



**ACHMEA BANK N.V.**

*(incorporated under the laws of the Netherlands with limited liability  
and having its statutory seat in The Hague, the Netherlands)*

**EUR 10,000,000,000 Covered Bond Programme  
guaranteed as to payments of interest and principal by**

**ACHMEA SB COVERED BOND COMPANY B.V.**

*(incorporated under the laws of the Netherlands with limited liability  
and having its statutory seat in Amsterdam, the Netherlands)*

This Base Prospectus has been approved by the AFM as competent authority under the Prospectus Regulation for a period of twelve (12) months from the date of this Base Prospectus. The AFM only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer and/or the CBC that is the subject of this Base Prospectus nor as an endorsement of the quality of any Covered Bonds that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Covered Bonds. This Base Prospectus will be published in electronic form on [www.achmeabank.nl](http://www.achmeabank.nl).

**This Base Prospectus shall be valid for use only by the Issuer or others who have obtained the Issuer's consent for a period of up to twelve (12) months after its approval by the AFM and shall expire on 22 January 2025, at the latest. The obligation to supplement this Base Prospectus, in the event of significant new factors, material mistakes or material inaccuracies only, shall cease to apply upon the expiry of the validity period of this Base Prospectus.**

Under its EUR 10,000,000,000 Covered Bond Programme the Issuer may from time to time issue Covered Bonds denominated in euro or any other currency agreed between the Issuer and the relevant Dealer, if any. Subject as set out herein, the maximum aggregate nominal amount of the Covered Bonds from time to time outstanding under the Programme will not exceed EUR 10,000,000,000 (or its equivalent in other currencies calculated as described herein) subject to any increase as described herein.

Achmea SB Covered Bond Company B.V. as CBC will guarantee the payment of scheduled interest and principal payable under the Covered Bonds pursuant to a guarantee issued under the Trust Deed. The Covered Bonds will further be (indirectly) secured by a right of pledge (or such other security right as may be applicable) over the Transferred Assets vested by the CBC in favour of the Security Trustee and a right of pledge vested by the CBC in favour of the Security Trustee over all rights of the CBC under or in connection with the CBC Transaction Documents. Recourse against the CBC under its guarantee will be limited to the Security.

The Covered Bonds may be issued on a continuing basis to one or more of the Dealers and to investors directly. Covered Bonds may be distributed by way of a public offer or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each relevant Series (or Tranche thereof) will be stated in the relevant Final Terms. Notice of the aggregate nominal amount of Covered Bonds, interest (if any) payable in respect of Covered Bonds, the issue price of Covered Bonds and any other terms and conditions not contained herein which are applicable to the Covered Bonds will be set forth in the applicable Final Terms which, in respect to Covered Bonds to be listed on Euronext Amsterdam, will be filed and delivered to Euronext Amsterdam on or before the date of each issue of such Covered Bonds.

Application may be made for the Covered Bonds to be listed on the official list of Euronext Amsterdam during the period of twelve (12) months from the date of this Base Prospectus and which listing will apply if so indicated in the Final Terms. In addition, Covered Bonds may be listed or admitted to trading, as the case may be, on any other stock exchange or regulated market specified in the applicable Final Terms. The Issuer may also issue unlisted Covered Bonds under the Programme. The applicable Final Terms will state whether or not the relevant Covered Bonds are to be listed, quoted

and/or traded and, if so, on or by which competent listing authority(ies) or stock exchange(s) and/or quotation system(s).

The Issuer and the CBC may agree with the Security Trustee that Covered Bonds may be issued in a form not contemplated by the Terms and Conditions of the Covered Bonds set out herein, in which event a supplement to the Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Covered Bonds.

It is expected that each issue of a Series of Covered Bonds will, on issue, be assigned an "AAA" rating by S&P, unless otherwise specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency. S&P is established in the EU and registered under the CRA Regulation. Where a Series or Tranche of Covered Bonds is rated, the applicable rating(s) on the date of issue will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Covered Bonds will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation or by a credit rating agency outside the European Union of which the credit ratings assigned are endorsed by a credit rating agency established in the European Union and registered in accordance with the CRA Regulation will be disclosed in the relevant Final Terms. For a discussion of the risks associated with an investment in the Covered Bonds, see section 3 (*Risk Factors*).

The Covered Bonds and the Guarantee have not been and will not be registered under the Securities Act, or the securities laws of any state of the U.S. or other jurisdiction of the U.S. The Covered Bonds may not be offered, sold or delivered within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), 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. Accordingly, the Covered Bonds are being offered, sold or delivered only to non-U.S. persons (as defined in Regulation S) outside the U.S. in reliance on Regulation S.

The Covered Bonds of each Tranche shall either be in bearer form or in registered form. Bearer Covered Bonds will (unless otherwise specified in the applicable Final Terms) initially be represented by a Global Covered Bond. Global Covered Bonds will be deposited on or about the Issue Date thereof either (i) with a common safekeeper or common depository for Euroclear and Clearstream, Luxembourg or (ii) with Euroclear Nederland and/or (iii) with a depository of any other agreed clearance system. Registered Covered Bonds will be issued to each relevant holder by a registered covered bonds deed. See section 7 (*Covered Bonds*) under '*Form of Covered Bonds*'.

The Covered Bonds may be issued in an NGN-Form, which will allow Eurosystem eligibility. This means that the Covered Bonds in NGN-Form are intended upon issue to be deposited with the ICSDs as common safekeeper. The Covered Bonds may also be issued and deposited with Euroclear Nederland, which will also allow Eurosystem eligibility. In each case, this does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria from time to time.

Capitalised terms used herein have the meaning ascribed thereto in section 21 (*Glossary of Defined Terms*).

The date of this Base Prospectus is 22 January 2024.

**Arranger and Dealer**

**Coöperatieve Rabobank U.A.**

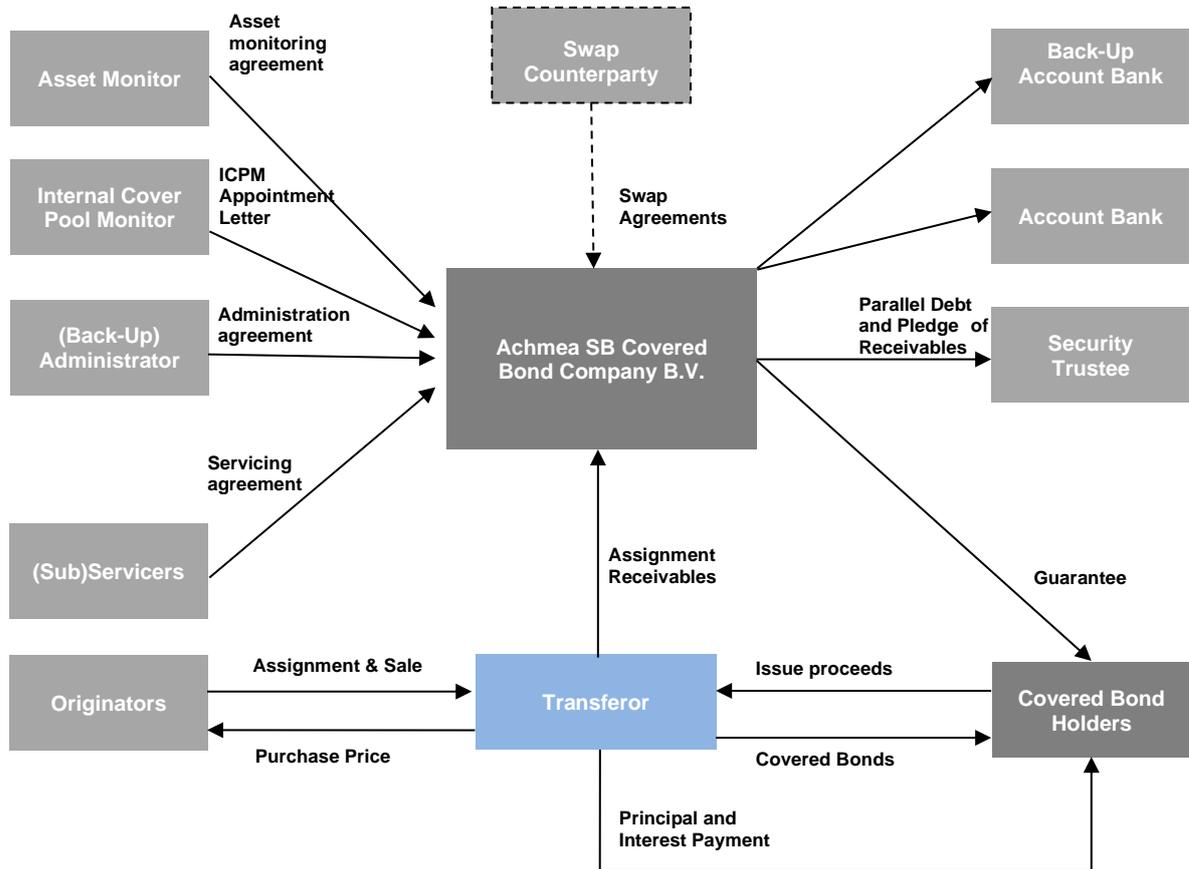
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## 2. GENERAL DESCRIPTION OF THE PROGRAMME

### 2.1 STRUCTURE DIAGRAM

The following structure diagram provides an indicative overview of the principal features of the Programme. The diagram must be read in conjunction with and is qualified in its entirety by the detailed information presented elsewhere in this Base Prospectus.



## 2.2 OVERVIEW OF THE PARTIES AND PRINCIPAL FEATURES OF THE PROGRAMME

The following provides an overview of the parties and the principal features of the Programme. The overview must be read in conjunction with and is qualified in its entirety by the detailed information presented elsewhere in this Base Prospectus. This overview is not a summary within the meaning of Article 7 of the Prospectus Regulation.

### 1. PARTIES

<b>Issuer:</b>	Achmea Bank N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, having its statutory seat in The Hague, the Netherlands, or its successor or successors. The Issuer is registered in the Commercial Register of the Chamber of Commerce under number 27154399. The Legal Entity Identifier (LEI) of the Issuer is 724500AH42V5X8BCPE49. Further information on the Issuer can be found in section 5 ( <i>Achmea Bank N.V.</i> ).
<b>Transferor:</b>	Achmea Bank.
<b>Originators:</b>	Achmea Bank and Achmea Hypotheken B.V., a private limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. Achmea Hypotheken is registered in the Commercial Register of the Chamber of Commerce under number 76700585.
<b>CBC:</b>	Achmea SB Covered Bond Company B.V., a private limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. The CBC is registered in the Commercial Register of the Chamber of Commerce under number 81926790. The Legal Entity Identifier (LEI) of the CBC is 724500WFZ1T8YADAI271. Further information on the CBC can be found in section 0 ( <i>Asset Backed Guarantee</i> ) under ' <i>The CBC</i> '.
<b>Guarantor:</b>	CBC.
<b>Administrator:</b>	Achmea Bank in its capacity as administrator under the Administration Agreement, or its successor or successors.
<b>Back-Up Administrator:</b>	Intertrust Administrative Services B.V., a private limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. The Back-Up Administrator is registered in the Commercial Register of the Chamber of Commerce under number 33210270.
<b>Servicer:</b>	Achmea Bank in its capacity as servicer under the Servicing Agreement, or its successor or successors.
<b>Sub-servicers:</b>	The Servicer has, in accordance with the terms of the Servicing Agreement, appointed (i) Syntrus Achmea Hypotheekdiensten B.V., a private limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam as its sub-servicer to carry out (part of) the servicing on its behalf <b>in respect of some</b> or all Mortgage Loans other than Achmea Hypotheken Mortgage Loans and Syntrus Achmea Hypotheekdiensten B.V. in its turn has appointed Quion Services B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Mortgage Loans other than Achmea Hypotheken Mortgage Loans and (ii) Achmea Hypotheken as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans, whereby Achmea Hypotheken has appointed Syntrus Achmea Hypotheekdiensten B.V. as

its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans and Syntrus Achmea Hypotheekdiensten in its turn has appointed Quion Services B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans.

<b>Substitute servicer:</b>	Achmea Hypotheken in respect of Mortgage Loans originated by Achmea Hypotheken and Syntrus Achmea Hypotheekdiensten in respect of Mortgage Loans which are not originated by Achmea Hypotheken.
<b>Achmea Bank Collection Foundation:</b>	Stichting Incasso Achmea Hypotheken, a foundation ( <i>stichting</i> ) organised under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. The Achmea Bank Collection Foundation is registered in the Commercial Register of the Chamber of Commerce under number 34389698.
<b>Achmea Hypotheken Collection Foundation:</b>	Stichting Derdengelden Achmea Hypotheken, a foundation ( <i>stichting</i> ) organised under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. The Achmea Hypotheken Collection Foundation is registered in the Commercial Register of the Chamber of Commerce under number 78740118.
<b>Asset Monitor:</b>	KPMG Accountants N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, having its statutory seat in Amstelveen, the Netherlands, or its successor or successors. The Asset Monitor is registered in the Commercial Register of the Chamber of Commerce under number 33263683.
<b>Internal Cover Pool Monitor:</b>	Achmea Internal Audit, the internal audit department of Achmea B.V.
<b>Arranger:</b>	Coöperatieve Rabobank U.A, a cooperative with excluded liability ( <i>coöperatie met uitgesloten aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. The Arranger is registered in the Commercial Register of the Chamber of Commerce under number 30046259.
<b>Dealers:</b>	Rabobank and any other dealer appointed from time to time.
<b>Security Trustee:</b>	Stichting Security Trustee Achmea SB Covered Bond Company, a foundation ( <i>stichting</i> ) organised under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. The Security Trustee is registered in the Commercial Register of the Chamber of Commerce under number 81927061.
<b>Stichting Holding:</b>	The entire issued share capital of the CBC is held by Stichting Holding Achmea SB Covered Bond Company, a foundation ( <i>stichting</i> ) organised under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. Stichting Holding is registered in the Commercial Register of the Chamber of Commerce under number 81894686.
<b>Directors:</b>	Intertrust Management B.V., the sole director of the CBC and the sole director of the Stichting Holding and IQ EQ Structured Finance B.V., the sole director of the Security Trustee.
<b>Insurance Savings Participant:</b>	Achmea Pensioen- en Levensverzekeringen N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, having its statutory seat in Apeldoorn, the Netherlands, or its successor or successors. The Insurance Savings Participant is registered in the Commercial Register of the Chamber of Commerce under number 08077009.

<b>Bank Savings Participant:</b>	Achmea Bank.
<b>CBC Account Bank:</b>	Société Générale S.A., Amsterdam Branch, a société anonyme incorporated under the laws of France, having its principal place of business at 29 Boulevard Haussmann, 75009, Paris, France and acting through its Amsterdam Branch, operating in the Netherlands, whose address is Amstelplein 1, 1096 HA Amsterdam, the Netherlands, or its successor or successors.
<b>CBC Back-Up Account Bank:</b>	Citibank Europe plc, Netherlands Branch, a public limited company organised under the laws of Ireland, acting through its Netherlands branch, with its office at Schiphol Boulevard 257 WTC D Tower, floor 8, 1118 BH Schiphol, or its successor or successors.
<b>CBC Back-Up Account Agent:</b>	Citibank Europe plc, a public limited company incorporated and registered in Ireland with company number 132781 and having its registered office at 1 North Wall Quay, Dublin 1 Ireland, acting through its Agency and Trust Business, or its successor or successors.
<b>Achmea Bank Foundation Accounts Providers:</b>	<p>ABN AMRO Bank N.V., a public limited liability company (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. ABN AMRO Bank N.V. is registered in the Commercial Register of the Chamber of Commerce under number 34334259.</p> <p>ING Bank N.V., a public limited liability company (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, or its successor or successors. ING Bank N.V. is registered in the Commercial Register of the Chamber of Commerce under number 33031431.</p>
<b>Achmea Hypotheken Foundation Account Provider:</b>	Coöperatieve Rabobank U.A., a cooperative with excluded liability ( <i>coöperatie met uitgesloten aansprakelijkheid</i> ) incorporated under the laws of the Netherlands, having its statutory seat ( <i>statutaire zetel</i> ) at Amsterdam, the Netherlands and its registered and head office at Croeselaan 18, 3521 CB Utrecht, the Netherlands, or its successor or successors. Rabobank is registered in the Commercial Register of the Chamber of Commerce under number 30046259.
<b>Principal Paying Agent:</b>	Citibank N.A., London Branch, a New York banking corporation acting out of its London Branch whose address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, or its successor or successors.
<b>Paying Agent:</b>	Any paying agent appointed under the Agency Agreement.
<b>Listing Agent:</b>	ABN AMRO Bank.
<b>Registrar:</b>	Citibank N.A., London Branch.
<b>Calculation Agent:</b>	In relation to the Covered Bonds of any Series, the institution appointed as calculation agent in relation to such Covered Bonds pursuant to the Calculation Agency Agreement (Schedule 3 to the Agency Agreement) or the Agency Agreement.
<b>Rating Agencies:</b>	Any rating agency (or its successor) who, at the request of the Issuer assigns, and for as long as it assigns, one or more ratings to the Covered Bonds under the Programme from time to time, which at the date of this Base Prospectus is S&P.
<b>Portfolio Swap Counterparty:</b>	Any swap counterparty under any Portfolio Swap Agreement.

<b>Interest Swap Counterparty:</b>	Any swap counterparty under any Interest Swap Agreement.
<b>Structured Swap Counterparty:</b>	Any swap counterparty under any Structured Swap Agreement.
<b>Swap Counterparty:</b>	Any swap counterparty under any Portfolio Swap Agreement and/or any Interest Swap Agreement and/or any Structured Swap Agreement.

## 2. THE COVERED BONDS

<b>Programme:</b>	The EUR 10,000,000,000 Covered Bond Programme of Achmea Bank guaranteed as to payments of interest and principal by the CBC.
<b>Programme size:</b>	Up to EUR 10,000,000,000 outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
<b>Issue Price:</b>	Covered Bonds may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<b>Form:</b>	Each Covered Bond will be issued in a bearer or registered form.

Each Tranche of Bearer Covered Bonds will (unless otherwise specified in the applicable Final Terms) initially be represented by a Temporary Global Covered Bond or, if so indicated in the applicable Final Terms, a Permanent Global Covered Bond. Each Temporary Global Covered Bond (a) which is intended to be issued as an NGN Temporary Global Covered Bond will be deposited on or around the relevant Issue Date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg, (b) which is not intended to be issued in NGN-Form may also be deposited on or around the relevant Issue Date (i) with Euroclear Nederland, (ii) with a common depository for Euroclear and/or Clearstream, Luxembourg or (iii) with (a depository for) any other agreed clearing system. A Temporary Global Covered Bond will be exchangeable as described therein for a Permanent Global Covered Bond.

A Permanent Global Covered Bond is exchangeable for Definitive Covered Bonds only upon the occurrence of an Exchange Event or, in case a Permanent Global Covered Bond is deposited with Euroclear Nederland, only upon the occurrence of a Delivery Event, all as described in section 7 (*Covered Bonds*) under '*Form of Covered Bonds*'. Any interest in a Global Covered Bond will be transferable only in accordance with the rules and procedures for the time being of either (i) Euroclear and/or Clearstream, Luxembourg and/or (ii) Euroclear Nederland (and the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*)) and/or (iii) any other agreed clearing system, as appropriate. See section 7 (*Covered Bonds*) under '*Form of Covered Bonds*'.

If any Permanent Global Covered Bond is not duly exchanged, the terms of such Permanent Global Covered Bond will provide a mechanism for relevant account holders with Euroclear, Clearstream, Luxembourg, Euroclear Nederland and/or any other agreed clearing system(s) to whose securities account(s) with such clearing system(s) the beneficial interests in such Permanent Global Covered Bond are credited to be able to enforce rights directly against the Issuer.

Registered Covered Bonds will be issued to each holder (unless otherwise specified in the applicable Final Terms) by a Registered Covered Bonds Deed.

<b>Denomination:</b>	Covered Bonds will be issued in such denominations as set forth in the applicable Final Terms save that the minimum denomination of each Covered Bond will be such as may be allowed or required from time to time by the relevant central bank
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or regulatory authority (or equivalent body) or any laws applicable to the relevant currency and save that the minimum denomination (and in respect of Covered Bonds issued at a discount to their nominal amount, the minimum issue price) of each Covered Bond admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation, will be EUR 100,000 (or its equivalent in any other currency at the date of issue of the Covered Bonds).

**Currencies:** Subject to any applicable legal or regulatory restrictions, the Covered Bonds may be issued in euros or any other currency as set forth in the applicable Final Terms.

**Status and Ranking:** The Covered Bonds issued from time to time under the Programme will constitute unsecured and unsubordinated obligations of the Issuer, guaranteed by the CBC under the Guarantee, and will rank *pari passu* without any preference amongst themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, save for any obligations preferred by a mandatory operation of applicable law.

**Interest:** Interest (which may be fixed or floating) shall be payable on each Series or Tranche of Covered Bonds on the Interest Payment Dates specified in the applicable Final Terms up to the Maturity Date or the Extended Due for Payment Date, if applicable. Interest shall be payable monthly, bi-monthly, quarterly, semi-annually, annually or upon redemption of the relevant Covered Bonds as further specified in the applicable Final Terms (other than Zero Coupon Covered Bonds).

**Fixed Rate Covered Bonds:** Fixed Rate Covered Bonds means Covered Bonds which will bear interest at a fixed rate, payable on such date or dates as set forth in the applicable Final Terms and on redemption and will be calculated on the basis of such Day Count Fraction as set forth in the applicable Final Terms.

