indexed Valuation of the Mortgaged Asset times (1- MVD Assumption) and in all other cases, an amount equal to the lower of (i) the amount by which the sum of the outstanding balance of the Other Claim and the Outstanding Principal Amount of such Mortgage Receivable exceeds the Indexed Valuation of the Mortgaged Asset times (1- MVD Assumption) or (ii) the lower of (a) the outstanding balance of the Other Claim or (b) the Outstanding Principal Amount of such Mortgage Receivable.

**"Minimum Mortgage Interest Rate Reduction"** means, if the related Mortgage Loan (or a relevant loan part thereof) has a fixed interest rate or a floating interest rate which is lower than the Minimum Mortgage Interest Rate, an amount equal to: the product of (i) the difference between 1.50 per cent. and the actual interest rate of such Mortgage Loan (or the relevant loan part thereof); and (ii) the Current Balance of such Mortgage Loan (or the relevant loan part thereof); and (iii) the remaining interest rate fixed period in years (unless such period is less than 5 years, in which case such period shall be set to 5 years) (rounded if necessary to the first decimal, with 0.05 being rounded upwards).

**"MVD Assumption"** means the most conservative market value decline assumption as applied by S&P and notified by the Administrator to Fitch in order to achieve a rating (i) of "AAA" or 'AAA' in relation to the first issue of Covered Bonds or (ii) in relation to any subsequent issue of Covered Bonds, equal to the current rating assigned to the outstanding Series of Covered Bonds.

**" $\beta$ "** means for each Mortgage Receivable the lower of (i) the LTV Cut-Off Percentage of its Indexed Valuation and (ii)  $\alpha$  minus L.

**"L"** means for each Mortgage Receivable its Current Balance minus the LTV Cut-Off Percentage of its Indexed Valuation provided that if the result is negative, L shall be zero and if the result exceeds  $\alpha$ , L shall equal  $\alpha$ .

**"B"** means the amount of any cash standing to the credit of the CBC Transaction Accounts (other than the Swap Collateral Account and the Construction Account but including any amounts on the Reserve Account) including on the relevant Calculation Date on which the Asset Cover Test is calculated any Principal Receipts and Interest Receipts related to the calendar month preceding such Calculation Date paid by the relevant Borrowers and received by the CBC on its

CBC Accounts up to the Business Day immediately preceding such Calculation Date.

"C" means the aggregate outstanding principal amount of all Transferred Collateral in Substitution Assets and accrued interest thereon which has not been applied in accordance with the Trust Deed (to the extent not included in B). Substitution Assets will be valued on a monthly basis and be taken into account for their mark-to-market value at a discount based on a methodology notified to the Rating Agencies.

"Z" means an amount equal to the Interest Reserve Required Amount.

"Interest Reserve Required Amount" means the higher of zero and (i) U plus V minus W; or (ii) a lower amount, subject to Rating Agency Confirmation; whereas:

"U" means the sum of the aggregate amount of interest payable in respect of all Series of Covered Bonds from the relevant date up to and including the relevant Maturity Date minus any amount of interest to be received under any and all Swap Agreements in connection with any Series of Covered Bonds.

"V" means the product of:

- (i) the higher of (a) zero; and (b) the difference between (x) the Portfolio Weighted Average Life and (y) the Series Weighted Average Life;
- (ii) the aggregate Principal Amount Outstanding of all Series multiplied by (1 minus the Swap Fraction, if applicable); and
- (iii) the Weighted Average Series Post Maturity Interest Rate.

"W" means the Estimated Portfolio Interest Income, multiplied by (1 minus the Swap Fraction, if applicable).

"Series Weighted Average Life" means the weighted average remaining life (expressed in years) remaining from the relevant date until the relevant Maturity Dates in respect of all outstanding Series for which no Swap Agreement has been entered into.

"Portfolio Weighted Average Life" means the expected remaining weighted average life (expressed in years) of all Mortgage Receivables and Substitution Assets.

"Weighted Average Series Post Maturity Interest Rate" means the weighted average (expressed as a percentage) of the interest due on all outstanding Series

of Covered Bonds for which no Swap Agreement has been entered into, after the Maturity Date.

**"Estimated Portfolio Interest Income"** means on the date with respect to which the Asset Cover Test is determined (i.e. the end of each calendar month), the aggregate amount, as determined by the CBC (or the Administrator on its behalf) (and such estimation, absent manifest error, being final and binding), of future interest receipts on the Mortgage Receivables and future interest income derived from Substitution Assets on such date, and such estimation to be calculated as the sum of:

- (i) all Fixed Interest Loan Payment Amounts;
- (ii) all Variable Interest Loan Payment Amounts; and
- (iii) all Substitution Assets Payment Amounts.

**"Fixed Interest Loan Payment Amount"** means (as determined by the CBC (or the Administrator on its behalf) and such determination, absent manifest error, being final and binding), with respect to each outstanding Mortgage Receivable with a fixed interest rate, the product of (x) the expected weighted average life (expressed in years) of all Mortgage Receivables with a fixed interest rate; and (y) the weighted average interest rate (expressed as a percentage) of all Mortgage Receivables (where upon the interest reset date of such Mortgage Receivable the interest rate is assumed to be reset at the Minimum Mortgage Interest Rate); and (z) the aggregate Outstanding Principal Amount of such Mortgage Receivable.