**Floating Rate Covered Bonds:** Floating Rate Covered Bonds means Covered Bonds which will bear interest at a rate determined, as specified in the applicable Final Terms, being either:

- (a) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating either the 2006 ISDA Definitions (as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds of the relevant Series) or the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds of the relevant Series) as specified in the applicable Final Terms; or
- (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service or on such other basis as may be agreed between the Issuer and the relevant Dealer (as specified in the applicable Final Terms).

If the Reference Rate has been discontinued or another Benchmark Event or, in case of Compounded Daily €STR, an €STR Index Cessation Event has occurred, the Rate of Interest on the Covered Bonds may be determined for the relevant period by reference to a substitute, alternative or successor rate, in accordance with the fallback provisions set out in Condition 5 (B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) in case of a Reference Rate other than Compounded Daily €STR or in Condition 5 (B)(ii)(d) (*Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR*) in case of Compounded Daily €STR, applicable to such Covered Bonds. If the Issuer is unable to or otherwise does not determine a substitute, alternative or successor rate, the Rate of Interest may ultimately be

determined as at the last preceding Interest Determination Date before the Benchmark Event or, in case of Compounded Daily €STR, an €STR Index Cessation Event occurred which may ultimately result in the effective application of a fixed rate to what was previously a Floating Rate Covered Bond.

<b>Margin:</b>	The Margin (if any) will be specified in the applicable Final Terms.
<b>Other provisions in relation to Floating Rate Covered Bonds:</b>	Floating Rate Covered Bonds may also have a Cap, a Floor or Collar up to the Maturity Date. Interest on Floating Rate Covered Bonds in respect of each Interest Period will be payable on such Interest Payment Dates, and will be calculated on the basis of such day count fraction, as set forth in the applicable Final Terms.
<b>Zero Coupon Covered Bonds:</b>	Zero Coupon Covered Bonds are Covered Bonds which will not bear interest except in case of late payment.
<b>Redemption:</b>	The applicable Final Terms will indicate that either (a) the relevant Covered Bonds cannot be redeemed prior to their stated maturity (other than following specified events, if applicable, or for tax reasons as described in Condition 7(b) ( <i>Redemption for tax reasons</i> ) or following an Issuer Event of Default or a CBC Event of Default) or (b) such Covered Bonds will be redeemable at the option of the Issuer upon giving notice to the Covered Bondholders, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as set forth in the applicable Final Terms or (c) such Covered Bonds will be redeemable at the option of the Covered Bondholder upon giving notice to the Issuer, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as set forth in the applicable Final Terms.
<b>Maturities:</b>	Such maturities as set forth in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank or regulatory authority (or equivalent body) or any laws or regulations applicable to the Issuer, subject to a maximum maturity (i.e. the Extended Due for Payment Date) for each Series of forty-eight (48) years.
<b>Maturity Date:</b>	In respect of a Series, the date on which the Covered Bonds of such Series are expected to be redeemed at their Principal Amount Outstanding, as specified in the relevant Final Terms, which date falls no more than forty-seven (47) years after the Issue Date of such Series. Each Series is due by the Issuer on its respective Maturity Date.
<b>Extended Due for Payment Date:</b>	In respect of a Series, the final maturity date of such Series which falls one (1) year after the Maturity Date of such Series.
<b>Withholding Tax:</b>	All payments of principal and interest in respect of the Covered Bonds will be made without withholding or deduction of any present or future taxes or duties of whatever nature, unless such withholding or deduction is required by law. In the event that such withholding or deduction is imposed or levied by or on behalf of any Tax Jurisdiction, the Issuer will make the required withholding or deduction of such taxes or duties for the account of the Covered Bondholders and in accordance with and subject to certain exceptions as provided in Condition 8 ( <i>Taxation</i> ), including an exception for any withholding taxes pursuant to the Dutch Withholding Tax Act 2021 ( <i>Wet bronbelasting 2021</i> ) be required to pay such additional amounts to cover such withholding or deduction to such Covered Bondholders or, if the Issuer so elects, it may redeem the Series affected. The CBC will not be required or liable to pay any additional amounts for any withholding or deduction in respect of tax or duties under the Guarantee.
<b>FATCA Withholding:</b>	Payments in respect of the Covered Bonds might be subject to any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code 1986 (as amended) or otherwise imposed pursuant

to sections 1471 through 1474 of the U.S. Internal Revenue Code 1986, any regulations or agreements thereunder, official interpretation thereof, or any law implementing an intergovernmental agreement thereto (FATCA Withholding). Any such amounts withheld or deducted will be treated as paid for all purposes under the Covered Bonds, and no additional amounts will be paid on the Covered Bonds with respect to any such withholding or deduction.

**Method of Payment:** For as long as the Covered Bonds are represented by a Global Covered Bond, payments of principal and interest will be made (i) by giro transfer in euro to Euroclear Nederland or, as the case may be, (ii) in euro to the Principal Paying Agent for the credit of the respective accounts of the Covered Bondholders through Euroclear and Clearstream, Luxembourg, as the case may be, or (iii) in accordance with the rules of another agreed clearing system and as set forth in the applicable Final Terms.

**Use of Proceeds:** The net proceeds from each issue of Covered Bonds will be used by the Issuer for (i) its general corporate purposes or (ii) such other purposes as further specified in the Final Terms (see also section 7 (*Covered Bonds*) under '*Use of Proceeds*').

**Ratings:** It is expected that a Series of Covered Bonds will on issue be assigned an 'AAA', or equivalent, rating by one or more Rating Agencies, unless otherwise specified in the applicable Final Terms. Each further issue of a Series of Covered Bonds will have ratings equal to the then current rating assigned to the outstanding Series of Covered Bonds.

**Listing:** Application may be made for the Covered Bonds to be listed on the official list of Euronext Amsterdam during the period of twelve (12) months from the date of this Base Prospectus, which listing will apply for Covered Bonds if so indicated in the applicable Final Terms. In addition, Covered Bonds may be listed or admitted to trading, as the case may be, on any other stock exchange or regulated market specified in the applicable Final Terms. The Issuer may also issue unlisted Covered Bonds under the Programme.

**Selling Restrictions:** There are selling restrictions in relation to the United States, the EEA (including France, Italy, the Netherlands and Belgium), the United Kingdom and Japan and such other restrictions as may apply in connection with the offering and sale of a particular Tranche or Series. See section 7 (*Covered Bonds*) under '*Subscription and Sale*'.

**Business Day:** A reference to a day on which banks are generally open for business in Amsterdam and London, provided that such day is also a day on which T2 is operating credit or transfer instructions in respect of payments in euro, or, if used in or by reference to Condition 5 (*Interest*), such day as determined in accordance with Condition 5 (*Interest*) and the applicable Final Terms.

### 3. SECURITY FOR THE COVERED BONDS

**Guarantee, Security, CBC:** Pursuant to the Guarantee issued under the Trust Deed, the CBC will guarantee the payment of interest and principal payable under the Covered Bonds. The obligations of the CBC under the Guarantee will constitute unsubordinated and unguaranteed obligations of the CBC, secured indirectly, through the Security Trustee, by (i) a first ranking undisclosed pledge (or such other security right as may be applicable) granted by the CBC to the Security Trustee over the Transferred Assets and (ii) a first ranking disclosed pledge by the CBC to the Security Trustee over the CBC's rights under or in connection with the CBC Transaction Documents.

Payments made by the CBC under the Guarantee (after the service of an Issuer Acceleration Notice or a CBC Acceleration Notice) will be made subject to, and in

accordance with, the CBC Priority of Payments or the Post CBC Acceleration Notice Priority of Payments, as applicable.

**Parallel Debt Agreement:**

On the Programme Date, the CBC and the Security Trustee have entered into the Parallel Debt Agreement for the benefit of the Covered Bondholders and the other Secured Creditors under which the CBC, by way of parallel debt, undertakes to pay to the Security Trustee amounts equal to the amounts due by it to the Secured Creditors, in order to create claims of the Security Trustee thereunder which can be validly secured by the rights of pledge created by any Security Trustee Receivables Pledge Agreement and any Security Trustee Rights Pledge Agreement.

**Security over Achmea Bank Collection Foundation Account balances:**

The Achmea Bank Collection Foundation has granted (i) a first ranking right of pledge on the balances standing to the credit of the Achmea Bank Collection Foundation Accounts in favour of the Security Trustee and the Previous Outstanding Transaction Security Trustees jointly and (ii) a second ranking right of pledge to the CBC and the Previous Outstanding Transaction SPVs jointly, in each case under the condition that future issuers (and any security trustees) in subsequent securitisation transactions or covered bonds transactions and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by the Transferor will also have the benefit of such first ranking right of pledge, or second ranking right of pledge, respectively. Such rights of pledge have been notified to the Achmea Bank Foundation Accounts Providers.

**Security over Achmea Hypotheken Collection Foundation Account balances:**

The Achmea Hypotheken Collection Foundation has granted a first ranking right of pledge on the balances standing to the credit of the Achmea Hypotheken Collection Foundation Accounts in favour of the beneficiaries acceded to the Achmea Hypotheken Collection Foundation, including Achmea Bank and the CBC, jointly, and under the condition that new beneficiaries will also have the benefit of such first ranking right of pledge. Such rights of pledge have been notified to the Achmea Hypotheken Foundation Account Provider.

**Guaranteed Amount:**

If the CBC is obliged to pay under the Guarantee, the CBC is obliged to pay any Guaranteed Amount (other than the Guaranteed Final Redemption Amount, see below) when Due for Payment.

**Extendable Obligations:**

An Extended Due for Payment Date will apply in relation to each Series of Covered Bonds. In respect of each Series, if the CBC is obliged under the Guarantee to pay a Guaranteed Final Redemption Amount, in which case:

- (a) the obligation of the CBC to pay the Guaranteed Final Redemption Amount shall be deferred to, and shall under the Guarantee be due on the Extended Due for Payment Date, unless any amounts are available to the CBC for such purpose prior to such date and will be paid on the relevant Interest Payment Date or the Extension Date; and
- (b) the CBC shall under the Guarantee owe interest over the unpaid portion of the Guaranteed Final Redemption Amount.

#### **4. GUARANTEE SUPPORT AND THE MORTGAGE RECEIVABLES**

**Guarantee Support Agreement:**

As consideration for the CBC issuing the Guarantee, and so as to enable the CBC to meet its obligations under the Guarantee, the Transferor may transfer Eligible Assets to the CBC in accordance with the Guarantee Support Agreement. At the option of the Issuer, New Transferors and/or new Originators may accede to the Guarantee Support Agreement.

The Issuer will use its best efforts, and the CBC will use reasonable efforts, to ensure, amongst other things, that the Asset Cover Test is satisfied as at the end

of each calendar month, as calculated on the immediately succeeding Calculation Date and the Issuer shall use its best efforts to transfer or procure the transfer of sufficient Eligible Receivables directly or indirectly by the Issuer, upon instruction of the Issuer, by the other Transferors (if any) to the CBC. See section 10 (*Guarantee Support*).

As part of the Asset Cover Test the Issuer will use its best efforts to ensure that:

- (i) the Adjusted Aggregate Asset Amount 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 as defined in section 16 (*Asset Monitoring*) under '*Asset Cover Test*'), up to the date specified in item (B)), all as calculated on the immediately succeeding Calculation Date;
- (ii) the First Regulatory Current Balance Amount shall be at least equal to 105 per cent. (or such other percentage as may be required from time to time under the CB Regulations) of 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) as defined in section 16 (*Asset Monitoring*) under '*Asset Cover Test*'), up to the date specified in item (B)) all as calculated on the immediately succeeding Calculation Date; and
- (iii) the Second Regulatory Current Balance Amount shall be at least equal to 100 per cent. (or such other percentage as may be required from time to time under the CB Regulations) of the nominal value of the obligations in respect of the Covered Bonds, which include repayment of principal, payment of interest, payment obligations under derivative contracts and expected costs related to maintenance and administration for the winding-down of the Programme (in each case within the meaning of the CB Regulations) at the end of such calendar month (or with respect to item (B) as defined in section 16 (*Asset Monitoring*) under '*Asset Cover Test*'), up to the date specified in item (B)) all as calculated on the immediately succeeding Calculation Date.

**Mortgage Receivables:**

Under the Guarantee Support Agreement, the Transferor may assign Mortgage Receivables and the Beneficiary Rights of the Transferor to the CBC, subject to the fulfilment of certain conditions. See '*Guarantee Support Agreement*' above.

The Mortgage Loans have the characteristics that demonstrate the capacity to produce funds to service payments by the CBC under the Guarantee and each of the Mortgage Receivables shall meet the Eligibility Criteria.

**CBC Master Purchase Agreement:**

In respect of all Achmea Hypotheken Mortgage Receivables, the CBC, Achmea Hypotheken, Achmea Bank and the Security Trustee have entered into the CBC Master Purchase Agreement on the Programme Date, pursuant to which Achmea Hypotheken, Achmea Bank and the CBC, *inter alia*, have agreed that:

- (i) Achmea Hypotheken will keep records of all Achmea Hypotheken Mortgage Receivables transferred to the CBC (and not retransferred to Achmea Bank) on the basis of the relevant information provided by Achmea Bank;
- (ii) Achmea Hypotheken is authorised to set and determine the interest rates of the Achmea Hypotheken Mortgage Receivables from time to time until the mortgage loan services are no longer provided by Achmea Hypotheken and such authorisation is terminated by each of the CBC and the Security Trustee;
- (iii) Achmea Hypotheken will provide the mortgage loan services in relation to Achmea Hypotheken Mortgage Receivables directly to the CBC after the occurrence of an Achmea Bank Default Event and a notice of the CBC to

Achmea Hypotheken that it wishes that such mortgage loan services are provided to it;

- (iv) until the occurrence of an Achmea Bank Default Event and a notice of the CBC to Achmea Hypotheken that it wishes that such mortgage loan services are provided to it, the CBC and the Security Trustee will be represented by Achmea Bank vis-à-vis Achmea Hypotheken and may not directly claim nor proceed directly against Achmea Hypotheken and the liability of Achmea Hypotheken vis-à-vis the CBC, if any, will be deemed to be part of the loss of Achmea Bank in accordance with the Achmea Bank Master Purchase Agreement;
- (v) the CBC and the Security Trustee may not sell and/or assign and/or pledge Achmea Hypotheken Mortgage Receivables in favour of any third party, unless (a) such Achmea Hypotheken Mortgage Receivables are sold to another investor in the Achmea Hypotheken Platform or a party which will accede to the Achmea Hypotheken Platform as a new investor or (b) it is to a third party which will not accede to the Achmea Hypotheken Platform, provided that, *inter alia*, Achmea Hypotheken and the other investors in the Achmea Hypotheken Platform have been given the opportunity to match the offer, whereby the Transferor shall have the first right to match such offer, but have not exercised such right to match the offer, the Achmea Hypotheken Mortgage Loans are transferred to such third party by way of contact transfer (*contractsoverneming*) or Achmea Hypotheken will provide the mortgage loan services directly to such third party, and Achmea Hypotheken will be indemnified for the out-migration costs in relation to any transfer;
- (vi) none of the parties may institute against, or join any person in instituting against Achmea Hypotheken or the CBC any proceedings involving the liquidation, dissolution, bankruptcy or suspension of payments or any analogous insolvency proceedings under applicable laws;
- (vii) each of the parties (other than Achmea Hypotheken) has limited recourse on the assets of Achmea Hypotheken; and
- (viii) no amounts shall be due and payable by the CBC or the Security Trustee except in accordance with the Trust Deed.

See further section 10 (*Guarantee Support*).

**Insurance Savings Participation Agreement:**

The CBC, the Insurance Savings Participant and the Security Trustee have entered into the Insurance Savings Participation Agreement on the Programme Date, under which the Insurance Savings Participant will acquire Insurance Savings Participations in each of the Savings Mortgage Receivables and the Life Mortgage Loans with the possibility of a Savings Element. In the Insurance Savings Participation Agreement, the Insurance Savings Participant has undertaken to pay to the CBC amounts equal to all amounts received as Savings Premium on the Savings Insurance Policies and the Life Insurance Policies with the possibility of a Savings Alternative. In return, the Insurance Savings Participant is entitled to receive the Insurance Savings Participation Redemption Available Amount from the CBC. See further section 15 (*Participation Agreements*).

**Bank Savings Participation Agreement:**

The CBC, the Bank Savings Participant and the Security Trustee have entered into the Bank Savings Participation Agreement on the Programme Date, under which the Bank Savings Participant will acquire Bank Savings Participations. In the Bank Savings Participation Agreement, the Bank Savings Participant has undertaken to pay to the CBC amounts equal to all amounts received as Bank Savings Deposit Instalment from the relevant Borrowers. In return, the Bank Savings Participant is entitled to receive the Bank Savings Participation Redemption Available Amount

from the CBC. See further section 15 (*Participation Agreements*).

**Administration Agreement:** The CBC, the Administrator and the Security Trustee have entered into the Administration Agreement on the Programme Date, under which the Administrator agrees to provide certain administration, calculation and cash management services to the CBC on a day-to-day basis, including without limitation, all calculations to be made pursuant to the Conditions in connection with the Covered Bonds. The Administrator is permitted to sub-contract its administration role to a third-party administrator subject to any applicable conditions in the Administration Agreement.

**Back-Up Administration Agreement:** The CBC, the Administrator, the Back-Up Administrator and the Security Trustee have entered into the Back-Up Administration Agreement on the Programme Date, under which the Back-Up Administrator is appointed as substitute administrator to perform certain administration, calculation and cash management services for the CBC on a day-to-day basis, in accordance with and subject to the provisions of the Administration Agreement and the provisions of the Back-Up Administration Agreement under the condition precedent (*opschortende voorwaarde*) that the appointment of Achmea Bank (or its successor(s)) as Administrator under the Administration Agreement has been terminated.

**Servicing Agreement:** The CBC, the Servicer and the Security Trustee have entered into the Servicing Agreement on the Programme Date, under which the Servicer agrees (i) to provide administration and management services in relation to the relevant Mortgage Loans on a day-to-day basis, including, without limitation, the collection of payments of principal, interest and all other amounts in respect of the relevant Mortgage Loans and the implementation of arrears procedures including, if applicable, the enforcement of mortgages, any other related security and other collateral, if applicable, (ii) to communicate with the Borrowers and (iii) to investigate payment delinquencies. The Servicer is permitted to sub-contract its servicing role to an affiliate of the Issuer or any third party, provided that the Servicer shall continue to be liable as if no such delegation had taken place.

The Servicer has, in accordance with the terms of the Servicing Agreement, appointed (i) Syntrus Achmea Hypotheekdiensten B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam as its sub-servicer to carry out (part of) the servicing on its behalf **in respect of some** or all Mortgage Loans other than Achmea Hypotheken Mortgage Loans and Syntrus Achmea Hypotheekdiensten B.V. in its turn has appointed Quion Services B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Mortgage Loans other than Achmea Hypotheken Mortgage Loans and (ii) Achmea Hypotheken as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans, whereby Achmea Hypotheken has appointed Syntrus Achmea Hypotheekdiensten B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans and Syntrus Achmea Hypotheekdiensten in its turn has appointed Quion Services B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans.

**Custodian:** If Substitution Assets and/or other collateral are transferred to the CBC, the CBC will appoint a custodian to provide custody services in relation to such Substitution Assets or other collateral in the form of securities transferred to the CBC.

**CBC Account Agreement:** The CBC, the CBC Account Bank and the Security Trustee have entered into the CBC Account Agreement on the Programme Date, under which the CBC Account Bank agrees to pay a rate of interest on the CBC Transaction Accounts Funds. In the event that the interest rate in respect of any of the CBC Transaction Accounts

is less than zero, any negative interest amount will be payable by the CBC to the CBC Account Bank.

<b>CBC Account:</b>	The CBC shall maintain with the CBC Account Bank the CBC Account (and any additional or replacement accounts) to which all amounts to be received in respect of the Transferred Assets and other amounts by the CBC are to be paid.
<b>CBC Back-Up Account Agreement:</b>	The CBC, the CBC Back-Up Account Bank, the CBC Back-Up Account Agent and the Security Trustee have entered into the CBC Back-Up Account Agreement on the Programme Date, under which the CBC Back-Up Account Bank agrees to pay a rate of interest on the balance standing to the credit of the CBC Back-Up Account from time to time. In the event that the interest rate accruing on the balances standing to the credit of the CBC Back-Up Account is less than zero, any negative interest amount will be payable by the CBC to the CBC Back-Up Account Bank.
<b>CBC Back-Up Account:</b>	The CBC shall maintain with the CBC Back-Up Account Bank the CBC Back-Up Account (and any additional or replacement accounts) to which the CBC may, upon request of the Issuer, transfer amounts standing to the credit of the CBC Transaction Accounts subject to and in accordance with the CBC Back-Up Account Agreement.
<b>Swap Collateral Accounts:</b>	If an Interest Swap Agreement and/or Structured Swap Agreement and/or a Portfolio Swap Agreement has been entered into and swap collateral is to be posted, the CBC will open a Swap Cash Collateral Account to hold swap collateral in the form of cash and/or, to the extent applicable, will open a custody account to hold swap collateral in the form of securities.
<b>Reserve Account:</b>	The CBC shall maintain with the CBC Account Bank the Reserve Account to which the Reserve Account Required Amount will be credited.
<b>Achmea Bank Collection Foundation Accounts:</b>	All payments made by the Borrowers in respect of the Mortgage Loans, other than the Achmea Hypotheken Mortgage Loans, will be paid or have been directed to be paid into the Achmea Bank Collection Foundations Accounts.
<b>Achmea Hypotheken Collection Foundation Accounts:</b>	All payments made by the Borrowers in respect of the Achmea Hypotheken Mortgage Loans will be paid or have been directed to be paid into the Achmea Hypotheken Collection Foundations Accounts. Achmea Bank and the CBC will instruct the Achmea Hypotheken Collection Foundation to pay such amounts to the relevant Achmea Bank Collection Foundation Account.
<b>Achmea Bank Collection Foundation Accounts Pledge Agreement:</b>	The pledge agreement between, amongst others, the Achmea Bank Collection Foundation, the CBC, the Security Trustee, the Transferor (and the Previous Outstanding Transaction SPVs and the Previous Outstanding Transaction Security Trustees), which will be replaced by a new collection foundation accounts pledge agreement when a new spv accedes to the Achmea Bank Receivables Proceeds Distribution Agreement.
<b>Achmea Hypotheken Collection Foundation Accounts Pledge Agreement:</b>	The pledge agreement between, amongst others, the Achmea Hypotheken Collection Foundation, Achmea Bank and the CBC, which will be replaced by a new collection foundation accounts pledge agreement when a new beneficiary accedes to the Achmea Hypotheken Receivables Proceeds Distribution Agreement.
<b>Achmea Bank Receivables Proceeds Distribution Agreement:</b>	The receivables proceeds distribution agreement between, amongst others, the Issuer, the CBC, the Security Trustee, the Achmea Bank Collection Foundation, the Previous Outstanding Transaction SPVs, the Previous Outstanding Transaction Security Trustees originally dated 28 May 2010, as amended from time to time.

<b>Achmea Hypotheken Receivables Proceeds Distribution Agreement:</b>	The receivables proceeds distribution agreement between, amongst others, Achmea Bank, the CBC and the Achmea Hypotheken Collection Foundation originally dated 21 October 2020, as amended from time to time.
<b>Previous Outstanding Transaction SPVs:</b>	Securitised Residential Mortgage Portfolio I B.V., Securitised Residential Mortgage Portfolio II B.V. and Achmea SB Covered Bond Company B.V.
<b>Previous Outstanding Transaction Security Trustees:</b>	Stichting Security Trustee SRMP I, Stichting Security Trustee SRMP II and Stichting Trustee Achmea SB Covered Bond Company.
<b>Portfolio Swap Agreement:</b>	There may be certain mismatches between the interest to be received on the Transferred Assets and the CBC Transaction Accounts and/or the CBC Back-Up Account and the amounts payable under the Covered Bonds. In order to mitigate certain mismatches, the CBC may (but is not obliged to) enter into appropriate hedging arrangements subject to Rating Agency Confirmation with respect to one or more Series or all Series of Covered Bonds whereby revenue scheduled to be received on all Transferred Assets and the CBC Transaction Accounts multiplied by the Portfolio Swap Fraction is exchanged for a fixed or floating rate of interest on a specific Covered Bond or a rate payable under the Structured Swap Agreement and/or the Interest Swap Agreement in respect of a specific Covered Bond. The Portfolio Swap Fraction is calculated by dividing the euro equivalent notional amount of such specific Covered Bond by the euro equivalent notional amount of all outstanding Covered Bonds.
<b>Interest Swap Agreement:</b>	In addition to Portfolio Swap Agreements, and in order to mitigate certain mismatches, the CBC may (but is not obliged to) enter into appropriate hedging arrangements subject to Rating Agency Confirmation whereby a certain fixed or floating interest rate is exchanged for a specific interest rate on one or more Series or all Series of Covered Bonds.
<b>Structured Swap Agreement:</b>	To enable the CBC to hedge its exposure arising from any Series denominated in a currency component other than euro, the CBC shall enter into appropriate hedging arrangements subject to Rating Agency Confirmation whereby (i) any (fixed or floating) interest basis as determined by the Issuer is exchanged for the rate of interest payable under any non-euro denominated Series and/or (ii) euro denominated Principal Receipts are exchanged for amounts of principal payable under any non-euro denominated Series. As an alternative, the CBC may enter into a Portfolio Swap Agreement which also includes a hedge for such currency exposure.
<b>Management Agreements:</b>	Each of the CBC, the Security Trustee and the Stichting Holding have entered into a Management Agreement with the relevant Director, under which the relevant Director has undertaken to act as director of the CBC, the Security Trustee or the Stichting Holding, respectively, and to perform certain services in connection therewith.
<b>Personal data of Borrowers:</b>	The personal data of the relevant Borrowers is held by Quion Services B.V. and will be released by Quion Services B.V. to the CBC after (i) in respect of Mortgage Receivables other than Achmea Hypotheken Mortgage Receivables, the occurrence of an Assignment Notification Event or (ii) in respect of Achmea Hypotheken Mortgage Receivables, the occurrence of both an Assignment Notification Event and an Achmea Hypotheken Assignment Notification Event. If Quion Services B.V. no longer provides the mortgage loan services, the Transferor and Achmea Hypotheken have undertaken that they shall enter into a new deposit agreement with, <i>inter alia</i> , the CBC and an agent.
<b>Sale or Refinancing of Selected Transferred</b>	If an Issuer Event of Default occurs and a Notice to Pay has been served on the CBC, then upon the earliest to occur on or after such Issuer Event of Default of (i)

**Assets:**

any amount remaining unpaid in respect of a Series on the Maturity Date and (ii) any Maturity Date of a Series of Covered Bonds falling within a period of twelve (12) calendar months of such date, but prior to the service of a CBC Acceleration Notice, or such other date as the Security Trustee may approve, the CBC shall sell or refinance the Selected Transferred Assets.

The CBC shall first offer all the Selected Transferred Assets for sale to the Transferor (and if applicable New Transferor) after the occurrence of an Issuer Event of Default. If, for whatever reason, the Transferor informs the CBC, within a period of twenty (20) Business Days after such event has occurred, that it will not repurchase the Selected Transferred Assets, the CBC shall offer the Selected Transferred Assets to a third party or third parties.

If, after the non-exercise of the right of the Transferor to repurchase the Selected Transferred Assets, the CBC receives an offer from a third party to purchase the Selected Transferred Assets, the CBC will notify the Transferor of such offer and, within five (5) Business Days after such notice, the Transferor has the right to match the offer to purchase the Selected Transferred Assets on the same terms and conditions as the offer of such third party and, if the Transferor offers to purchase the Selected Transferred Assets on the same terms and conditions as the offer of such third party, the CBC shall accept such offer of the Transferor.

Any sale of Achmea Hypotheken Mortgage Receivables shall in deviation from the above be subject to the provisions of the CBC Master Purchase Agreement, in which it is provided that (i) the CBC shall inform Achmea Bank, or upon the occurrence of an Achmea Bank Default Event, Achmea Hypotheken that it wishes to offer for sale and assignment any or all of the Achmea Hypotheken Mortgage Receivables, (ii) it may offer the Achmea Hypotheken Mortgage Receivables to (a) another investor which acceded to the Achmea Hypotheken Platform (including Achmea Bank), (b) a party that is willing to accede to the Achmea Hypotheken Platform as investor or (c) a party that is not willing to accede to the Achmea Hypotheken Platform, provided that Achmea Hypotheken and all investors acceded to the Achmea Hypotheken Platform have the right to match the offer of such third party referred to under item (c) whereby the Transferor shall have the first right to match such offer and, in case Achmea Hypotheken or such investor matches the offer, the CBC shall sell and assign the Achmea Hypotheken Mortgage Receivables to Achmea Hypotheken or such other investor, as the case may be. In case the Achmea Hypotheken Mortgage Receivables are sold to a party that is not willing to accede to the Achmea Hypotheken Platform, (a) either (1) the Achmea Hypotheken Mortgage Loans are transferred to such party by way of contract transfer (*contractsoverneming*) or (2) the mortgage loans services in respect of such Achmea Hypotheken Mortgage Receivables are provided by Syntrus Achmea Hypotheekdiensten and the relevant Borrowers continue to make their payment to the Achmea Hypotheken Collection Foundation or such other account Syntrus Achmea Hypotheekdiensten is authorised to dispose over and (b) Achmea Hypotheken shall be indemnified for the out-migration costs in relation to such transfer.

Any such sale or refinancing of the Selected Transferred Assets and subsequent redemption of the respective Covered Bonds must not result in a breach of the Amortisation Test.

If, on the date falling six (6) months before the first Extended Due for Payment Date of any Series outstanding, such sale or refinancing is insufficient to redeem the relevant Series of Covered Bonds in full, then the CBC will (i) offer the Selected Transferred Assets for sale for the best terms reasonably available, including but not limited to the best price reasonably available at that time considering the then current market circumstances, or (ii) seek to refinance the Selected Transferred Assets on the best terms reasonably available at that time considering the then

current market circumstances, both (i) and (ii) subject to the consent of the Security Trustee, notwithstanding that such amount may be less than the amount to redeem the relevant Series of Covered Bonds in full.

See further section 16 (*Asset Monitoring*) under '*Sale or Refinancing of Selected Assets*'.

## 5. DUTCH COVERED BOND REGULATIONS

**Regulated Covered Bonds:** The Issuer and the Programme (including in respect of Covered Bonds issued prior to 8 July 2022) are included in the list of issuers and covered bond programmes as published by DNB for the purpose of Article 1:109 Wft. The Issuer and the Programme (including in respect of Covered Bonds issued prior to 8 July 2022) were listed in the DNB-register for the purpose of the Dutch covered bond laws in effect prior to 8 July 2022, including as being compliant with Article 129 CRR.

**Compliance with Article 129 CRR:** The Covered Bonds are in the list of issuers and covered bonds that may use the European Covered Bonds (Premium) Label and are compliant with Article 129 CRR.

**Compliance CB Regulations:** The Covered Bonds comply with the CB Regulations.

**Primary Cover Assets CB Regulations:** The primary cover assets (*primaire dekkingsactiva*) of this Programme comprise of receivables backed by residential property as referred to in Article 129(1)(d) CRR. Each Borrower is a resident of the Netherlands and the Mortgage Receivables are governed by Dutch law.

**Extended Due for Payment Date:** The Extended Due for Payment Date is the date falling one (1) year after the Maturity Date, as specified in the applicable Final Terms.

**European Covered Bond (Premium) Label:** Yes.

## 6. GENERAL INFORMATION

**Transaction Documents:** The Programme Agreement, the Master Definitions Agreement, the Pledge Agreements, the Swap Agreements (if any), the Administration Agreement, the Back-Up Administration Agreement, the Servicing Agreement, the CBC Account Agreement, the CBC Back-Up Account Agreement, the Trust Deed, the Parallel Debt Agreement, the Agency Agreement, any Calculation Agency Agreement (if any), the Guarantee Support Agreement, each Deed of Assignment, Reassignment and Pledge, the CBC Master Purchase Agreement, the Asset Monitor Appointment Agreement, the Management Agreements, any Custody Agreements (if any), the Quion Third Party Stipulation Letter Achmea Bank, the Quion Third Party Stipulation Letter Achmea Hypotheken, the Achmea Bank Collection Foundation Account Pledge Agreement, the Achmea Bank Receivables Proceeds Distribution Agreement, the Asset Monitoring Agreement, the Insurance Savings Participation Agreement and the Bank Savings Participation Agreement.

**Governing Law:** The Covered Bonds and the Transaction Documents (other than the Swap Agreements (if any)) are governed by and construed in accordance with Dutch law. The Swap Agreements (if any) are expected to be governed by English law.

**Risk Factors:** There are certain factors which may affect the ability of the Issuer and/or the CBC to fulfil its obligations under the Covered Bonds or the Guarantee, respectively, that are specific to the Issuer, the Covered Bonds and/or the Guarantee and which are material for taking an informed investment decision. Prospective Covered

Bondholders should take into account the fact that the liabilities of the CBC under the Guarantee are limited recourse obligations and that the ability of the Issuer and/or the CBC to meet such and/or their obligations will be affected by certain factors. These are set out in section 3 (*Risk Factors*) and include, among others, the fact that the Issuer's and/or the CBC's results and the performance of the Covered Bonds can be adversely affected by (i) general economic conditions, (ii) competition, (iii) regulatory change, (iv) changes in fiscal laws, (v) standard banking risks including changes in interest and foreign exchange rates, (vi) operational, credit, market, liquidity, legal, environmental risk and (vii) certain factors which are material for the purpose of assessing the market risks associated with Covered Bonds. In addition, there are certain factors which are material for the purpose of assessing the market risks and other risks associated with Covered Bonds, which include the following factors set out below per category:

**Risk factors regarding the Issuer**

- A. Risks related to the Issuer's financial situation and position;
- B. Risks related to the Issuer's business activities and industry; and
- C. Legal and regulatory risks regarding the Issuer.

**Risk factors regarding the Covered Bonds**

- A. Risks related to the nature of the Covered Bonds;
- B. Market and liquidity risks related to the Covered Bonds;
- C. Legal and regulatory risks regarding the Covered Bonds;
- D. Risks related to benchmarks; and
- E. Tax risks regarding the Covered Bonds.

**Risk factors regarding the Guarantor and the Guarantee**

**Risk factors regarding the Mortgage Receivables, Set-off and Security Rights**

- A. Risks regarding the payments under the Mortgage Receivables transferred to the CBC;
- B. Set-off risks and other defences that may affect the proceeds received under the Mortgage Receivables;
- C. Risks regarding Insurance Policies and Beneficiary Rights;
- D. Risks regarding the Mortgaged Assets and other Security Rights; and
- E. Other risks regarding the Mortgage Receivables.

**Risk factors regarding Swaps**

See section 3 (*Risk Factors*).

## 7. OVERVIEW OF RATING THRESHOLDS

The following overview of rating thresholds does not purport to be complete and is qualified in all respects by the remainder of this Base Prospectus and the Transaction Documents. A specific rating or period in the following overview shall be deemed a reference to such other rating or period as may be determined to be applicable or agreed from time to time by the Rating Agency.

Transaction Party	Rating threshold S&P	Consequence if below rating threshold	Section in Base Prospectus
<b>CBC Account Bank</b>	The Long-Term Issuer Credit Rating falls below 'BBB' or such other lower rating(s) as may be agreed by the Security Trustee, the CBC and the Issuer and which is based on the criteria of S&P as would be sufficient to maintain the then current rating(s) of the Covered Bonds.	Replacement CBC Account Bank or obtain a guarantee from a financial institution with Requisite Credit Rating.	Section 18 ( <i>Cash flows</i> ) under ' <i>CBC Transaction Accounts, Swap Replacement Ledger, CBC Back-Up Account and Custody</i> '.
<b>CBC Back-Up Account Bank</b>	The Long-Term Issuer Credit Rating falls below 'BBB' or such other lower rating(s) as may be agreed by the Security Trustee, the CBC and the Issuer and which is based on the criteria of S&P as would be sufficient to maintain the then current rating(s) of the Covered Bonds.	Requirement to either (a) transfer the balance standing to the credit of the CBC Back-Up Account to an alternative cbc back-up account bank having at least the Requisite Credit Rating, or (b) to obtain a guarantee of its obligations under the CBC Back-Up Account Agreement in accordance with terms acceptable to the Security Trustee, acting reasonably, from a financial institution having at least the Requisite Credit Rating, or (c) to take any other action acceptable to the Security Trustee to maintain the then current ratings assigned to the Covered Bonds, or (d) ensure that the amounts standing to the credit of the CBC Back-Up Account are retransferred to the CBC Account.	Section 18 ( <i>Cash flows</i> ) under ' <i>CBC Transaction Accounts, Swap Replacement Ledger, CBC Back-Up Account and Custody</i> '.
<b>Issuer</b>	The Long-Term Issuer Credit Rating falls below 'A'.	Requirement to credit the Reserve Account with an amount equal to the higher of: (i) the Mandatory Liquidity Required Amount; and (ii) the Reserve Trigger Required Amount.	Section 18 ( <i>Cash flows</i> ).
<b>Issuer</b>	The Long-Term Issuer Credit Rating falls below 'BBB'.	Item "α" (part of item "A" of the definition of Adjusted Aggregate Asset Amount) will be increased.	Section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>Swap Counterparties</b>	The minimum rating specified in the relevant swap agreement.	Replacement of relevant swap counterparty or other remedy, subject to	Section 17 ( <i>Swaps</i> ).

**Achmea Bank  
Foundation  
Accounts Provider**

The unsecured, unsubordinated and unguaranteed debt obligations of the relevant Achmea Bank Foundation Accounts Provider are assigned a rating of less than the Collection Bank Required Ratings.

applicable rating agency criteria.

Requirement to either (i) transfer the relevant Achmea Bank Collection Foundation Accounts to an alternative bank with at least the Collection Bank Required Ratings, (ii) ensure that payments to be made by the relevant Achmea Bank Foundation Accounts Provider in respect of amounts received on an Achmea Bank Collection Foundation Account relating to Mortgage Receivables will be guaranteed by a third party with at least the Collection Bank Required Ratings, or (iii) implement any other actions agreed at that time with the relevant rating agency.

Section 18 (*Cash flows*) under '*CBC Transaction Accounts, Swap Replacement Ledger, CBC Back-Up Account and Custody*'.

**Achmea  
Hypothecken  
Foundation  
Account Provider**

The rating of the Achmea Hypothecken Foundation Account Provider falls below the Achmea Hypothecken Collection Foundation Bank Required Ratings.

Requirement to ensure that payments to be made by the Achmea Hypothecken Foundation Account Provider will be fully guaranteed pursuant to an unconditional and irrevocable guarantee which complies with the criteria of the Rating Agencies or transfer the Achmea Hypothecken Collection Foundation Account to a new account provider, subject to certain criteria.

Section 18 (*Cash flows*).

### 3. RISK FACTORS

*Each of the Issuer and the CBC (in respect of the CBC only as far as it concerns the CBC) believe that the following factors may affect the Issuer's ability to fulfil its obligations under the Covered Bonds and/or the CBC's ability to fulfil its obligations under the Guarantee, respectively. All of these risk factors and events are contingencies which may or may not occur. The Issuer and/or the CBC may face a number of these risks described below simultaneously. In addition, factors which are material for the purpose of assessing the market risks associated with the Covered Bonds and the Guarantee are also described below.*

*Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Issuer's or the CBC's business, financial condition, results of operations and prospects. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section. Where a risk factor could belong in more than one category, such risk factor is included in the category that is deemed the most appropriate by the Issuer and the CBC (in respect of the CBC only as far as it concerns the CBC).*

*The Issuer and the CBC (in respect of the CBC only as far as it concerns the CBC) believe that the factors described below represent the material risks inherent to investing in the Covered Bonds, but the inability of the Issuer or the CBC to pay interest, principal or other amounts on or in connection with any Covered Bonds or the Guarantee, as applicable, may occur for other reasons which may not be considered significant risks by the Issuer and the CBC. Additional risks, events, facts or circumstances not presently known to the Issuer and/or the CBC, or that the Issuer and/or the CBC currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Issuer's or the CBC's business, financial condition, results of operations and prospects. Prospective investors should carefully read and review the entire Base Prospectus and should form their own views before making an investment decision with respect to the Covered Bonds.*

*Before making an investment decision with respect to any Covered Bonds, prospective investors should form their own opinions, consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Covered Bonds and consider such an investment decision in the light of the prospective investor's personal circumstances.*

#### **RISK FACTORS REGARDING THE ISSUER**

##### **A. RISKS RELATED TO THE ISSUER'S FINANCIAL SITUATION AND POSITION**

###### **1. The Issuer has significant counterparty risk exposure**

The Issuer's business is subject to credit risks connected to its exposures to borrowers and to other (professional) counterparties. Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent to the Issuer's business activities.

In 2022, the Issuer's mortgage loan portfolio was EUR 12.4 billion at year-end (year-end 2021 EUR 11.1 billion) (see the risk factor '*Risks related to the Issuer's loan portfolio*'). The Issuer's credit risk to professional counterparties mainly consists of the exposures on the top 10 professional counterparties (financial institutions). As at year-end 2022, the total net exposure for the top 10 professional counterparties amounted to EUR 517 million (year-end 2021: EUR 338 million) and mainly concerns direct debit accounts related to mortgage repayments and initial margin posted with central clearing parties (LCH and Eurex).

Achmea B.V. has issued a capped guarantee to the Issuer to cover credit risk and legal claims in connection with the acquired Acier Loan Portfolio (see the risk factor '*Risks regarding the Acier Loan Portfolio*'). The maximum amount for the financial guarantee is EUR 280 million, of which the tenor is aligned with the remaining tenors of the relevant loans.

Third parties that owe the Issuer money, securities or other assets may not pay or fulfil their obligations. These parties include borrowers (under loans), the issuers whose securities the Issuer holds, customers, trading

counterparties, counterparties under swaps and credit and other derivative contracts, clearing agents, exchanges, clearing houses and other financial intermediaries.

The borrowers and other counterparties may default on their obligations to the Issuer due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons, which may have an adverse effect on the Issuer's financial condition and/or results of operations, in particular as most of the Issuer's assets are financial assets (as described above).

**2. The Issuer's business, revenues, results of operations, financial condition and prospects are materially affected by the condition of global financial markets and economic conditions generally**

The economy typically goes through cycles. In periods of economic downturn, recurring weak macroeconomic conditions, including recessions, along with global financial market turmoil and volatility, generally affect the behaviour of retail banking customers and, by extension, the demand for, and supply of, the Issuer's products and services. New economic or financial crises, such as those that started in 2008 and 2010, may occur and have again significant impact. The war in Ukraine and rising inflation levels as well as monetary policy to mitigate its effects, has had and continues to have impact on the Dutch, European and global economic prospects and therefore on the Issuer.