**"Variable Interest Loan Payment Amount"** means (as determined by the CBC (or the Administrator on its behalf) and such determination, absent manifest error, being final and binding), with respect to each outstanding Mortgage Receivable with a variable interest rate, the product of (x) the expected weighted average life (expressed in years) of all Mortgage Loans with a variable interest rate, (y) the Minimum Mortgage Interest Rate; and (z) the aggregate Outstanding Principal Amount of such outstanding Mortgage Receivable.

**"Substitution Assets Payment Amount"** means (as determined by the CBC (or the Administrator on its behalf) and such determination, absent manifest error, being final and binding), with respect to each Substitution Asset the sum of the aggregate interest expected to be received up to and including the maturity date of the respective Substitution Asset.

**"First Regulatory Current Balance Amount"** means an amount equal to the sum of (i) the aggregate amount of the Current Balance of the Mortgage Receivables, excluding any Defaulted Receivables, and (ii) the Substitution Assets Amount, or in each case such other amount as must be calculated in accordance

with the CB Regulations.

**"Substitution Assets Amount"** means an amount equal to the sum of (i) B (as defined above) and (ii) C (as defined above), less any cash standing to the credit of the CBC Transaction Accounts held with an entity within the Van Lanschot Kempen Group, which amount will be limited to a maximum of 20%, or such other percentage as required under the CB Regulations, of the aggregate Principal Amount Outstanding of the Covered Bonds.

**"Second Regulatory Current Balance Amount"** means an amount equal to the sum of (A) the aggregate balance of all Mortgage Receivables, excluding any Defaulted Receivables, whereby the balance is determined for each such Mortgage Receivable as the lower of (i) the Current Balance of the Mortgage Receivable and (ii) the Regulatory Cut-Off Percentage of the Indexed Valuation relating to such Mortgage Receivable and (B) the Substitution Assets Amount, or in each case such other amount as must be calculated in accordance with the CB Regulations.

**"Regulatory Cut-Off Percentage"** means 80% for all Mortgage Receivables, or such other percentage as may be required from time to time under the CB Regulations.

**"Swap Fraction"** means the fraction to be calculated in relation to all Swap Agreements by dividing (i) the Principal Amount Outstanding, or the relevant part thereof, of the relevant Series of Covered Bonds subject to hedging arrangements pursuant to any Swap Agreement by (ii) the Principal Amount Outstanding of all Covered Bonds.

**SCHEDULE 3****AMORTISATION TEST**

**"Amortisation Test Aggregate Asset Amount"** means  $A + B + C - Z$ .

**"A"** means the sum of all Amortisation Test Current Balances of all Mortgage Receivables. The **"Amortisation Test Current Balance"** of a Mortgage Receivable is the lower of:

- i. the Current Balance of such Mortgage Receivable minus  $\alpha$ ; and
- ii. the LTV Cut-Off Percentage (relating to such Mortgage Receivable) times the Indexed Valuation, minus  $\beta$ .

**" $\alpha$ "** means for each Mortgage Receivable the lower of its Current Balance and the sum of the following elements, to the extent applicable to it:

- (i) if it was in breach of the Mortgage Receivable Warranties as of the relevant Transfer Date: such amount as is necessary to reduce its Adjusted Current Balance or Current Balance, as the case may be, to zero;
- (ii) if it is 3 months or more in arrears or it is a Defaulted Receivable: such amount as is necessary to reduce its Adjusted Current Balance or Current Balance, as the case may be, to zero;
- (iii) if the Issuer's rating from Fitch falls below 'A' (long term) or 'F1' (short term) or from S&P falls below 'A' (long term) or 'A-1' (short term), an additional amount in connection with the possible set-off risk pertaining to deposits maintained by Borrowers with the Issuer for mortgage loans issued by the Issuer being equal to (i) the amount deposited with the Issuer by the relevant Borrower minus any amounts which are guaranteed under the deposit guarantee scheme (*depositogarantiestelsel*) from time to time or (ii) a lower amount, subject to Rating Agency Confirmation;
- (iv) if the Transferor has an Other Claim (excluding, for the avoidance of doubt, a Further Advance): an amount equal to the Deductible Other Claim.

**"Deductible Other Claim"** means, in respect of a Mortgage Receivable, zero, in case the sum of the outstanding balance of the Other Claim and Outstanding Principal Amount of such Mortgage Receivable is lower than the Indexed Valuation of the Mortgaged Asset times (1- MVD Assumption) and in all other cases, an amount equal to the lower of (i) the amount by which the sum of the outstanding balance of the Other Claim and the Outstanding Principal Amount of

such Mortgage Receivable exceeds the Indexed Valuation of the Mortgaged Asset times (1- MVD Assumption) or (ii) the lower of (a) the outstanding balance of the Other Claim or (b) the Outstanding Principal Amount of such Mortgage Receivable.