The balance sheet of the Issuer mainly consists of a mortgage loan portfolio and loans to professional counterparties (financial institutions) (see also risk factor '*The Issuer has significant counterparty risk exposure*').

The inflation in the EEA was approximately 2.9 per cent. in December 2023 according to Eurostat, down from an inflation rate of 9.2 per cent. a year earlier in December 2022. Potentially, additional inflation might be driven by, *inter alia*, further rising of energy prices caused by the Russia/Ukraine war (see below), disruption in production chains and depreciation of the Euro. The impact of inflationary developments on the Issuer's balance sheet depends on inflation itself, but also on how other market factors move, amongst others driven by the response of central banks to rising inflation and market expectations of investors. High unemployment levels, reduced consumer and government spending levels, government monetary and fiscal policies, inflation rates, interest rates, credit spreads and credit default rates, liquidity spreads, currency exchange rates, market indices, equity and other securities prices, real estate prices, the volatility and strength of the capital markets, political events and trends in terrorism, cybercrime, cyberattack, real estate value and changes in customer behaviour may have an adverse effect on the Issuer's financial condition and/or results of operations (and the ability of the CBC to perform its obligation under the Guarantee). All of these factors are impacted by changes in the financial markets and developments in the global economies.

Actions by central banks and governments, including the implementation of austerity measures and bail-outs of financial institutions, as well as volatile markets, interest rates and credit spreads, liquidity spreads and significant changes in asset valuations (including material write-offs and write-downs of impaired assets), have all affected the business of financial institutions, including the Issuer in the past and may continue to have an adverse effect on the Issuer's financial condition and/or results of operations.

In addition, the Issuer is exposed to risks arising from geopolitical events or political developments, such as trade barriers, exchange controls, sanctions and other measures taken by sovereign governments that may hinder economic or financial activity levels. Furthermore, unfavourable political, military or diplomatic events, including secession movements or the exit of other Member States from the EU, pandemics and any future epidemics), state and privately sponsored cyber and terrorist acts or threats, and the responses to these by governments and markets, could negatively affect the business and performance of the Issuer including as a result of the indirect effect on regional or global trade and/or on the Issuer's customers. Should any such event occur, it could have a material adverse effect on the Issuer's business, revenues, results of operations, financial condition and prospects.

In addition, the Issuer is exposed to risks arising out of armed conflict, such as the Russia/Ukraine war that started in February 2022 and related consequences for geopolitical stability, food and energy supply and prices, and cross-border financial transactions, including as a result of economic sanctions. The Russia/Ukraine war does not directly impact the Issuer as the Issuer has no direct exposure to Ukraine and Russia, but given the uncertainties and ongoing developments and related international response measures against Russia, including sanctions, capital controls, restrictions on access to international payment systems, such as SWIFT, and restrictions on central bank activity, the potential regional and global economic impact and potential impact on the Issuer's

business, revenues, results of operations, financial condition and prospects remains uncertain.

**3. Changes in customer behaviour may impact financial position and results of operations negatively**

Customer behaviour may change among others as a result of changes on financial markets or regulations. For example the amount of prepayments of mortgages and the duration of non-maturing deposits will vary depending on the interest rate environment. For example, a decrease in the general level of interest rates could affect the Issuer through, among other things, increased prepayments on the loan and mortgage portfolio for instance as a result of low interest rates on saving accounts. Consequently, prepayments on mortgage loans are more beneficial to consumers than savings. Alternatively, any period of rapidly increasing interest rates or high interest rates over a longer period of time may result in a decrease in the demand for mortgage loans. Although the Issuer uses behavioural models in its risk management to capture these unexpected changes, changes in customer behaviour may have an adverse effect on the Issuer's financial condition and/or results of operations, especially in highly volatile financial markets.

**4. A downgrade of any of the Issuer's credit ratings may impact the Issuer's funding ability and have an adverse effect on the Issuer's financial condition**

Access to the money markets and the capital markets may be affected by concerns about the credit worthiness of the Issuer, but may also be influenced by concerns about the market segments in which the Issuer is active, or by a general market disruption (also see the risk factor '*The Issuer's business, revenues, results of operations, financial condition and prospects are materially affected by the condition of global financial markets and economic conditions generally*'). Access to these markets may be further affected by a deterioration of the credit rating of the Issuer.

In general, credit ratings are important factors affecting public confidence in banks, and are as such important to the Issuer's ability to sell its products and services to existing and potential customers. Credit ratings represent the opinions of rating agencies regarding an entity's ability to repay its indebtedness. The Issuer's credit ratings are important to its ability to issue debt and to the cost of such financing. In the event of a downgrade the cost of issuing debt will increase, which will have an adverse effect on the Issuer's net results. As of the date of this Base Prospectus, S&P's Long-Term Issuer Credit Rating in respect of the Issuer is "A-", with a stable outlook and its Short-Term Issuer Credit Rating in respect of the Issuer is "A-2", with a stable outlook. Fitch has assigned a long-term counterparty credit rating of "A" with a stable outlook and a short-term counterparty credit rating of "F-1" in respect of the Issuer. The counterparty credit rating of Achmea B.V. (the holding company of the Achmea Group of which the Issuer forms part) by S&P is as of 25 July 2016 "BBB+" with a stable outlook as of 11 April 2019. A downgrade of any of the Issuer's credit ratings (for whatever reason) can result in higher funding and refinancing costs for the Issuer in the wholesale markets. In addition, a downgrade of any of the Issuer's credit ratings may limit the Issuer's opportunities to extend mortgage loans and may have a particularly adverse effect on the Issuer's image as a participant in the capital markets, as well as in the eyes of its clients. These factors may have an adverse effect on the Issuer's financial condition and/or results of operations. A downgrade of Achmea B.V.'s credit rating may have a similar adverse effect on the Issuer's financial condition and/or results of operations.

In addition, other credit rating agencies may seek to rate the Issuer or the Covered Bonds on an unsolicited basis and if such unsolicited credit ratings are lower than comparable credit ratings granted, such unsolicited credit ratings could have a material adverse effect on the Issuer's results of operations, financial condition and liquidity and may negatively affect the market value of the Covered Bonds. The decision to withdraw a credit rating or continue with an unsolicited credit rating remains with the relevant credit rating agency.

**5. The Issuer faces refinancing risks in the capital markets and liquidity risks**

Adverse capital market conditions may affect the availability and cost of borrowed funds, thereby impacting the Issuer's ability to support or grow its businesses. Recently, interest rates are rising and the Issuer experienced, and may continue to experience, increased funding costs. Funding costs may also increase as a result of the failure of a number of high-profile financial institutions, such as the collapse of Silicon Valley Bank, Signature Bank, the seizure of First Republic Bank and the last-minute rescue of Credit Suisse.

The Issuer faces liquidity risk, which means that funding and liquid assets may not be (sufficiently) available as a result of which the Issuer may not be able to meet short-term financial obligations. The amount of mortgage loans on the Issuer's balance sheet exceeds the amount of savings money attracted. This has resulted in a dependency

on secured and unsecured wholesale funding. The gap between mortgage loans granted and savings and deposits entrusted is funded in the money markets and capital markets. Good access to these markets may be necessary to finance the growth of the mortgage loan portfolio and to refinance all outstanding funding with a shorter maturity than the mortgage loans in which the money is invested.

In addition, the Issuer faces a liquidity risk in relation to its savings deposits. A substantial part of the savings deposits held by the Issuer, generated under the Centraal Beheer label, is used to fund the Issuer's long-term assets such as its mortgage portfolios. Per December 2022, the total savings portfolio consists of available on demand accounts of EUR 4.4 billion (2021: EUR 3.7 billion), term deposits of EUR 0.6 billion (2021: EUR 0.7 billion), mortgage-linked saving deposits of EUR 0.7 billion (2021: EUR 0.7 billion) and pension savings of EUR 2.2 billion (2021: EUR 2.2 billion).

## **B. RISKS RELATED TO THE ISSUER'S BUSINESS ACTIVITIES AND INDUSTRY**

### **1. The Issuer faces substantial competitive pressures which could adversely affect the Issuer's results of operations**

There is substantial competition in the Netherlands for the issue of mortgage loans to private individuals, savings products and the other products and services that the Issuer provides. Competition in the financial services industry is furthered by the high level of consolidation in the Netherlands in the markets where the Issuer operates. Consolidation may create additional or stronger competitors and may intensify competition. The Issuer faces competition from companies such as ING Bank N.V., Coöperatieve Rabobank U.A., ABN AMRO Bank N.V. and de Volksbank N.V. Furthermore, technology giants, (start-up) fintech companies, payment specialists, retailers, telecommunication companies, crowd-funding initiatives and aggregators are all encroaching on traditional banking services and from traditional bank competitors who team up with such new players. If the Issuer is unable to offer competing attractive products and services that are profitable or is unable to innovate and provide new and competitively priced products and services to remain competitive, the Issuer may lose market share or incur losses on some or all of its activities. Consumer demand, technological changes, regulatory actions and other factors also affect competition. This includes ESG factors that may drive adjustments of (the pricing of) mortgage loans, savings products and funding strategies. Competitive pressure could result in increased pricing pressure, particularly as competitors seek to gain market share, and may harm the Issuer's ability to maintain or increase profitability.

### **2. Risk that the operations of the Issuer may be interdependent on the developments of the Achmea Group**

The Issuer forms part of the Achmea Group and its operations are interdependent on and may be affected by developments concerning Achmea B.V. and Achmea Group, such as, but not limited to, (i) capital contributions (*kapitaalstortingen*) and dividend payments, (ii) credit ratings of Achmea B.V. or entities within the Achmea Group and/or (iii) passing on of costs incurred or set-off by Achmea B.V. or within the Achmea Group. These interdependencies result in the fact that the Issuer may be affected by the materialisation of certain risks of Achmea Group, which may have a material effect on the financial position or result from operations of the Issuer. For a description of Achmea B.V., see section 5 (*Achmea Bank N.V.*) and for a description of Achmea Group see section 6 (*Achmea Group*).

### **3. Risks related to the Issuer's loan portfolio**

Mortgage loans constitute a significant portion of the Issuer's total loan portfolio. As of 31 December 2022, mortgage loans accounted for more than 90 per cent. of the Issuer's total loan portfolio. Mortgage loans are subject to financial risks, such as credit, liquidity and interest rate risks. Increased interest rates, a significant downturn in the economy, a stagnation or a drop in property values and/or changes in or abolition of the tax deductibility of interest payments on residential mortgage loans in the Netherlands, high and/or sustained inflation or a combination thereof, could lead to a decrease in the production of new mortgage loans and/or to increased default rates on existing mortgage loans.

The Issuer is exposed to the risk of default by Borrowers under Mortgage Loans. Borrowers may default on their obligations due to bankruptcy, lack of liquidity, downturns in the economy generally or declines in real estate prices, operational failure, fraud or other reasons such as loss of earnings, illness, divorce and other similar factors which could ultimately have an adverse impact on the ability of borrowers to repay mortgage loans (also see the risk factor '*Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks*').

Climate and environmental risks may negatively affect collateral values and default risk with increased (un)expected losses as a possible consequence.

Considering that mortgage loans represent a high percentage of the loan portfolio of the Issuer, the above may have an adverse effect on the Issuer's financial condition and/or results of operations and the ability of the CBC to perform its obligations under the Guarantee.

Complexity in determining the impact of these risks and in determining the effectiveness of the mitigating measures increases this risk.

#### 4. Risks regarding the Acier Loan Portfolio

On 7 July 2015, the Issuer acquired a substantial part of the loan activities (the "**Acier Loan Portfolio**") from Staalbankiers, the former private banking entity within Achmea Group, which terminated its banking activities on 25 September 2017. The remainder of the loan portfolio was acquired on 11 October 2016. In addition to these loans, the Issuer has acquired linked savings accounts for an amount of EUR 57 million.

The Acier Loan Portfolio decreased from EUR 681 million at year-end 2021 to EUR 646 million at year-end 2022. As at 31 December 2022, the allowance for losses on loans and advances related to the Acier Loan Portfolio amounts to EUR 13 million (year-end 2021: EUR 7 million).

The mortgage loans included in the Acier Loan Portfolio may differ from mortgage loans advanced to regular retail clients. The principal amount of these loans can be significantly higher than average mortgage loans in the Netherlands, making the exposure risk on a single client higher. Also, the mortgages securing the mortgage loans may be vested on residential and/or commercial properties with higher values and/or properties that may be more price sensitive and less marketable. Rising Swiss Franc (CHF) interest rates and CHF/EUR currency rate may influence the affordability and loan to value ratio of the mortgage loans negatively. The risks of the Issuer on this loan portfolio may therefore be substantially higher than on the remainder of its loan portfolio. This may therefore result in higher losses and may impact the overall performance of the Issuer's loan portfolio. The historic performance of the Issuer's loan portfolio may therefore no longer be accurate as an indication of future yield and losses. This may have a negative impact on the performance of the Issuer and could have an adverse impact on its financial position.

A large number of loans (year-end 2022: 94 per cent.) which were acquired by the Issuer from Staalbankiers have a variable interest rate and part of the loans is denominated in Swiss Francs (CHF). All loans denominated in Swiss Francs have a variable rate of interest. As a result hereof, the Issuer may become more exposed to changes in interest rates, which could have an adverse impact on its financial position.

In addition, the Swiss Franc mortgage loans have generally been granted to private individuals who benefit from a high level of duty of care (*zorgplicht*) by the lender, including the obligation to provide sufficient information. In case of Swiss Franc mortgage loans, the legal obligations of the lender, including its duty of care, may be stricter than in other cases as a result of the currency risk in relation to these loans. On 14 June 2022, the Issuer, like several other Dutch banks, received a letter from the foundation Stichting Compensatie Zwitserse Frank Leningen (CZFL) in which the latter stated that it wants to initiate legal proceedings on behalf of several clients with regard to the mortgages provided in Swiss Francs and breach of the duty of care. According to the Issuer's internal assessment, there is no breach of the duty of care. The Issuer feels supported by previous rulings by judges and of the KiFiD. On 23 October 2023, CZFL started legal proceedings against the Issuer at the District Court of The Hague by issuing a formal summons. The Issuer will defend itself against the claim. Given the Issuer's assessment of the claim as stated in the formal summons, no provision has been made.

If Staalbankiers has not complied with its legal obligations in relation to the loans to private individuals, including its duty of care, this may result in claims of borrowers against the Issuer, which claims could be significant and may involve high costs and require substantial resources on the part of the Issuer. However, in relation to the Acier Loan Portfolio, Achmea B.V. issued a capped guarantee to the Issuer to cover potential credit risk and legal claims related to this portfolio. Because of this guarantee, the impact of the impairment charges on the income statement is low, but may still occur. The total amount of claims submitted is recognised on the balance sheet as a receivable from Achmea B.V. However, there is no assurance that this guarantee will cover all risks relating to the Acier Loan Portfolio, nor that Achmea B.V. will be able to comply with its obligations under the guarantee (see

also the risk factor '*The Issuer has significant counterparty risk exposure*').

At the date of this Base Prospectus, the mortgage loans acquired by the Issuer from Staalbankiers do not meet the Eligibility Criteria and, consequently, will not be transferred to the CBC.

## **5. Risks regarding loans originated by third parties**

Next to new mortgage loan production under the Achmea labels Centraal Beheer and Woonfonds, the Issuer also actively acquires mortgage receivables originated by external third parties, either via participation in a platform (such as the Achmea Hypotheken Platform of SAREF and DMFCO's mortgage platform) or outright sales (such as the portfolio's of mortgage receivables acquired from ASR Admin, ASR Levensverzekering, Obvion N.V. and Binck Bank N.V.).

Per the end of 2022, the volume of third party originated mortgage receivables amounts to EUR 2.9 billion, i.e. almost 25 per cent. of the total mortgage loan portfolio. For mortgage receivables originated by an external third party the original agreement with the borrower and conditions pertaining thereto remain intact and the mortgage loans remain with the original lender. The original lender will remain the point of contact for customers and responsible for servicing and the borrowers will not be notified of the transfer of the mortgage receivables to the Issuer.

The Issuer is therefore dependent in part on the continued performance, quality of customer service, accuracy, compliance and security of the original lender. Furthermore, any negative publicity in respect of such parties, such broader products and services sold by such parties could result in significant damage to the Issuer's reputation and negatively impact Issuer's results and financial position, which could in turn greatly hinder the Issuer's ability to retain clients or compete for new business.

This means, among others, that the interest rates at reset (i.e. the reset of the interest rate of the mortgage loans from time to time) will be set by the original lender and amendments may be made by the original lender to the conditions of the mortgage loans. As the Issuer will not control such part of its operation, it may be exposed to risks relating to improper servicing, including but not limited to resetting of interest rates if this is performed in a manner inconsistent with the interest of the Issuer. For example, if the original lender takes its own interest into account when resetting the interest rates and sets a lower interest rate, this may have a negative impact on the interest received by the Issuer which could affect the Issuer's results.

At the date of this Base Prospectus, the ASR Admin mortgage loans, the ASR Levensverzekeringen mortgage loans, the DMFCO mortgage loans, the Obvion N.V. mortgage loans and the BinckBank N.V. mortgage loans acquired by the Issuer are not eligible and will not be transferred to the CBC.

## **6. Risk related to complaints and compensation arrangements for consumer loans with variable interest rate**

Several credit providers are involved in legal proceedings before the KiFiD and Dutch courts regarding variable interest in revolving consumer credit loans which are resulting in compensation arrangements by credit providers. The Dutch civil court cases vary on this subject and conclusive case law has yet to be developed, whilst recent KiFiD rulings have been more consistent with each other.

Judgments of civil law courts in relation to variable interest rates on consumer loan agreements vary significantly from the KiFiD rulings in relation to consumer loans and also differ from one another. Civil law court cases on this matter are at the date of this Base Prospectus limited to consumer loans and do not apply to mortgage loans. The focus in the civil law courts is on the question whether the clauses which set out the right of the originator to change the variable interest rates are presumed to be unreasonably onerous and therefore invalid. Whether or not this applies, depends on the actual clause itself and the circumstances at the time of conclusion of the loan agreement. Decisive case law has yet to be developed further both in terms of when a clause is invalid and what the consequences thereof are.

For example, KiFiD issued rulings against other credit providers on contractual terms that give credit providers the unconditional right to change the variable interest rate of loans provided to consumers (including revolving credits). KiFiD ruled that if the contractual terms do not specify the grounds for changing the interest rate, the consumer may expect the only relevant circumstances that can play a role in changing the interest rate to be market developments. In view of KiFiD, the difference between the contractual rate and the average market rate

is set at the moment the contract is entered into. From then on, the contractual rate should follow movements of the average market rate. In order to establish whether the credit provider followed market developments, KiFiD compares the course of the contractual interest rate with certain average interest rates published by Statistics Netherlands and DNB. If the recalculation shows that the consumer paid more than the relevant offeror was allowed to charge, then the relevant offeror must repay the overpaid interest according to KiFiD.

Holders of consumer credit loans with variable interest rates which do not meet the KiFiD requirements described in the rulings referred to above may be entitled to be compensated.

Currently, the Issuer is not active in the consumer credit market: it has sold its consumer loans portfolio in 2010. As the variable interest ruling of KiFiD has retroactive effect to 2002, there is a risk that former consumer loan clients of the Issuer that have redeemed and terminated their consumer loan prior to the selling date of the portfolio (i.e. prior to 2010), might claim compensation. However, this risk may be mitigated by the fact that, as far as can be estimated, the Issuer's consumer loan variable interest rates in the relevant period did not differ substantially (to the extent relevant to any claim) from the average market rate.

Furthermore, there is a risk that KiFiD's rulings in respect of consumer credit loans with variable interest rates could also be applied to other financial products sold to Dutch consumers and as such may have a certain knock-on effect on other products. See also the risk factor '*Risk related to variable interest rates*', regarding a KiFiD ruling with regard to mortgage loans with a floating rate of interest.

#### **7. Volatility in interest rates may negatively affect the Issuer's business activities**

The results of the operations of the Issuer are affected by its management of interest rates sensitivity. The composition of the Issuer's assets and liabilities, and any gap position resulting from that composition, causes the operations' net interest income to vary with changes in interest rates. There is no assurance that the Issuer will be able to successfully manage interest rate spreads or the potential negative impact of risks associated with decreasing interest rates, sustained low or even negative interest rates, which may result in lower investment earnings. In addition, any period of rapidly increasing interest rates may result in a decrease in the demand for loans and higher interest rates to be paid to customer deposits and on debt securities the Issuer has issued or may issue on the financial markets from time to time to finance its operations, which would increase its interest expenses and reduce its result. A mismatch of interest-earning assets and interest bearing liabilities in any given period may, in the event of changes in interest rates, have a material effect on the financial position or result from operations of the Issuer. Rising interest rates could negatively affect the margins on new mortgage production and rate resets in the existing mortgage portfolio if the Issuer is not able to (fully) translate these into higher mortgage rates.

#### **8. The Issuer may not have sufficient assets available to meet its obligations under the Covered Bonds as a result of asset encumbrance**

The use of securitisation, the issue of covered bonds, secured private loans and similar transactions has resulted in the transfer of a substantial part of the assets on the Issuer's balance sheet in connection with such transactions (see section 5 (*Achmea Bank N.V.*) under '*Funding, financing and collateral*'). The assets transferred in connection with these transactions will not form part of the estate of the Issuer in case of the Issuer's insolvency, as these are encumbered assets. These assets will first be used to pay amounts due on or in connection with the securities and loans issued in these transactions (including the CBC under this Programme) and only amounts left (if any) after such amounts have been paid in full may form part of the estate of the Issuer and possibly be available to pay amounts due to the Covered Bondholders.

As set out above, the Issuer has entered into securitisation transactions, covered bonds programmes and similar secured transactions in respect of its mortgage portfolio. The Issuer has various rights and obligations under such transactions and may be exposed to risks in relation thereto, including, but not limited to the risk that: (i) it must transfer, *inter alia*, swap collateral or substantial new assets in connection with such transactions, (ii) it has to repurchase some or all of the mortgage portfolios transferred in relation to such transactions and (iii) it must pay substantial fees in relation thereto. The above may have a negative effect on the amount of assets available for Covered Bondholders to take recourse on the Issuer's assets to the extent not fully repaid by the CBC under the Guarantee.

## **9. The Issuer is exposed to risks related to environmental factors**

The Issuer is exposed to risks related to environmental factors. An example of a risk related to environmental factors the Issuer is exposed to, is the risk of (in)direct financial or reputational damage due to acute or chronic physical environmental events or the role in the transition to an environmentally sustainable economy of the Issuer itself or of parties with which the Issuer may interact. Moreover, the Issuer may be exposed to acute events resulting from climate change, such as river flooding, extreme weather events and forest fires, which can cause damage to collateral in the residential and commercial real estate lending portfolios of the Issuer. The event itself, or the exposure to the risk as such, can lead to a devaluation of collateral value. Chronic changes in weather conditions, such as droughts, may cause damage to collateral (e.g. pile rot) in the residential and commercial real estate lending portfolios of the Issuer, which can lead to a devaluation of the collateral value. Introduction of legal requirements on energy efficiency of houses can lead to a devaluation of collateral in the residential and commercial lending portfolios that do not yet meet the criteria. A substantial increase in energy costs can lead to a devaluation of (energy inefficient) collateral in the residential and commercial lending portfolios (regarding the risks of a devaluation of the collateral value, also see the risk factor '*Risks of losses associated with declining values of Mortgaged Assets*'). Therefore, risks related to environmental events may have a negative effect on the Issuer's reputation and could have an adverse effect on the Issuer's business and/or its financial position or operational results.

## **C. LEGAL AND REGULATORY RISKS REGARDING THE ISSUER**

### **1. The Issuer's results of operations can be negatively affected by significant regulatory developments as well as enforcement action including changes in capital and liquidity requirements**

The Issuer conducts its businesses subject to ongoing regulatory and associated risks, including the effects of changes in law, regulations, and policies in the Netherlands. The timing and form of future changes in regulations are unpredictable and beyond the control of the Issuer, and changes made could materially adversely affect the Issuer's business. Also, the regulatory laws and regulations applicable to the Issuer are to an extent based on the Issuer's interpretations of such laws and regulations. The Issuer cannot guarantee that such interpretations will not be questioned by the relevant authorities. Changes in regulatory laws and regulations or interpretations by the Issuer thereof being challenged by the relevant authorities could materially impact the profitability of the Issuer's businesses, the value of its assets or the collateral available for its loans, require changes to business practices, increase its regulatory reporting and transparency obligations, or force the Issuer to discontinue businesses or change its legal entity structure, capital and funding structure, and expose the Issuer to additional costs, taxes, liabilities, enforcement actions and reputational risk.

The following changes in laws and regulations, among others, form a material risk for its financial position, credit rating and results of operations and prospects.

#### *Basel III Reforms/CRD IV*

Regulatory requirements with respect to capital adequacy and liquidity, as proposed by the Basel Committee and being implemented in the European Union through, among others, the CRD IV Directive and the CRR, as these are amended from time to time. These requirements are subject to ongoing change and are expected to become more stringent. This is especially due to the implementation and entry into force of the changes to CRD IV included in the EU Banking Reforms and the Basel III Reforms (informally referred to as Basel IV). The Issuer expects that as of 2025, due to the Basel III Reforms its total risk exposure amount (TREA) will decrease. As the impact of the Basel III Reforms is still subject (in part) to further implementation in the European Union or national laws, the exact impact of these changes to the applicable prudential regime is yet to be fully determined by the Issuer. The Issuer will closely monitor the further implementation of the Basel III Reforms. On 27 October 2021, the European Commission published the proposals to implement Basel III Reforms in the EU and a provisional agreement on the implementation of the Basel III Reforms was reached on 27 June 2023. It follows from these proposals that implementation is expected to start in January 2025.

In addition to evolving minimum ('pillar 1') capital requirements and capital buffer requirements, the regulatory capital framework applicable to the Issuer also allows for competent authorities to introduce additional ('pillar 2') capital requirements to be maintained by an institution relating to elements of risks which are not fully captured by the additional own funds requirements or to address macro-prudential requirements. DNB sets overall (capital) limits, based on its periodic supervisory review and evaluation process (SREP). The Issuer complied with external and internal minimum capital requirements throughout 2022 with a common equity tier 1 capital ratio of 18.2 per

cent. and a total capital ratio of 18.2 per cent. at 31 December 2022. Any increase in these pillar 1 and 2 requirements and/or capital buffer requirements may require the Issuer to increase its capital position, which could have a material adverse effect on the Issuer's business, financial position and results of operations.

#### *AML Directive/AML Regulation*

Rules on anti-money laundering and prevention of terrorism financing, as laid down in, among others, the AML Directive and AML Regulation, apply to the Issuer. At the date of this Base Prospectus, the Issuer complies with the AML Directive and the AML Regulation. It has updated and amended its relevant policies, rules and procedures (to the extent necessary). The Issuer maintains a close and continuous survey on development and creation of new anti-money laundering laws. However, future amendments could adversely affect the Issuer's financial position, credit rating and results of operations and prospects.

#### *PSD II*

Payment services regulations, such as those laid down in PSD II impose additional requirements with respect to its payment services and supports the emergence of new payment service providers and the development of innovative mobile and internet payments in Europe. Key elements of PSD II are: (i) access to payment accounts by other parties than the bank where the customer holds an account (Access to Account (XS2A)) and (ii) security requirements. Access to Account (XS2A), within the meaning of PSD II results in more or intensified competition for banks and can be a threat as parties other than banks focus on the customer-engagement components of the value chain and leave the commoditised transactional components to banks, which could lead to disintermediation. Security is and will remain a core element in the service offering of banks whereby it is important that the security requirements in PSD II as applied by banks in practice strike the right balance between ease of use and risk (such as with respect to customer data). It should be noted, however, that the relevant PSD II legislation is only applicable to payment accounts (*betaalrekeningen*) but does not affect or impact savings- and investment accounts (*spaarrekeningen* and *beleggingsrekeningen*, respectively). The Issuer does not offer payment accounts and/or payment services, but has limited its product range to savings- and investment accounts only. Therefore, PSD II does not impact the Issuer. It is unclear, however, whether or not this may change in the foreseeable future. On 10 May 2022, the European Commission launched specific consultations on the review of PSD II and on open finance, following which the European Commission published its report on the application and impact of PSD II on 2 February 2023. On 28 June 2023, the European Commission proposed legislative amendments to PSD II, consisting of a directive and regulation, that may have an impact on the payments business of the Issuer. The precise impact and expected time of entry into force of the proposals is as yet unclear, as is the question whether the new proposals are applicable to savings- and investment accounts.

#### *Taxonomy Regulation and other sustainability regulations*

The Issuer has become subject to increasing sustainability regulations, such the SFDR and (partially) from 1 January 2022 the Taxonomy Regulation. These regulations require the Issuer to include information at entity and at product level with regard to certain financial products on whether or not it takes into account adverse sustainability impact, whether or not it promotes environmental or social characteristics and whether or not it meets one or more of the environmental objectives as set out in the Taxonomy Regulation. Furthermore, DNB and the ECB have published guidance with regard to management of climate risks, which credit institutions such as the Issuer are expected to incorporate in their risk management framework. As the Issuer will have to implement these regulations and expects to have to implement more sustainability-related regulations, this will give rise to additional compliance costs and expenses. Furthermore, over time such regulations might ask for a more prudent approach from a provisioning, capitalisation and risk management perspective.

The more recent amendments relating to sustainability that have been implemented in, amongst others, EU MiFID II, the AIFMD and the Benchmarks Regulation have an impact on product development and advice, know your customer (KYC), risk management, solvency requirements and the disclosures of financial products:

- Under the MIFID II delegated acts (Commission Delegated Regulation (EU) 2021/1253 and Commission Delegated Directive (EU) 2021/1269), the Achmea Group is required to integrate sustainability considerations into the suitability assessment and product governance obligations.
- The AIFMD delegated acts (Commission Delegated Regulation (EU) 2021/1255 and Delegated Regulation (EU) 231/2013) require management companies within the Achmea Group to integrate sustainability risks in the management of funds, to include a consideration of any conflicts that may arise as a result of the integration of sustainability risks in their conflicts of interest procedures, to take into account: (i) sustainability risks; and (ii) if relevant, the principal adverse impacts of investment decisions on sustainability factors, as

part of the due diligence in the selection and ongoing monitoring of investments; and to capture details of procedures to manage sustainability risks in the risk management process.

- The Benchmarks Regulation introduced two categories of climate benchmarks and further specified ESG disclosure requirements.

Further European sustainability legislation is currently being developed such as the CSRD, which entered into force on 5 January 2023 and the proposal for the CSDDD, which is expected to be formally adopted and enter into force in the course of 2024, with the new requirements then starting to apply in the course of 2026. Based on a provisional agreement reached between the European Parliament and Council in December 2023, the financial sector seems to become subject to the CSDDD but only to a limited extent, i.e. in relation to their own operations and upstream supply chain. There will be a review clause for a possible future inclusion of the financial downstream sector.

The CSRD requires the Achmea Group to disclose information in its annual report on the way it operates and manages social and environmental challenges and on the basis of the ESRS. Reporting under the CSRD requires the Achmea Group to formulate long-term ESG targets and policy and to conduct due diligence for its own operations and supply chain. Further transparency rules are introduced on division of roles and responsibilities for ESG targets among others. Reports and strategic plans that must be disclosed by the Achmea Group under the CSRD must be made available in electronic form. The ESRS, which are currently being further developed, require the Achmea Group to disclose detailed information on environmental protection, social responsibility and treatment of employees, respect for human rights, anti-corruption and bribery and on diversity. The Achmea Group will have to report across four reporting areas: governance, strategy, impact, risk and opportunity management, metrics and targets that are divided into three topics to disclose information on from an environmental, social and governance perspective. In addition, there are sector agnostic, sector specific and company specific disclosure requirements to consider by the Achmea Group.

The proposal for the CSDDD contains requirements for companies, their subsidiaries and their value chains relating to identifying, ending, preventing, mitigating and accounting for negative human rights and environmental impacts.

As many of the sustainability regulations are still in the midst of their development, the full impact thereof on the Issuer is currently unclear. As a result of these legislative initiatives, the Issuer will be required to provide additional disclosure to stakeholders on ESG matters, which may demand substantial resources and divert management attention from other tasks. In addition, DNB and the ECB continuously publish further guidance with regard to the abovementioned sustainability regulations, and the management of climate risks and other environmental risks, which credit institutions such as the Issuer are expected to incorporate in their risk management framework. For example, during 2022, the ECB conducted a thematic review of climate-related and environmental risks as part of the ECB Banking Supervision roadmap. The ECB has set institution-specific deadlines for full alignment with its expectations as set out in its 'Guide to climate-related and environmental risks' by the end of 2024. As the Issuer will have to implement any new regulations and guidance, and expects to have to implement more sustainability-related regulations and guidance in the future, this will give rise to additional compliance costs and expenses.

As described above, the sustainability regulations or failure to comply with the sustainability regulations could therefore have a material adverse impact on the Issuer's business, reputation and revenues.

#### *IFRS*

The Issuer's consolidated financial statements are prepared in accordance with the IFRS as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. The IFRS guidelines are periodically revised or expanded. It is possible that future accounting standards which the Issuer is required to adopt, or as a result of choices made by the Issuer, could change the current accounting treatment that applies to its consolidated financial statements and that such changes could have a material adverse effect on the Issuer's reported results of operations and financial condition and may have a corresponding impact on its capital ratios.

#### *EBA Guidelines on Loan Origination and Monitoring*

On 29 May 2020, the EBA published the EBA Guidelines. These EBA Guidelines apply as from 30 June 2021, with implementation deadlines reaching up to July 2024. The EBA Guidelines specify the internal governance arrangements for granting and monitoring of credit facilities throughout their lifecycle. These EBA Guidelines

introduce requirements for borrowers' creditworthiness assessment and bring together the EBA's prudential and consumer protection objectives. The EBA Guidelines aim to ensure that institutions have robust and prudent standards for credit risk taking, management and monitoring, and that newly originated loans are of high credit quality. These EBA Guidelines also aim to ensure that the institutions' practices are aligned with consumer protection rules and AML requirements. To the best of their knowledge, the Issuer, the Originators and the Servicer (will) comply with the EBA Guidelines within the given timelines, but as these guidelines are relatively new, the insights may change over time.

#### *DORA*

DORA entered into force on 16 January 2023 and will become applicable on 17 January 2025. DORA introduced a new, uniform and comprehensive framework on the digital operational resilience of credit institutions, insurers, fund managers and certain other regulated financial institutions in the EU. All institutions in scope of DORA, which includes the Issuer, will have to put in place sufficient safeguards to protect their business operations and activities against cyber and other ICT risks. DORA introduces requirements for such institutions on governance, ICT risk management, incident reporting, resilience testing and contracting with ICT services providers. Although the Issuer is already required to comply with certain ICT risk management and resilience obligations, there may be (material) differences between these obligations and the standards as laid down in DORA (e.g. DORA extends to all contracts with ICT services, not only contracts that are considered outsourcing). Consequently, the Issuer will likely be required to perform a gap analysis and implement any of DORA's additional or different requirements before DORA becomes applicable and ensure compliance with these requirements after the date thereof. This will give rise to additional compliance and ICT-related costs and expenses. Should the Issuer not be able to timely comply with DORA, this may result in administrative and/or criminal enforcement and/or reputational damage.

The abovementioned changes in law are indicative examples of a substantial stream of new laws and regulations financial institutions (including the Issuer) will face in the next four to five years.

In general, new regulations are to be expected in the field of capital and liquidity requirements (such as further implementation of the EU Banking Reforms and the Basel III Reforms), sustainability (such as the SFDR and the CSRD), anti-money laundering laws (including the EBA's central database for anti-money laundering and counter-terrorist financing known as EuReCa) and digital finance (including the DORA), the NIS2 and MiCA.

## **2. Risks related to the BRRD, the SRM Regulation and the Wft**

The BRRD and the SRM Regulation set out a common European recovery and resolution framework applicable to banks and certain investment firms, group entities (including financial institutions subject to consolidated supervision) and (to a limited extent) branches of equivalent non-EEA banks and investment firms. In connection therewith, the SRM Regulation and BRRD recognise and enable the application of the recovery and resolution framework both on the level of an individual entity as well as on a group level. The below should be read in the understanding that the Issuer or any entity belonging to the Achmea Group may become subject to requirements and measures under the SRM Regulation and BRRD not only with a view to or as a result of its individual financial situation, but also, in certain circumstances, with a view to or as a result of the financial situation of the group that it forms part of. Moreover, for the avoidance of doubt, the below requirements and measures may also apply to any such group entity of the Issuer, which might include the CBC. Currently, DNB in its capacity of national resolution authority (NRA) shall perform resolution tasks and responsibilities under the SRM Regulation with respect to the Issuer (as a less significant institution under the Single Supervisory Mechanism). Therefore, if the Issuer would be deemed no longer viable or in default (or one or more other conditions apply) the NRA may decide to write-down, reduce, redeem and cancel or convert into claims which may give right to relevant capital instruments and certain eligible liabilities of the Issuer, such as Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments and certain eligible liabilities, in principle in a certain order. The exercise of the aforementioned write down or conversion powers could adversely affect the market value of the Covered Bonds.

If the Issuer would be deemed to fail or likely to fail and the other resolution conditions would also be met, the NRA may decide to place the Issuer under resolution. It may decide to apply certain resolution tools. These resolution tools include the sale of business tool, the bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the SRM Regulation provides for the bail-in tool. The bail-in tool may be applied to recapitalise the Issuer (whether or not in combination with one of the aforementioned transfer tools) or convert into claims which may give right to shares or other instruments of ownership or into rights with respect to to-be-

issued shares or other instruments of ownership or reduce the principal amount of claims or debt instruments of the Issuer that have been transferred pursuant to one of the aforementioned transfer tools. The bail-in tool extends further than the aforementioned write-down and conversion powers, as it may also result in the write-down or conversion into shares of (other) eligible liabilities in accordance with a certain order of priority.

An exemption applies to covered bonds pursuant to which covered bonds should normally be exempted from the applicability of the write-down and conversion powers described above. However, this exemption does not apply if and to the extent the aggregate Principal Amount Outstanding of the Covered Bonds would exceed the value of the collateral available to secure such Covered Bonds. In addition, it is uncertain what would constitute collateral for such purpose in the context of the Covered Bonds and how and when during any such bail-in intervention the value of such collateral (and/or the Guarantee) would be determined. The resolution framework as described above provides for certain safeguards against a partial transfer and the exercise of certain resolution powers in respect of covered bonds, which aims to ensure that rights arising out of covered bonds will not be affected by such partial transfer or exercise of such resolution power.

In addition to the resolution powers described above, the NRA may decide to terminate or amend any agreement to which the Issuer is a party or replace the Issuer as a party thereto. Furthermore, the NRA may, subject to certain conditions, suspend the exercise of certain rights of counterparties vis-à-vis the Issuer or suspend the performance of payment or delivery obligations of the Issuer. These suspension rights can in certain circumstances also be exercised in the run-up to a resolution procedure. In addition, pursuant to Dutch law, certain counterparty rights may be excluded.

To ensure that bail-in can be effectively applied, a minimum requirement for own funds and eligible liabilities (MREL) applies to the Issuer under the BRRD and SRM Regulation. The MREL framework is intended to make sure that the Issuer can absorb losses expected in resolution and to be recapitalised after the implementation of resolution actions. MREL is subject to ongoing change. Upcoming changes to MREL, as applicable to the Issuer, may result in the Issuer having to issue a significant amount of additional MREL eligible liabilities in order to meet the new requirements within the required timeframe. If the Issuer were to experience difficulties in raising MREL eligible liabilities, it may have to reduce its lending or investments in other operations which would have a material adverse effect on the Issuer's business, financial position and results of operations.

On 18 April 2023, the European Commission published its proposal for the reform of the banking crisis management and deposit insurance framework. Within this proposal, the European Commission specifically focused on strengthening crisis management for medium-sized and smaller banks. Key directives, including the BRRD, are set for revisions. One of the proposal's components is aimed at expanding the utilisation of the Deposit Guarantee Scheme during a bank's resolution process. This aims to better protect depositors from losses and minimise the risk of using taxpayers' money. It remains a key principle that the bank's internal loss absorption (the capital eligible for a 'bail-in') is used first. The proposal is currently under consideration by the European Parliament and the Council. The impact of the proposed amendments on the Issuer are to be assessed, but may ultimately have a material adverse effect on the Issuer's results of operations and financial condition.

In addition to the BRRD and SRM Regulation, the Wft enables the Dutch Minister of Finance to intervene with a bank established in the Netherlands, such as the Issuer, if the Minister of Finance is of the view that the stability of the financial system is in serious and immediate danger due to the situation that the bank is in. These powers among others consist of the expropriation of assets and/or liabilities (*onteigening van vermogensbestanddelen*) of the Issuer, claims against the Issuer and securities issued by or with the cooperation of the Issuer.

It is possible that the NRA may use its powers under the BRRD, the SRM Regulation and/or the Wft in a way that could result in debt instruments of the Issuer absorbing losses. The use of these powers could negatively affect the position of the holders of such debt instruments and the credit rating attached to debt instruments then outstanding and could result in losses to the holders of such debt instruments, in particular if and when any of the above proceedings would be commenced against the Issuer. These measures and consequences could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial position and results of operation. In addition, there could be amendments (including, but not limited to, the amendments discussed above) to the SRM Regulation, the BRRD and/or the Wft, which may add to these effects.

Finally, any perceived or actual indication that the Issuer is no longer viable, may become subject to recovery or resolution and/or does not meet its other recovery or resolution requirements (such as MREL) may have a material adverse impact on the Issuer's financial position, regulatory capital position and liquidity position, including

increased costs of funding for regulatory purposes.

**3. The Issuer's participation in the Deposit Guarantee Scheme may have a material adverse effect on its results of operations and financial condition**

The Issuer is a participant in the Deposit Guarantee Scheme, from which compensation may become payable to customers of financial institutions or businesses in the event the financial institution is unable to pay, or unlikely to pay, claims against it. The Issuer and other financial institutions are required to quarterly pay risk-weighted contributions into a fund to cover future drawings under the Deposit Guarantee Scheme. The fund, in which the Issuer participates, is expected to grow to a target size of at least 0.8 per cent. of all deposits guaranteed under the Deposit Guarantee Scheme, which should be reached by July 2024. This quick growth could have a material effect on the Issuer's financial condition. The ultimate costs involved with making compensation payments under the Deposit Guarantee Scheme are allocated among the participating banks by DNB, based on an allocation key related to their market shares with respect to the deposits protected by the Deposit Guarantee Scheme. Additionally, the Issuer may be faced with extra costs for coverage if any claims are made under the Deposit Guarantee Scheme as a result of any financial institution participating in the Deposit Guarantee Scheme failing to pay claims against it. Consequently, the ultimate costs to the industry of payments which may become due under the Deposit Guarantee Scheme remain uncertain but may be significant and the associated costs to the Issuer may have a material adverse effect on its results of operations and financial condition.