"**MVD Assumption**" means the most conservative market value decline assumption as applied by S&P and notified by the Administrator to Fitch in order to achieve a rating (i) of "AAA" or 'AAA' in relation to the first issue of Covered Bonds or (ii) in relation to any subsequent issue of Covered Bonds, equal to the current rating assigned to the outstanding Series of Covered Bonds.

"**β**" means for each Mortgage Receivable the lower of (i) the LTV Cut-Off Percentage of its Indexed Valuation and (ii)  $\alpha$  minus L.

"**L**" means for each Mortgage Receivable its Current Balance minus the LTV Cut-Off Percentage of its Indexed Valuation provided that if the result is negative, L shall be zero and if the result exceeds  $\alpha$ , L shall equal  $\alpha$ .

"**B**" means the amount of any cash standing to the credit of the CBC Transaction Accounts (other than the Swap Collateral Account and the Construction Account but including any amounts on the Reserve Account) including on the relevant Calculation Date on which the Amortisation Test is calculated any Principal Receipts and Interest Receipts related to the calendar month preceding such Calculation Date paid by the relevant Borrowers and received by the CBC on its CBC Accounts up to the Business Day immediately preceding such Calculation Date.

"**C**" means the aggregate outstanding principal amount of all Transferred Collateral in Substitution Assets and accrued interest thereon which has not been applied in accordance with the Trust Deed (to the extent not included in B). Substitution Assets will be valued on a monthly basis and be taken into account for their mark-to-market value at a discount based on a methodology notified to the Rating Agencies.

"**Z**" means an amount equal to the Interest Reserve Required Amount.

"**Interest Reserve Required Amount**" means the higher of zero and (i) U plus V minus W; or (ii) a lower amount, subject to Rating Agency Confirmation; whereas:

"**U**" means the sum of the aggregate amount of interest payable in respect of all Series of Covered Bonds from the date of the relevant calculation up to and including the relevant Maturity Date.

"V" means the product of:

- (i) the higher of (a) zero; and (b) the difference between (x) the Portfolio Weighted Average Life and (y) the Series Weighted Average Life;
- (ii) the aggregate Principal Amount Outstanding of all Series; and
- (iii) the Weighted Average Series of Post Maturity Interest Rate.

"W" means the Estimated Portfolio Interest Income.

**"First Regulatory Current Balance Amount"** means an amount equal to the sum of (i) the aggregate amount of the Current Balance of the Mortgage Receivables, excluding any Defaulted Receivables and (ii) the Substitution Assets Amount, or in each case such other amount as must be calculated in accordance with the CB Regulations.

**"Substitution Assets Amount"** means an amount equal to the sum of (i) B (as defined above) and (ii) C (as defined above), less any cash standing to the credit of the CBC Transaction Accounts held with an entity within the Van Lanschot Kempen Group, which amount will be limited to a maximum of 20%, or such other percentage as required under the CB Regulations, of the aggregate Principal Amount Outstanding of the Covered Bonds.

**"Second Regulatory Current Balance Amount"** means an amount equal to the sum of (A) the aggregate balance of all Mortgage Receivables, excluding any Defaulted Receivables, whereby the balance is determined for each such Mortgage Receivable as the lower of (i) the Current Balance of the Mortgage Receivable and (ii) the Regulatory Cut-Off Percentage of the Indexed Valuation relating to such Mortgage Receivable and (B) Substitution Assets Amount, or in each case such other amount as must be calculated in accordance with the CB Regulations.

**"Regulatory Cut-Off Percentage"** means 80% for all Mortgage Receivables, or such other percentage as may be required from time to time under the CB Regulations.

**SCHEDULE 4**

**LIQUIDITY RESERVE TEST**

"**K**" means all expected income generated in the relevant six (6) months period to which the Liquidity Reserve Test relates.

"**L**" means all amounts credited to the Reserve Account.

"**M**" means all other liquid assets available to the CBC.

"**N**" means all interest due and payable by the CBC on the Covered Bonds and all items ranking equal to and above interest on the Priority of Payments in the relevant 6 months period to which the Liquidity Reserve Test relates.

**SCHEDULE 5**

**"Required Current Balance Amount"** means:  
the Adjusted Required Redemption Amount multiplied by A/B,

where:

**"Adjusted Required Redemption Amount"** means an amount equal to the euro equivalent of the Required Redemption Amount of all Pass-Through Covered Bonds less amounts standing to the credit of the CBC Account and the principal amount of any Substitution Assets (excluding all amounts to be applied on the following CBC Payment Date to repay higher ranking amounts in the CBC Priority of Payments).

**"Required Redemption Amount"** means in respect of a Series, the aggregate Principal Amount Outstanding of such Series.

**"A"** means an amount equal to the aggregate of the Current Balance of all Mortgage Receivables and the market value of all other Transferred Assets.

**"B"** means the euro equivalent of the Required Redemption Amount in respect of all Series then outstanding, less the euro equivalent of the Required Redemption Amount in respect of all Series outstanding which has been provided for in cash.