In November 2015, the European Commission proposed to set up a European deposit insurance scheme (EDIS) for bank deposits in the euro area. EDIS is considered to be the third pillar of and would complete the EU's banking union. The EDIS proposal builds on the system of national deposit guarantee schemes governed by Directive 2014/49/EU on the Deposit Guarantee Scheme. The scheme would develop in different stages and the contributions of EDIS will progressively increase over time. The new model intends to achieve 'cost-neutrality' for the banking sector when switching to EDIS. At this time, however, it is not yet clear if, when and in what form EDIS will come into effect and how this may affect the Issuer's costs in having to contribute to compensation schemes like EDIS.

**RISK FACTORS REGARDING THE COVERED BONDS**

**A. RISKS RELATED TO THE NATURE OF THE COVERED BONDS**

**1. Risk that the Covered Bonds are solely the payment obligations of the Issuer**

The payment obligations under the Covered Bonds will be solely the obligations of the Issuer. The Covered Bonds will not be obligations or responsibilities of, or guaranteed by (other than pursuant to the Guarantee), any other entity or person, in whatever capacity acting (other than as Issuer), including, without limitation, the Transferor, any Swap Counterparty, the Servicer, the Sub-servicer, the Administrator, the Back-Up Administrator, the Directors, any Paying Agents, the Registrar, any Calculation Agent, the Arranger, the Dealers, the CBC Account Bank, the CBC Back-Up Account Bank, the Security Trustee, the Insurance Savings Participant, the Bank Savings Participant and the Rating Agencies. Furthermore, none of the Swap Counterparties, the Servicer, the Sub-servicer, the Administrator, the Back-Up Administrator, the Directors, the Paying Agents, the Registrar, the Calculation Agent, the Arranger, the Dealers, the CBC Account Bank, the CBC Back-Up Account Bank, the Security Trustee, the Insurance Savings Participant, the Bank Savings Participant and the Rating Agencies, nor any other person in whatever capacity acting (other than the Issuer), will accept any liability whatsoever to Covered Bondholders in respect of any failure by the Issuer to pay any amounts due under the Covered Bonds. An investment in the Covered Bonds involves the risk that subsequent changes in the creditworthiness of the Issuer may adversely affect the payments made under the relevant Covered Bonds. This may lead to losses under the Covered Bonds and, to the extent the payments of the Issuer are guaranteed, may lead to an extension of the payment obligations and are subject to the risk relating to the Guarantee, as further described in section '*Risk factors regarding the Guarantor and the Guarantee*'.

**2. Risks related to conflict of interest**

If the Transferor or any other member of the Achmea Group holds Covered Bonds, it will be able to exercise its voting rights in respect of such Covered Bonds. In case the Transferor holds Covered Bonds it may, *inter alia*, take into account its different roles in the transaction, including its role as Transferor, when exercising its voting

rights with respect to such Covered Bonds. In case a member of the Achmea Group, other than the Transferor, holds Covered Bonds such member may, *inter alia*, take into account its relationship with the Transferor when exercising its voting rights with respect to such Covered Bonds.

In addition, where the Issuer acts as Calculation Agent or Rate Determination Agent, or the Calculation Agent or the Rate Determination Agent is an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent or the Rate Determination Agent and Covered Bondholders, as the Issuer typically has an interest to limit the amounts payable on Covered Bonds and the Covered Bondholders have an opposite interest. Such potential conflict may for example exist with respect to certain determinations and judgements that the Calculation Agent or the Rate Determination Agent may make pursuant to the Conditions that may influence any interest amount due on, and the amount to be received upon redemption of, the Covered Bonds (also see the risk factor '*Risk that discontinuance of EURIBOR, €STR or other interest rate benchmarks may affect the value or payment of interest under the Floating Rate Covered Bonds*'). This may lead to losses under the Covered Bonds.

### **3. Risk related to failure of enforcement by the Security Trustee**

Subject to the provisions of the Trust Deed, only the Security Trustee may enforce the provisions of the Covered Bonds and the Transaction Documents. Neither the Covered Bondholders nor any other person shall be entitled to proceed directly against the Issuer or the CBC to enforce any provision of the Covered Bonds and/or the Transaction Documents, unless the Security Trustee fails to take any steps to enforce the Security in accordance with the Trust Deed within a reasonable time and such failure is continuing. All limitations and restrictions imposed under or by virtue of the Trust Deed, the Covered Bonds or any other Transaction Document on the Security Trustee in relation to the enforcement of rights and the availability of remedies, shall *mutatis mutandis* also fully apply to such Secured Creditors. Consequently, the Secured Creditors, including the Covered Bondholders, either have no right or are limited in their rights to proceed directly against the Issuer or the CBC, which ultimately may lead to losses under the Covered Bonds.

### **4. Risk of changes without the Covered Bondholders' or other Secured Creditors' prior consent as the Security Trustee may agree to, or is obliged to concur with the Issuer and/or the CBC in making changes and waivers to or under the Programme or is not willing to agree to certain modifications**

Pursuant to the terms of the Trust Deed, the Security Trustee may in certain cases from time to time, without the consent or sanction of any of the Covered Bondholders or any of the other Secured Creditors (other than the Secured Creditors that are a party to such Transaction Documents (where applicable)), agree to, or concur with the Issuer and the CBC and agree to modifications, authorisations or waivers (e.g. in respect of any breach or proposed breach of any of the provisions of the Covered Bonds of any Series or the Transaction Documents, or determine, without any such consent as aforesaid, that any Issuer Event of Default or CBC Event of Default shall not be treated as such) under the Covered Bonds of any Series, the related Coupons or any Transaction Documents (including without limitation designating further creditors as Secured Creditors), as set out in more detail in Condition 15 (*Meetings of Covered Bondholders, Modification and Waiver*).

Changes may therefore be made to the Programme to which one or more, or all Covered Bondholders did not agree or would have disapproved of if proposed to them. This means, among other things, that as the Terms and Conditions of all Covered Bonds are the Terms and Conditions attached to the Trust Deed and therefore are the same for all Series outstanding, any updated Terms and Conditions resulting from any amendments to the Terms and Conditions of the Covered Bonds for example as part of an annual update, will apply to all outstanding Covered Bonds, unless otherwise specifically provided for in the Terms and Conditions. In addition, the fact that changes may be made to the Transaction Documents without the Covered Bondholder's prior knowledge or consent and which changes may be conflicting with the interests of such Covered Bondholder or potential Covered Bondholder, could have an adverse effect on the value of such Covered Bonds that are intended to be sold by a Covered Bondholder.

Also, there is a risk that the Security Trustee is not willing to agree to certain modifications because these would expose the Security Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or increase the Security Trustee's contractual obligations or duties, or decrease its contractual protections. These matters could have an adverse effect on (the value of) the Covered Bonds, also if a Covered Bondholder intends to sell any Covered Bonds.

## **5. Risk related to substitution of the Issuer**

The Issuer may, subject to Rating Agency Confirmation and without the consent of the Covered Bondholders or Couponholders in respect of each Series of Covered Bonds on which no payment of principal of or interest on any of the Covered Bonds is in default and after written approval of DNB, be replaced and substituted by any Substituted Debtor as principal debtor in respect of the Covered Bonds and the relative Coupons, as set out in more detail in Condition 17 (*Substitution of the Issuer*). Following such a substitution, the original issuer entity will be released from all of its obligations as principal debtor in respect of the Covered Bonds. Accordingly, the Covered Bondholders could be faced with a counterparty to which they do not agree to or would have disapproved of if proposed to them, and this may have an adverse effect on the value of the Covered Bonds.

## **6. Risk of certain decisions of Covered Bondholders taken at Programme level and not at Series level**

Any Programme Resolution to direct the Security Trustee to serve an Issuer Acceleration Notice, a Notice to Pay or a CBC Acceleration Notice, and any direction to the Security Trustee to take any enforcement action must be passed at a single meeting of the holders of all Covered Bonds of all Series then outstanding as set out in more detail in Condition 15 (*Meetings of Covered Bondholders, Modification and Waiver*) and cannot be decided upon at a meeting of Covered Bondholders of a single Series. A Programme Resolution will be binding on all Covered Bondholders including Covered Bondholders who did not attend and vote at the relevant meeting and Covered Bondholders who voted in a manner contrary to the majority. Covered Bondholders are therefore exposed to the risk that decisions are taken at a programme level which may conflict with the interest of such Covered Bondholder and this may have an adverse effect on (the value of) the Covered Bonds, also if a Covered Bondholder intends to sell any Covered Bonds.

## **B. MARKET AND LIQUIDITY RISKS RELATED TO THE COVERED BONDS**

### **1. Risk that Covered Bonds that are subject to optional redemption by the Issuer, including for tax reasons, have a lower market value and reinvestment risk**

The applicable Final Terms will indicate whether the Covered Bonds are subject to an optional redemption feature. In general, an optional redemption feature of Covered Bonds is likely to limit their market value. During any period when the Issuer may elect to redeem Covered Bonds, the market value of those Covered Bonds generally will not rise substantially above the price at which they can be redeemed. This may also be the case prior to any optional redemption period.

If the Issuer redeems the Covered Bonds prior to maturity, a holder of such Covered Bonds is exposed to the risk that, due to early redemption, its investment will have a lower than expected yield. In addition, the Issuer may be expected to redeem Covered Bonds pursuant to an Optional Redemption feature when its cost of borrowing is lower than the interest rate on the Covered Bonds or when the Covered Bonds become subject to changes in tax law. If the Covered Bonds are redeemed at the option of the Issuer, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Covered Bonds being redeemed and may only be able to do so at a (significantly) lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Furthermore, if the Issuer is specified as having the option to redeem the Covered Bonds in the applicable Final Terms prior to the Maturity Date and the Issuer cannot exercise its option because an Issuer Event of Default has occurred and is continuing, then the CBC will have the right to declare that all of the Covered Bonds then outstanding will mature on an Optional Redemption Date specified in the applicable Final Terms and that the Maturity Date will be such Optional Redemption Date. If the CBC exercises such right, the Maturity Date will be the relevant Optional Redemption Date and the Extended Due for Payment Date will be the date falling one (1) year after such Optional Redemption Date (or if indicated otherwise in the applicable Final Terms, such date). In such case, the Covered Bondholders may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Covered Bonds being redeemed and may only be able to do so at a significantly lower rate.

Any redemption prior to the Maturity Date as set out above could have a material adverse effect on the value of the Covered Bonds as the relevant redemption amount may be less than the then current market value of the Covered Bonds.

**2. Risk that no secondary market may develop and risk of limited liquidity**

There can be no assurance as to how any Covered Bonds will trade in the secondary market or whether such market will be liquid or illiquid. Application may or may not be made to list the Covered Bonds on a stock exchange, as indicated in the applicable Final Terms. The fact that Covered Bonds may be listed does not necessarily lead to greater liquidity. No assurance can be given that there will be a market for any Covered Bonds. If any Covered Bonds are not traded on any stock exchange, pricing information for such Covered Bonds may be more difficult to obtain, and the liquidity and market prices of such Covered Bonds may be adversely affected. The liquidity of the Covered Bonds may also be affected by restrictions on offers and sales of the Covered Bonds in some jurisdictions. Lack of liquidity may result in investors suffering losses on the Covered Bonds in secondary resales even if there is no decline in the performance of the assets of the Issuer. Illiquidity may have a material adverse effect on the market value of Covered Bonds.

**3. Risk related to exchange rates and exchange controls**

The Issuer will pay principal and interest on the Covered Bonds in the Specified Currency. This presents certain risks relating to currency conversions, for example if the Investor's Currency is not the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Covered Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Covered Bonds and (iii) the Investor's Currency-equivalent market value of the Covered Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

**4. Risk that the interest basis of Fixed/Floating Rate Covered Bonds may be converted at the discretion of the Issuer**

The Final Terms allow the Issuer to issue Covered Bonds with a fixed/floating feature. Fixed/Floating Rate Covered Bonds may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of an investment in the relevant Covered Bonds since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing which may result in a lower interest return for the Covered Bondholders. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Covered Bonds may be less favourable than the then prevailing spreads on comparable Floating Rate Covered Bonds tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Covered Bonds. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing rates on its Covered Bonds, therefore such specific feature could affect the market value of an investment in the relevant Covered Bonds from the onset and at the moment it is exercised.

**5. Risk of price volatility of Covered Bonds issued at a substantial discount or premium**

The market values of Covered Bonds issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than to prices for conventional interest-bearing Covered Bonds. Generally, the longer the remaining term of the Covered Bonds, the greater the price volatility as compared to conventional interest-bearing Covered Bonds with comparable maturities. Therefore, the market value of such Covered Bonds may be lower than the market value of conventional interest-bearing Covered Bonds with comparable maturities.

**6. Risk related to no consent being required from Covered Bondholders for issuance of different Covered Bonds**

This Base Prospectus only describes Covered Bonds to be issued as part of the Programme under this Base Prospectus. In the future, the Issuer may issue Covered Bonds under the Programme (whether or not under this Base Prospectus) in different markets and/or with different features, which have not been described herein, and different risks associated with them, such as index or equity linked and dual currency Covered Bonds. It is not

expected that the consent of Covered Bondholders will be obtained in order to provide for the inclusion of such Covered Bonds in the Programme. This may result in higher risks on the Issuer and the CBC whilst such higher risks may not be compensated by higher returns or adjustments in the Asset Cover Test or Amortisation Test. Therefore, Covered Bondholders are exposed to the risk that such decision is taken against the interest of such Covered Bondholder and new Covered Bonds are issued that negatively affect the market value and/or risks in relation to its Covered Bonds.

**7. Risk that Covered Bonds issued with integral multiples of less than EUR 100,000 in case of Definitive Covered Bonds may be illiquid and difficult to trade**

In relation to any issue of Covered Bonds which has a denomination of EUR 100,000 (or higher or its equivalent in another currency) plus a higher integral multiple of another smaller amount, it is possible that the Covered Bonds will be traded in amounts in excess of EUR 100,000 or its equivalent that are not integral multiples of EUR 100,000 (or its equivalent in another currency) (for the purpose of this paragraph, the "**Stub Amount**"). In such a case a Covered Bondholder who, as a result of trading such amounts, holds a Stub Amount may not receive a Definitive Covered Bond in respect of such holding (should Definitive Covered Bonds be printed) and would need to purchase a principal amount of Covered Bonds such that its holding amounts up to at least EUR 100,000. As long as the Stub Amount is held in the relevant clearing system, the Covered Bondholder will be unable to transfer this Stub Amount. If Definitive Covered Bonds are issued, Covered Bondholders should be aware that Definitive Covered Bonds which have a denomination that is not an integral multiple of the minimum Specified Denomination, may be illiquid and difficult to trade, which may negatively affect the market value of the Covered Bonds.

**8. Risk of no Eurosystem eligibility**

Covered Bonds may be issued with the intention to be held in a manner which will allow Eurosystem eligibility. In that case such Covered Bonds are intended upon issue to be deposited with one of the international central securities depositories and/or central securities depositories that fulfil the minimum standard established by the ECB. However, it does not necessarily mean that each Covered Bond will be recognised as eligible collateral for monetary policy of the Eurosystem and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will, as in any particular case, depend upon satisfaction of all Eurosystem eligibility criteria at the relevant time and there can be no assurance that such Covered Bonds will be recognised as such or will remain to be recognised as such. If the Covered Bonds are in this case not recognised as such, this is likely to have a negative impact on the liquidity and/or market value of such Covered Bonds.

**9. Risks related to the ECB asset purchase programme**

In September 2014, the ECB initiated an asset purchase programme, which also encompasses the covered bond purchase programme. Between 20 October 2014 and 19 December 2018, the ECB conducted net purchases of covered bonds under a covered bond purchase programme. From January 2019 to October 2019, the ECB only reinvested the principal payments from maturing securities under a covered bond purchase programme. Purchases of securities under the covered bond purchase programme were restarted on 1 November 2019 and continued until the end of June 2022. Between July 2022 and February 2023 the ECB aimed to fully reinvest the principal payments from maturing securities. From March 2023 the Eurosystem only partially reinvests the principal payments from maturing securities held in the covered bond purchase programme and of July 2023 the Eurosystem discontinued all reinvestments. It remains to be seen what the effect of the phasing out of purchases under the covered bond purchase programme and the discontinuation of such programme will be on the volatility in the financial markets and the overall economy in the Eurozone and the wider European Union and the UK. The discontinuation of reinvestment of principal payments from maturing securities could have an adverse effect on the secondary market value of the Covered Bonds and the liquidity in the secondary market for the Covered Bonds. The Covered Bondholders should be aware that they may suffer loss if they intend to sell any of the Covered Bonds on the secondary market for such Covered Bonds as a result of the impact of the phasing out of purchases under the covered bond purchase programme may have on the secondary market value of the Covered Bonds and the liquidity in the secondary market for the Covered Bonds.

**10. Risk related to the Arranger and Dealers transacting with the Issuer**

In the ordinary course of their business activities, the Arranger, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and

financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Arranger, the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Arranger, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Covered Bonds. Any such positions could adversely affect future trading prices of Covered Bonds.

#### **11. Risk that the credit ratings assigned to the Covered Bonds may not reflect all risks**

The ratings assigned to the Covered Bonds are expected to address:

- the likelihood of full and timely payment to Covered Bondholders of all payments of interest on each Interest Payment Date; and
- the likelihood of ultimate payment of principal in relation to Covered Bonds on the Extended Due for Payment Date thereof.

The expected ratings of the Covered Bonds (if rated) are set out in the relevant Final Terms for each Series of each Tranche of Covered Bonds. Any Rating Agency may lower its rating or withdraw its rating if, in the sole judgement of the Rating Agency, the credit quality of the Covered Bonds has declined or is in question. If any rating, whether solicited or unsolicited, assigned to the Covered Bonds is lowered or withdrawn by any Rating Agency or other rating agency, the market value of the Covered Bonds may be reduced. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time without prior notice. A credit rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Covered Bonds.

### **C. LEGAL AND REGULATORY RISKS REGARDING THE COVERED BONDS**

#### **1. Risk that Covered Bonds do not comply with the CB Regulations and/or CRR**

On the Programme Date, DNB admitted the Issuer and the Covered Bonds to the list of issuers and covered bond programmes as published by DNB for the purpose of Article 1:109 of the Wft, in accordance with the then applicable Dutch covered bond laws. The Issuer has amended the Programme to comply with the CB Regulations and as of 29 November 2022, the Issuer has obtained confirmation from DNB that it complies with the CB Regulations. All Covered Bonds can, subject to satisfaction of the other requirements for such benefits, enjoy the benefits of the CRR and, as a result, obtain the 'European Covered Bond (Premium)' label.

The Covered Bond Directive was adopted on 27 November 2019 and has been implemented in the Netherlands in full on 13 June 2022 pursuant to the CB Regulations. The Covered Bond Directive, the CB Regulations and the interpretation thereof by, *inter alia*, the competent authorities may change over time and due to the recent implementation of the CB Regulations, the interpretation of the CB Regulations may vary. The timing and substance of such changes are unpredictable and beyond the control of the Issuer. Changes in the Covered Bond Directive, the CB Regulations or interpretations thereof, or different interpretations thereof, could affect the Issuer, the CBC, the market for covered bonds in general and/or the Covered Bonds.

If a Covered Bond no longer meets the requirements prescribed by the CB Regulations, or if the Issuer would no longer comply with its ongoing administration and/or reporting obligations towards DNB as the competent regulator, DNB can take several measures, which include, without limitation, imposing an issuance-stop on the Issuer, which may be disclosed by DNB in the relevant register, and DNB has the authority to terminate the registration of the Issuer.

If at any time an issuance stop is published or if the registration of the Issuer is revoked, a Covered Bondholder may experience adverse consequences (i.e. an adverse effect on the market value of the Covered Bonds), depending on the reasons for making the investment in such Covered Bonds. An issuance stop or revocation of the registration of the Issuer may for example have negative effect on the regulatory treatment of the Covered Bonds, resulting in the Covered Bonds for example losing the 'European Covered Bond (Premium)' label, which may affect the value, trading price and/or liquidity of the Covered Bonds and may have consequences for certain Covered Bondholders with portfolio mandates to invest in covered bonds with a 'European Covered Bond (Premium)' label. See also the risk factor '*The Issuer's results of operations can be negatively affected by*

*significant regulatory developments as well as enforcement action including changes in capital and liquidity requirements*.

## **D. RISKS RELATED TO BENCHMARKS**

### **1. Risk that benchmark reforms may cause benchmarks used in respect of the Floating Rate Covered Bonds to be materially amended or discontinued**

The interest payable on the Floating Rate Covered Bonds may be determined by reference to EURIBOR, €STR or another reference rate (as defined in the applicable Final Terms), or another benchmark (each of these indices as well as any substitute, alternative or successor rate determined in accordance with Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) in case of a reference rate other than Compounded Daily €STR and Condition 5(B)(ii)(d) (*Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR*) in case of Compounded Daily €STR, including the applicable tenor and currency, the "**Reference Rate**"). Various benchmarks (including interest rate benchmarks that may apply to the Floating Rate Covered Bonds) are the subject of recent national and international regulatory guidance and proposals for reform (including as a result of the Benchmarks Regulation). Further to these reforms, a transitioning away from the IBORs to 'risk-free rates' is expected and already taking place for certain IBORs. The Issuer is actively monitoring developments in respect of such reforms and implementing them as and when appropriate.

For example, EMMI has implemented a hybrid methodology for EURIBOR, having transitioned away from a quote-based methodology. Although EURIBOR has been reformed in order to comply with the terms of the Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

Following the implementation of any such (potential) reforms (such as changes in methodology or otherwise) or further to other pressures (including from regulatory authorities), (i) the manner of administration of benchmarks may change, with the result that benchmarks may perform differently than in the past, (ii) one or more benchmarks could be eliminated entirely, (iii) it may create disincentives for market participants to continue to administer or participate in certain benchmarks, or (iv) there could be other consequences, including those that cannot be predicted.

The potential elimination of, or the potential changes in the manner of administration of, EURIBOR, €STR or any other benchmark could require an adjustment to the terms and conditions to reference an alternative benchmark, or result in other consequences, including those which cannot be predicted, in respect of any Floating Rate Covered Bonds linked to such benchmark (including but not limited to Floating Rate Covered Bonds whose interest rates are linked to EURIBOR, €STR or any such other benchmark that is subject to reform or elimination) and may adversely affect the trading market and the value of and return on any such Floating Rate Covered Bonds. See also the risk factor '*Risk that discontinuance of EURIBOR, €STR or other interest rate benchmarks may affect the value or payment of interest under the Floating Rate Covered Bonds*'. In addition, any future changes in the method pursuant to which EURIBOR and/or other relevant benchmarks are determined or the transition to a successor benchmark, may result in, among other things, a sudden or prolonged increase or decrease in the reported benchmark rates, a delay in the publication of any such benchmark rates, changes in the rules or methodologies in certain benchmarks discouraging market participants from continuing to administer or participate in certain benchmarks and a benchmark rate no longer being determined and published in certain situations. Accordingly, in respect of a Floating Rate Covered Bond referencing EURIBOR or any other relevant benchmark, such proposals for reform and changes in applicable regulation could have a material adverse effect on the value of and return on such a Floating Rate Covered Bond (including potential rates of interest thereon).

Moreover, any of the above changes or any other consequential changes to the Reference Rate or any other relevant benchmark, or any further uncertainty in relation to the timing and manner of implementation of such changes could affect the ability of the Issuer to meet its obligations under the Floating Rate Covered Bonds and could have a material adverse effect on the value or liquidity of, and amounts payable under, the Floating Rate Covered Bonds based on or linked to a Reference Rate or other benchmark.

### **2. Risk that discontinuance of EURIBOR, €STR or other interest rate benchmarks may affect the value or payment of interest under the Floating Rate Covered Bonds**

Investors should be aware that, if EURIBOR, €STR or any other benchmark were discontinued or another Benchmark Event or, in case of Compounded Daily €STR, an €STR Index Cessation Event has occurred, the rate of interest on such Floating Rate Covered Bonds which reference any such benchmark may be determined for the relevant period by reference to a substitute, alternative or successor rate in accordance with the applicable fall-back provisions set out in Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) in of case a Reference Rate other than Compounded Daily €STR and Condition 5(B)(ii)(d) (*Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR*) in case of Compounded Daily €STR, applicable to such Floating Rate Covered Bond. Depending on the manner in which the relevant benchmark rate is to be determined under such fall-back provisions as set out in the Terms and Conditions of the Covered Bonds, this may (i) be reliant upon the provision by reference banks of offered quotations for such rate which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when the relevant benchmark was available.

Due to the uncertainty concerning the availability of substitute rates, successor rates and alternative reference rates, the potential involvement of a Rate Determination Agent and the possibility that a licence or registration may be required under applicable legislation for establishing and publishing fallback interest rates, the relevant fallback provisions may not operate as intended at the relevant time. In addition, uncertainty as to the continuation of a benchmark, the availability of quotes from reference banks to allow for the continuation of the floating rate or certain reset rates on any Floating Rate Covered Bonds and the rate that would be applicable if the relevant benchmark is discontinued may also adversely affect the trading market and the value of the Floating Rate Covered Bonds. At this time, it is not possible to predict what the effect of these developments will be or what the impact on the value of the Floating Rate Covered Bonds will be. More generally, any of the above changes or any other consequential changes to EURIBOR, €STR or any other "benchmark" as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the liquidity and value of, and return on, any Floating Rate Covered Bonds based on or linked to a "benchmark". Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Covered Bonds or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Covered Bonds based on or linked to a benchmark.

The use of substitute rates, successor rates and alternative reference rates may result in the Floating Rate Covered Bonds that referenced the Reference Rate performing differently (including potentially paying a lower Interest Rate) than they would do if the Reference Rate were to continue to apply in its current form. In addition, if EURIBOR, €STR or any other benchmark were discontinued or another Benchmark Event or, in case of Compounded Daily €STR, an €STR Index Cessation Event has occurred, the Interest Rate may revert to the Interest Rate applicable as at the last preceding Interest Determination Date before the Benchmark Event or, in case of Compounded Daily €STR, an €STR Index Cessation Event has occurred, and such Interest Rate will continue to apply until maturity or, in case Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) is applicable, whenever the Rate Determination Agent is able to determine the Replacement Reference Rate. This mechanism is not suitable for determining the interest rate payable on the Floating Rate Covered Bonds on a long-term basis. If it is not possible to determine a substitute rate, successor rate or alternative reference rates under Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) or Condition 5(B)(ii)(d) (*Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR*) in case of Compounded Daily €STR, this could ultimately result in the application of a fixed rate to what was previously a Floating Rate Covered Bond. The effective application of a fixed rate to what previously was a Floating Rate Covered Bond could have a material adverse effect on the value of and return on such Covered Bond.

Furthermore, in case of Floating Rate Covered Bonds not referencing Compounded Daily €STR, the Conditions provide that the Rate Determination Agent (which may be the Issuer) may vary the Conditions, as necessary to ensure the proper operation of the Replacement Reference Rate, without any requirement for consent or approval of the Covered Bondholders. Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) also provides that an Adjustment Spread may be determined by the Rate Determination Agent to be applied to the Replacement Reference Rate. The aim of the Adjustment Spread is to reduce or eliminate, so far as practicable, any economic prejudice or benefit (as the case may be) to Covered Bondholders as a result of the replacement of the Reference Rate with the Replacement Reference Rate. However, there is no guarantee that such an Adjustment Spread will be determined or applied, or that the application of the Adjustment Spread

will either reduce or eliminate economic prejudice to Covered Bondholders. If no Adjustment Spread is determined, the Replacement Reference Rate may nonetheless be used to determine the Interest Rate.

**3. There is a risk that the Rate Determination Agent may be considered an 'administrator' under the Benchmarks Regulation**

The Rate Determination Agent may be considered an 'administrator' under the Benchmarks Regulation. This is the case if it is considered to be in control over the provision of the Replacement Reference Rate and/or the determined rate of interest on the basis of the Replacement Reference Rate and any adjustments made thereto by the Rate Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fallback scenario.

The Benchmarks Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorised, recognised or endorsed, as applicable, in accordance with the Benchmarks Regulation. There is a risk that administrators (which may include the Rate Determination Agent in the circumstances as described above) of certain benchmarks will fail to obtain such registration, authorisation, recognition or endorsement, preventing them from continuing to provide such benchmarks, or may otherwise choose to discontinue or no longer provide such benchmark. The Issuer cannot guarantee that it or the Rate Determination Agent will and will be able to timely obtain registration or authorisation to administrate a benchmark, in case the Rate Determination Agent will be considered an administrator under the Benchmarks Regulation. This will also affect the possibility for the Rate Determination Agent to apply the fallback provision of Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*), meaning that the Reference Rate will not be changed pursuant such Condition. This could ultimately result in the application of a fixed rate to what was previously a Floating Rate Covered Bond (also see the risk factor '*Risk that discontinuance of EURIBOR, €STR or other interest rate benchmarks may affect the value or payment of interest under the Floating Rate Covered Bonds*').

Other administrators may cease to administer certain benchmarks because of the additional costs of compliance with the requirements of the Benchmarks Regulation such as relating to governance and conflict of interest, control frameworks, record-keeping and complaints-handling. This may negatively affect the value of the Covered Bonds.

**4. Risks related to the market's continuing development in relation to €STR as a reference rate**

€STR is published by the ECB and is intended to reflect the wholesale euro unsecured overnight borrowing costs of banks located in the euro area. The ECB reports that €STR is published on each T2 Business Day based on transactions conducted and settled on the previous T2 Business Day (the reporting date "T") with a maturity date of T+1 which are deemed to have been executed at arm's length and thus reflect market rates in an unbiased way.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Terms and Conditions of the Covered Bonds and used in relation to Covered Bonds that reference a risk-free rate. Investors should carefully consider how any mismatch between the adoption of €STR reference rates in the bond, loan and derivatives markets may impact any hedging or any other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Floating Rate Covered Bonds referencing €STR. The development of Compounded Daily €STR as interest reference rates for the Eurobond markets, as well as continued development of €STR-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any €STR-referenced Covered Bonds from time to time.

Since €STR is a relatively new market index, Floating Rate Covered Bonds which reference €STR may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to €STR such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Floating Rate Covered Bonds may be lower than those of later-issued indexed debt securities as a result. Further, if €STR does not prove to be widely used in securities such as Floating Rate Covered Bonds which reference Compounded Daily €STR, the trading price of such Floating Rate Covered Bonds which reference Compounded Daily €STR may be lower than those of Floating Rate Covered Bonds linked to indices that are more widely used. Investors in such Floating Rate Covered Bonds may not be able to sell such Floating Rate Covered Bonds at all or may not be able to sell such Floating Rate Covered Bonds at prices that will provide them with a yield comparable to similar investments that have a

developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Covered Bonds which reference Compounded Daily €STR. If the manner in which Compounded Daily €STR is calculated is changed, that change may result in a reduction of the amount of interest payable on such Floating Rate Covered Bonds and the trading prices of such Floating Rate Covered Bonds. Accordingly, an investment in Floating Rate Covered Bonds using €STR as a reference rate may entail significant risks not associated with similar investments in conventional debt securities.

Furthermore, interest on Floating Rate Covered Bonds which reference Compounded Daily €STR is only capable of being determined at the end of the relevant Observation Period or Interest Period (as applicable) and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Floating Rate Covered Bonds which reference Compounded Daily €STR to estimate reliably the amount of interest which will be payable on such Floating Rate Covered Bonds, and some investors may be unable or unwilling to trade such Floating Rate Covered Bonds without changes to their IT systems, both of which could adversely impact the liquidity of such Floating Rate Covered Bonds. Further, in contrast to, for example, EURIBOR based Floating Rate Covered Bonds, if Floating Rate Covered Bonds referencing Compounded Daily €STR become due and payable as a result of an event of default under Condition 10 (*Events of Default and Enforcement*) or Condition 16 (*Security Trustee*) (as applicable), or are otherwise redeemed early on a date other than an Interest Payment Date, the rate of interest payable for the final Interest Period in respect of such Floating Rate Covered Bonds shall only be determined on the date on which the Floating Rate Covered Bonds become due and payable.

**5. The application of the fallback provisions contained in Condition 5 (*Interest*) may lead to a conflict of interest**

The application of the fallback provisions contained in Condition 5 (*Interest*) may lead to a conflict of interests between the Issuer and Covered Bondholders (and, after the occurrence of an Issuer Event of Default, the CBC) including with respect to certain determinations and judgements that the Rate Determination Agent and the Principal Paying Agent (including where such agent is not the Issuer or an affiliate) may make pursuant to Condition 5 (*Interest*) that may influence the amount receivable under the Covered Bonds. The Issuer and/or any of its affiliates may have existing or future business relationships and business interests and may pursue actions and take steps that they or it deems necessary or appropriate to protect its and/or their interests arising therefrom without taking into account the consequences for a Covered Bondholder. This may negatively affect the value of the Covered Bonds.

**E. TAX RISKS REGARDING THE COVERED BONDS**

**1. Risk related to tax consequences of holding the Covered Bonds**

Potential investors and sellers of Covered Bonds should be aware that they may be required to pay stamp taxes or other documentary taxes or fiscal duties or charges in accordance with the laws and practices of the country where the Covered Bonds are transferred or other jurisdictions. In addition, payments of interest on the Covered Bonds, or income derived from the Covered Bonds, may be subject to taxation, including withholding taxes, in the jurisdiction of the Issuer, in the jurisdiction of the holder of Covered Bonds, or in other jurisdictions in which the holder of Covered Bonds is required to pay taxes. Any such tax consequences may have an impact on the net income received from the Covered Bonds.

Prospective investors should carefully consider the tax consequences of investing in the Covered Bonds and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

**2. Risk of no Gross-up by the CBC for Taxes**

As provided in Condition 8 (*Taxation*), should payments made by the CBC under the Guarantee be made subject to withholding or deduction for any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction, the CBC will make the required withholding or deduction of such taxes or duties for the account of the Covered Bondholders and shall not be obliged to pay any additional amounts to the Covered Bondholders in respect of the withholding or deduction. This may lead to losses under the Covered Bonds.

## RISK FACTORS REGARDING THE GUARANTOR AND THE GUARANTEE

### 1. Risk that counterparties of the CBC will not perform their obligations, including the obligation to appoint a substitute servicer after termination of the Servicing Agreement

Counterparties to the CBC may not perform their obligations under the Transaction Documents and the Borrowers may not perform with their obligations under the Mortgage Receivables. If, as a consequence of counterparties not performing its obligations *vis-à-vis* the CBC or the Borrowers under the Mortgage Loans, the CBC may not be able to meet its obligations under the Guarantee and this may lead to losses under the Covered Bonds. In respect of risks relating to obligations of Achmea Hypotheken *vis-à-vis* the CBC, reference is made to risk factor '*Risks related to the Mortgage Loans forming part of a mortgage platform*' below.

If a termination event occurs pursuant to the terms of the Servicing Agreement, then the CBC and/or the Security Trustee will be entitled to terminate the appointment of the Servicer. In such an event (a) in respect of Mortgage Loans originated by Achmea Hypotheken, Achmea Hypotheken and (b) in respect of Mortgage Loans which are not originated by Achmea Hypotheken, Syntrus Achmea Hypotheekdiensten shall be appointed by the CBC (or the Security Trustee, in the event of a CBC Event of Default) as substitute servicer subject to and in accordance with the Servicing Agreement. If Achmea Hypotheken and/or Syntrus Achmea Hypotheekdiensten is not or cannot be appointed as substitute servicer, another substitute servicer should be appointed by the CBC and/or the Security Trustee subject to and in accordance with the Servicing Agreement. However, there can be no assurance that a substitute servicer with sufficient experience of administering residential mortgage loans can be found who would be willing and able to service the Mortgage Receivables on the terms of the Servicing Agreement. Any delay or inability to appoint a substitute servicer may affect the realisable value of the Mortgage Receivables or any part thereof, and/or the ability of the CBC to make payments under the Guarantee. If the CBC cannot meet its obligations under the Guarantee, this may lead to losses under the Covered Bonds.

Covered Bondholders will have no right to consent to or approve any actions taken by the Servicer under the Servicing Agreement. Neither the Servicer nor other third parties have any obligation themselves to advance payments that Borrowers fail to make in a timely fashion, which may result in the CBC not being able to meet its obligations under the Guarantee. This may lead to losses under the Covered Bonds.

### 2. Risks related to limited resources available to the CBC

The ability of the CBC to meet its obligations under the Guarantee will depend on the receipt by it of funds under the Transferred Assets, the proceeds of the sale of any Transferred Assets, the timing thereof, the receipt by it of payments under the Swap Agreements, if any, and the balance standing to the credit of the CBC Transaction Accounts and the CBC Back-Up Account, including receipt by it of any interest in respect of such balance standing to the credit of the CBC Transaction Accounts and the CBC Back-Up Account. The CBC does not have any other resources available to it to meet its obligations under the Guarantee.

If a CBC Event of Default occurs and the Security is enforced, the proceeds may not be sufficient to meet the claims of all the Secured Creditors, including the Covered Bondholders. Upon the occurrence of an Issuer Event of Default or a CBC Event of Default, the CBC or the Security Trustee, as the case may be, could experience difficulty with any sale of the relevant Transferred Assets, more in particular, the sale proceeds may be lower than expected or the sale proceeds could suffer delays. If, following enforcement of the Security, the Secured Creditors have not received the full amount due to them pursuant to the terms of the Transaction Documents, the Secured Creditors will no longer have a claim against the CBC after enforcement of the Security. The Secured Creditors may however still have an unsecured claim against the Issuer for the shortfall, which may lead to losses under the Covered Bonds.

Covered Bondholders should note that the Asset Cover Test and, after a Notice to Pay, the Amortisation Test has been structured to reduce the risk of there being a shortfall. However, there is no assurance that there will not be a shortfall.

### 3. Risk that payments under the Guarantee are solely the payment obligation of the CBC

None of the Issuer, the Transferor, any of the New Transferors, the Swap Counterparties, the Servicer, the Sub-

servicer, the Administrator, the Back-Up Administrator, the Directors, the Paying Agents, the Registrar, the Calculation Agent, the Arranger, the Dealers, the CBC Account Bank, the CBC Back-Up Account Bank, the Insurance Savings Participant, the Bank Savings Participant and the Security Trustee will be under any obligation whatsoever to provide additional funds to the CBC (save in limited circumstances pursuant to the Transaction Documents).

The payment obligations under the Guarantee will be solely the obligation of the CBC. The Guarantee will not be an obligation or responsibility of, any other entity or person, in whatever capacity acting, including, without limitation, the Issuer, the Transferor, any Swap Counterparty, the Servicer, the Sub-servicer, the Administrator, the Back-Up Administrator, the Directors, the Paying Agents, the Registrar, the Calculation Agent, the Arranger, the Dealers, the CBC Account Bank, the CBC Back-Up Account Bank, the Insurance Savings Participant, the Bank Savings Participant and the Security Trustee. Furthermore, none of the Issuer, the Transferor, the Swap Counterparties, the Servicer, the Administrator, the Back-Up Administrator, the Directors, the Paying Agents, the Registrar, the Calculation Agent, the Arranger, the Dealers, the CBC Account Bank, the CBC Back-Up Account Bank, the Insurance Savings Participant, the Bank Savings Participant and the Security Trustee, nor any other person in whatever capacity acting, will accept any liability whatsoever to Covered Bondholders in respect of any failure by the CBC to pay any amounts due under the Guarantee. This may lead to losses under the Covered Bonds.

#### **4. Risk related to maintenance of Transferred Assets**

Unless a Breach of Asset Cover Test has occurred, the Asset Monitor will carry out agreed upon procedures on the arithmetic accuracy of the calculations performed by the Administrator in respect of the Asset Cover Test once each year on the Calculation Date immediately preceding each anniversary of the Programme Date and more frequently in certain circumstances as set out in the Asset Monitoring Agreement. Following the service of a Breach of Asset Cover Test Notice (until remedied), the Asset Monitor will be required to carry out agreed upon procedures on the calculations performed by the Administrator in respect of the Amortisation Test on each Calculation Date. Such tests are limited in scope and provide no guarantee that the tests are met in all respects. This may therefore result in losses under the Covered Bonds.

If the collateral value of the Transferred Assets has not been maintained in accordance with the terms of the Asset Cover Test or the Amortisation Test, then that may affect the realisable value of the Transferred Assets or any part thereof (both before and after the occurrence of a CBC Event of Default) and/or the ability of the CBC to make payments under the Guarantee. Accordingly, to the extent that Transferred Assets are not maintained and monitored properly, the realisable value of such Transferred Assets by the CBC may be adversely affected, along with the CBC's ability to meet its obligations under the Guarantee. This may lead to losses under the Covered Bonds.

#### **5. Risk regarding cash flows**

For as long as no Assignment Notification Event has occurred and no Breach of Asset Cover Test Notice (which is not remedied) and no Notice to Pay or CBC Acceleration Notice has been served on the CBC, the Transferor will be entitled to receive and retain the proceeds from the Transferred Assets for its own benefit. In addition, the Issuer will, as consideration for the CBC issuing the Guarantee, pay all costs and expenses of the CBC and make and receive all payments to be made or received by the CBC under any Swap Agreement, the Insurance Savings Participation Agreement, the Bank Savings Participation Agreement and certain other obligations of the CBC. Only upon the earlier to occur of an Assignment Notification Event and service of a Breach of Asset Cover Test Notice (which is not remedied) or a Notice to Pay or CBC Acceleration Notice on the CBC, these rights of the Transferor will terminate and the amounts received by the CBC will be applied in accordance with the relevant Priority of Payments (except that any collateral to be provided by a Swap Counterparty following its downgrade will be delivered to the CBC irrespective of whether any Assignment Notification Event has occurred or any Breach of Asset Cover Test Notice (which is not remedied) or Notice to Pay or CBC Acceleration Notice has been served at such time) (see further section 18 (*Cash flows*)). Prior to such moment, the CBC will receive only limited funds. This may affect the ability of the CBC to make payments under the Guarantee and may lead to losses under the Covered Bonds.

#### **6. Risk related to the sale or refinancing of Selected Mortgage Receivables**

If the CBC is required to pay under the Guarantee, the CBC shall sell or refinance Selected Mortgage Receivables

(selected on a random basis) in order to make funds available to the CBC to make payments to the CBC's creditors, including payments under the Guarantee.

There is no guarantee that a buyer will be found to acquire the Selected Mortgage Receivables or that such Selected Mortgage Receivables can be refinanced when required and there can be no guarantee or assurance as to the price or level of refinancing which may be obtained, which may affect payments under the Guarantee. In addition, the CBC will not be permitted to give warranties or indemnities in respect of Selected Mortgage Receivables (unless expressly permitted to do so by the Security Trustee). There is no assurance that the Transferor would give any warranties or representations to a buyer in respect of the Selected Mortgage Receivables. Any Representations or Warranties previously given by the Transferor in respect of the relevant Mortgage Receivables may not have value for a third party purchaser if the Transferor is then subject to any insolvency proceedings. Accordingly, there is a risk that the realisable market value of the Selected Mortgage Receivables could be adversely affected by the lack of representations and warranties which in turn could adversely affect the ability of the CBC to meet its best efforts undertaking under the Guarantee. This may lead to losses under the Covered Bonds.

**7. Not all risks are deducted from the Asset Cover Test**

The tests included in the Asset Cover Test are composed of multiple tests, however, not all of these tests provide for deduction of all the risks that are described in this Base Prospectus. In particular certain set-off risks and other risks which are deducted from the Adjusted Aggregate Asset Amount are not deducted for the purpose of the calculation of the First Regulatory Current Balance Amount and the Second Regulatory Current Balance Amount. Therefore, the First Regulatory Current Balance Amount and the Second Regulatory Current Balance Amount do not include a deduction in respect of these risks. Therefore, where in the risk factors it is stated that such risks are to be deducted from the Asset Cover Test, this means that these will be deducted from the Adjusted Aggregate Asset Amount and does not mean that these are deducted from the First Regulatory Current Balance Amount and the Second Regulatory Current Balance Amount. Furthermore, not all risks in relation to the Transferred Assets are provided for in the Asset Cover Test (see section 16 (*Asset Monitoring*)). This could lead to losses under the Transferred Assets in case such risks materialise and, consequently, the CBC may not be able to meet its obligations under the Guarantee. This may lead to losses under the Covered Bonds.

**8. Risk that obligations under the Guarantee are deferred**

If the CBC is obliged under the Guarantee to pay a Guaranteed Final Redemption Amount and has insufficient funds available under the relevant Priority of Payments to pay such Guaranteed Final Redemption Amount in full, then the obligation of the CBC to pay such Guaranteed Amounts shall automatically be deferred to the relevant Extended Due for Payment Date.

However, to the extent the CBC has sufficient moneys available to pay in part the Guaranteed Final Redemption Amount in respect of the relevant Series of Covered Bonds, the CBC shall make such partial payment in accordance with the relevant Priority of Payments, as described in Condition 3 (*The Guarantee*), on each CBC Payment Date falling prior to the relevant Extended Due for Payment Date. Payment of the unpaid amount shall be deferred automatically up to the applicable Extended Due for Payment Date. An Extended Due for Payment Date will fall one (1) year after the relevant Maturity Date. Interest will continue to accrue and be payable on the unpaid Guaranteed Final Redemption Amount on the basis set out in the applicable Final Terms or, if not set out therein, Condition 5 (*Interest*) applies *mutatis mutandis*.

Except where the CBC has failed to apply amounts in accordance with the relevant Priority of Payments in accordance with Condition 3 (*The Guarantee*), failure by the CBC to pay the relevant Guaranteed Final Redemption Amount on the relevant Interest Payment Date or any subsequent Interest Payment Date falling prior to the relevant Extended Due for Payment Date (or the relevant later date in case of an applicable grace period) shall not constitute a CBC Event of Default. However, failure by the CBC to pay any Guaranteed Final Redemption Amount or the balance thereof, as the case may be, on the relevant Extended Due for Payment Date and/or pay any other amount due under the Guarantee will (subject to any applicable grace period) constitute a CBC Event of Default. Therefore, Covered Bondholders may not receive payments at the moment they anticipated to receive payments and these payments may not cover all amounts Covered Bondholders may expect to receive.

**9. Risks related to the CBC only being obliged to pay Guaranteed Amounts when the same are Due for Payment**

The CBC has no obligation to pay the Guaranteed Amounts payable under the Guarantee until service by the Security Trustee on the Issuer of an Issuer Acceleration Notice and on the CBC of a Notice to Pay, or, if earlier, on the Issuer and the CBC of a CBC Acceleration Notice.

The CBC will not be obliged to pay any other amounts than the Guaranteed Amounts to the Covered Bondholders. Payments by the CBC will be made subject to any applicable withholding or deduction for or on account for tax and the CBC will not be obliged to pay any additional amounts as a consequence.

A Notice to Pay can only be served if an Issuer Event of Default occurs and results in the service by the Security Trustee of an Issuer Acceleration Notice on the Issuer. A CBC Acceleration Notice can only be served if a CBC Event of Default occurs.

Following the service of an Issuer Acceleration Notice on the Issuer, a Notice to Pay shall be served by the Security Trustee on the CBC. However, a failure by the Issuer to make a payment in respect of one or more Series will not automatically result in the service of an Issuer Acceleration Notice. The Security Trustee may, but is not obliged to, serve an Issuer Acceleration Notice unless and until requested or directed by Covered Bondholders of all Series then outstanding.

If a Breach of Asset Cover Test Notice is served by the Security Trustee on the CBC following a Breach of Asset Cover Test, the CBC will not be obliged to make payments under the Guarantee until (a) an Issuer Event of Default has occurred and a Notice to Pay has been served or (b) a CBC Event of Default has occurred and a CBC Acceleration Notice has been served.

Following service of a Notice to Pay on the CBC (provided no CBC Acceleration Notice has been served) under the terms of the Guarantee the CBC will be obliged to pay Guaranteed Amounts as and when the same are Due for Payment. Such payments will be subject to and will be made in accordance with the CBC Priority of Payments. In these circumstances, other than the Guaranteed Amounts the CBC will not be obliged to pay any amount, for example in respect of broken funding indemnities, penalties, premiums, default interest or interest on interest which may accrue on or in respect of the Covered Bonds.

Subject to applicable grace periods, if the CBC fails to make a payment when Due for Payment under the Guarantee or any other CBC Event of Default occurs then the Security Trustee may accelerate the Covered Bonds (to the extent not yet accelerated) by service of a CBC Acceleration Notice, whereupon the CBC will under the Guarantee owe the Early Redemption Amount of each Covered Bond, together with accrued interest and certain other amounts then due under the Covered Bonds. Following service of a CBC Acceleration Notice, the Security Trustee may enforce the Security. The proceeds of enforcement of the Security shall be applied by the Security Trustee in accordance with the Post CBC Acceleration Notice Priority of Payments, and Covered Bondholders will receive amounts from the CBC on an accelerated basis. Without limitation, if a CBC Acceleration Notice is served on the CBC, then the Covered Bonds may be repaid sooner or later than expected or not at all.

Therefore, Covered Bondholders may not receive payments at the moment they expect to receive payments and these payments may not cover all payments Covered Bondholders may expect to receive.

**10. Risk that the rights of pledge to the Security Trustee in case of insolvency of the CBC are not effective in all respects**

Under or pursuant to the Pledge Agreements, various rights of pledge will be granted by the CBC to the Security Trustee. On the basis of these pledges the Security Trustee can exercise the rights afforded by Dutch law to pledgees notwithstanding bankruptcy or suspension of payments of the CBC. The CBC is a special purpose vehicle and is therefore unlikely to become insolvent. However, any bankruptcy or suspension of payments involving the CBC would affect the position of the Security Trustee as pledgee and, subsequently, the Covered Bondholders, in some respects, the most important of which are: (i) payments made by the Borrowers to the CBC prior to notification of the relevant pledge but after bankruptcy or suspension of payments granted in respect of the CBC the amounts so paid will be part of the bankruptcy estate of the CBC, although the Security Trustee has the right to receive such amounts by preference after deduction of certain costs, (ii) a mandatory 'cool-off' period of up to four (4) months may apply in case of bankruptcy and in case of suspension of payments involving the CBC, which, if applicable, would delay the exercise of the right of pledge on the Transferred Assets and other assets pledged to the Security Trustee and (iii) the Security Trustee may be obliged to enforce its right of pledge

within a reasonable period following bankruptcy if so requested by the liquidator and as determined by the judge-commissioner (*rechter-commissaris*) appointed by the court in case of bankruptcy of the CBC. Similar or different restrictions may apply in case of insolvency proceedings other than Dutch insolvency proceedings. Therefore, the Security Trustee may have insufficient funds available to fulfil the CBC's payment obligations under the Covered Bonds. This may lead to insufficient funds being available to cover amounts due under the Covered Bonds and therefore to losses under the Covered Bonds.

To the extent the receivables pledged by the CBC to the Security Trustee are future receivables, the right of pledge on such future receivables cannot be invoked against the estate of the CBC if such future receivable comes into existence after 00:00 hours on the date on which the CBC has been declared bankrupt or has been granted a suspension of payments. The CBC has been advised that some of the assets pledged to the Security Trustee under the Security Trustee Rights Pledge Agreement should probably be regarded as future receivables. This would for example apply to amounts paid to the CBC Transaction Accounts following the CBC's bankruptcy or suspension of payments. Furthermore it is noted that it is uncertain whether part of the Mortgage Receivables relating to the Construction Deposits should be considered as existing or future receivables. It could be argued that such part of the Mortgage Loan comes into existence only when and to the extent the corresponding Construction Deposit is paid out. With respect to Beneficiary Rights, reference is made to the risk factor '*Risks related to Beneficiary Rights under the Insurance Policies*' below. In such case such amounts will not be available for distribution. This may lead to losses under the Covered Bonds.

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

Under Dutch law it is uncertain whether a security right can be validly created in favour of a party which is not the creditor of the claim which the security right purports to secure. Consequently, in order to secure the valid creation of the pledges under the Pledge Agreements in favour of the Security Trustee, the CBC has in the Parallel Debt Agreement, as a separate and independent obligation, by way of parallel debt, undertaken to pay to the Security Trustee amounts equal to the amounts due by it to the Secured Creditors. There is no statutory law or case law available on the concept of parallel debts such as the Parallel Debt and the question arises whether a parallel debt constitutes a valid basis for the creation of security rights, such as rights of pledge (see also section 0 (*Asset Backed Guarantee*) under '*Security*'). However, the CBC has been advised that a parallel debt, such as the Parallel Debt, creates a claim of the Security Trustee thereunder which can be validly secured by a right of pledge such as the rights of pledge created by the Pledge Agreements. If, in spite of the above, the Parallel Debt does not constitute a valid basis for the creation of security rights as included in the Pledge Agreements, the proceeds of the pledges under the Pledge Agreements will not be available for distribution by the Security Trustee to the Secured Creditors (including the Covered Bondholders) and therefore the Security Trustee may have insufficient funds available to it to fulfil the CBC's payment obligations under the Covered Bonds. This may lead to insufficient funds being available to cover amounts due under the Covered Bonds and therefore to losses under the Covered Bonds.

The Security Trustee is a special purpose vehicle and is therefore unlikely to become insolvent. The Security Trustee acts solely as security trustee for the purpose of this Programme. Any payments in respect of the Parallel Debt and any proceeds received by the Security Trustee are, in the case of an insolvency of the Security Trustee, not separated from the Security Trustee's other assets and as such will form part of the Security Trustee's estate. Should the Security Trustee become insolvent, the Secured Creditors will have an unsecured claim on the bankruptcy estate of the Security Trustee and will therefore have a credit risk on the Security Trustee, which could lead to losses under the Covered Bonds.

#### **12. Risks in relation to negative interest rates on the CBC Transaction Accounts and the CBC Back-Up Account**

Pursuant to the CBC Account Agreement and the CBC Back-Up Account Agreement the interest rate accruing on the balances standing to the credit of any of the CBC Transaction Accounts and the CBC Back-Up Account, respectively, could be less than zero in case Compounded Daily €STR is below, equal to or just above zero. Any negative interest will be payable by the CBC to the CBC Account Bank or the CBC Back-Up Account Bank, as the case may be. If the CBC has the obligation to pay interest accruing on the balances standing to the credit of any of the CBC Transaction Accounts to the CBC Account Bank or the CBC Back-Up Account to the CBC Back-Up Account Bank instead of receiving interest thereon, this will reduce the income of the CBC and its possibility to generate further income on the assets held in the form of cash in the CBC Transaction Accounts and/or the CBC Back-Up Account. This risk increases if the amount deposited on the CBC Transaction Accounts and/or

CBC Back-Up Account becomes (more) substantial. Ultimately, such negative interest rate and/or an enduring obligation of the CBC to make such payments in respect thereof to the CBC Account Bank and/or the CBC Back-Up Account Bank could result in the CBC having insufficient funds to pay any amounts due under the Guarantee to Covered Bondholders. This may lead to losses under the Covered Bonds.

**13. The risk that the WHOA when applied to the CBC or other parties could affect the rights of the Security Trustee under the Security and the Covered Bondholders under the Guarantee and therefore the Covered Bonds**

On 1 January 2021, the Act on Confirmation of Extrajudicial Restructuring Plans (*Wet Homologatie Onderhands Akkoord*, "CERP" or "WHAO") entered into force. The WHOA is not applicable to banks and insurers.

Under the WHOA, a proceeding somewhat similar to the chapter 11 proceedings under United States bankruptcy law and the scheme of arrangement under English bankruptcy laws, is available for companies in financial distress, where the debtor stays in possession and can offer a composition plan to its creditors (including secured creditors and shareholders) which is binding on them and changes their rights provided all conditions are met.

A judge can, *inter alia*, refuse to accept a composition plan if an affected creditor who did not vote in favour of such composition plan and who will be worse off than in case of an insolvency so requests. If a proposal has been made or if the debtor undertakes to make a proposal within two (2) months from the date it deposits a statement with the court that it has started to make such proposal, a judge may during such proceedings grant a stay on enforcement of a maximum of four (4) months, with a possible extension of four (4) months. During such period, *inter alia*, a pledgee of claims may not collect nor notify the borrowers in case of an undisclosed pledge. The new legislation also allows that group companies providing guarantees for the debtor's obligations are included in the plan, if (i) the relevant group companies are reasonably expected to be unable to pay their debts as they fall due, (ii) they have agreed to the proposed restructuring plan insofar as it concerns their obligations and (iii) the court has jurisdiction over the relevant group companies. A debtor may offer its creditors a composition plan which may also entail changes to the rights of any of its creditor. As a result thereof, it may well be that claims of creditors against the CBC can be compromised as a result of a composition if the relevant majority of creditors within a class vote in favour of such a composition. The WHOA can provide for restructurings that stretch beyond Dutch borders.

Although the WHOA is not applicable to banks and insurers and seems inappropriate to be applied for the CBC with a view to the structure of the transaction and the security created under the Security, the WHOA when applied to the CBC could affect the rights of the Security Trustee under the Security and the Covered Bondholders under the Guarantee and therefore the Covered Bonds. The WHOA may also affect other counterparties of the CBC and/or the Security Trustee which may include the Originator and the Borrowers and, therefore, this may also impact the performance by such parties vis-à-vis the CBC and/or the Security Trustee and result in losses under the Covered Bonds as further described in the risk factor '*Risk that counterparties of the CBC will not perform their obligations, including the obligation to appoint a substitute servicer after termination of the Servicing Agreement*'.

**RISK FACTORS REGARDING THE MORTGAGE RECEIVABLES, SET-OFF AND SECURITY RIGHTS**

**A. RISKS REGARDING THE PAYMENTS UNDER THE MORTGAGE RECEIVABLES TRANSFERRED TO THE CBC**

**1. Risk related to payments received by the Transferor prior to notification to the Borrowers of the assignment to the CBC**

Under Dutch law, assignment of legal title to claims, such as the Eligible Receivables, can be effectuated by means of a notarial deed of assignment or a deed of assignment and registration thereof with the appropriate tax authorities, without notification of the assignment to the debtors being required (*stille cessie*). The legal title of the Mortgage Receivables will be assigned by the Transferor to the CBC through a deed of assignment and registration thereof with the appropriate tax authorities. In case the Mortgage Loans are granted by Achmea Hypotheken, legal title to the Mortgage Receivables (i) *firstly* will be transferred by way of an undisclosed assignment (*stille cessie*) or has been transferred by way of an undisclosed assignment (*stille cessie*) by Achmea Hypotheken to the Transferor ("**Assignment I**") and (ii) subsequently will be transferred by way of an undisclosed

assignment (*stille cessie*) by the Transferor to the CBC (the assignment by the Transferor to the CBC of Achmea Hypotheken Mortgage Receivables and Mortgage Receivables other than Achmea Hypotheken Mortgage Receivables is herein referred to as "**Assignment II**").

The Guarantee Support Agreement will provide that the assignment of the Mortgage Receivables by the Transferor to the CBC will not be notified by the Transferor or, as the case may be, the CBC to the Borrowers except if certain events occur.

*Risks related to payments received by the Transferor prior to notification in relation to Mortgage Loans, other than the Achmea Hypotheken Mortgage Loans*

Until notification of Assignment II, the Borrowers under the Mortgage Receivables, other than the Achmea Hypotheken Mortgage Receivables, can only validly pay to the Transferor in order to fully discharge their payment obligations (*bevrijdend betalen*) in respect thereof. After notification of Assignment II, the Borrowers under the Mortgage Receivables, other than the Achmea Hypotheken Mortgage Receivables, can only validly pay to the CBC in order to fully discharge their payment obligations.

Payments made by the Borrowers to the Transferor prior to notification of Assignment II in relation to Mortgage Loans, other than the Achmea Hypotheken Mortgage Loans, but after bankruptcy in respect of Achmea Bank having been declared, will be part of the Transferor's bankruptcy estate. In respect of these payments, the CBC will be a creditor of the estate (*boedelschuldeiser*) and will receive payment prior to (unsecured) creditors with ordinary claims, but after preferred creditors of the estate and after deduction of the general bankruptcy costs (*algemene faillissementskosten*), which may be material. There is therefore a risk that in respect of such payments the CBC will not receive the proceeds under the Mortgage Receivables on time and in full or it will not receive the proceeds at all. As a result thereof, the CBC may have insufficient funds available to fulfil its payment obligations under the Covered Bonds and this may result in losses under the Covered Bonds.

*Risks related to payments received by the Transferor prior to notification in relation to Achmea Hypotheken Mortgage Loans*

Until notification of Assignment I and Assignment II, the Borrowers under the Achmea Hypotheken Mortgage Receivables can only validly pay to Achmea Hypotheken in order to fully discharge their payment obligations (*bevrijdend betalen*) in respect thereof. Upon notification of Assignment I and until notification of Assignment II, the Borrowers under the Achmea Hypotheken Mortgage Receivables can only validly pay to the Transferor. After notification of Assignment II, the Borrowers under the Achmea Hypotheken Mortgage Receivables can only validly pay to the CBC in order to fully discharge their payment obligations.

Payments made by the Borrowers (i) to Achmea Hypotheken prior to notification of Assignment I and Assignment II in relation to the Achmea Hypotheken Mortgage Loans, but after bankruptcy in respect of Achmea Hypotheken having been declared or (ii) to the Transferor after the notification of Assignment I and prior to the notification of Assignment II in relation to the Achmea Hypotheken Mortgage Receivables assigned by the Transferor to the CBC, but after bankruptcy or suspension of payments in respect of the Transferor having been declared, will be part of Achmea Hypotheken's or the Transferor's, respectively, bankruptcy estate. In respect of these payments, the CBC will be a creditor of the estate (*boedelschuldeiser*) and will receive payment prior to (unsecured) creditors with ordinary claims, but after preferred creditors of the estate and after deduction of the general bankruptcy costs (*algemene faillissementskosten*), which may be material. There is therefore a risk that in respect of such payments the CBC will not receive the proceeds under the Mortgage Receivables on time and in full or it will not receive the proceeds at all. As a result thereof, the CBC may have insufficient funds available to fulfil its payment obligations under the Covered Bonds and this may result in losses under the Covered Bonds.

## **2. Risks related to payments received by the Collection Foundations**

*Achmea Bank Collection Foundation*

Each Borrower has given a power of attorney to the Transferor or any sub agent of the Transferor respectively to collect amounts from his account due under the Mortgage Loan, other than any Achmea Hypotheken Mortgage Loan, by direct debit. Under the Achmea Bank Receivables Proceeds Distribution Agreement, the Transferor undertakes to direct all amounts of principal and interest to the Achmea Bank Collection Foundation Accounts maintained by the Achmea Bank Collection Foundation (in its own name). The Achmea Bank Collection Foundation Accounts are held with ABN AMRO Bank N.V. and ING Bank N.V. as foundation accounts providers and, therefore, the Achmea Bank Collection Foundation has a claim against ABN AMRO Bank N.V. and/or ING Bank N.V. in respect of the balances standing to credit of the Achmea Bank Collection Foundation Accounts. As a result thereof the Achmea Bank Collection Foundation has a counterparty risk *vis-à-vis* ABN AMRO Bank N.V. and/or ING Bank N.V. and in case such risk materialises this could affect the collections received under the Mortgage Loans and, subsequently, the collections to be distributed to the CBC and/or the Security Trustee under the Achmea Bank Receivables Proceeds Distribution Agreement. This may lead to losses under the Covered Bonds.

Upon receipt of the amount collected from Borrowers and amounts transferred by the Achmea Hypotheken Collection Foundation (see below), the Achmea Bank Collection Foundation will distribute to the Transferor, the CBC or, after the Enforcement Date, to the Security Trustee any and all amounts relating to the Mortgage Receivables received by it on the Achmea Bank Collection Foundation Accounts, in accordance with the relevant provisions of the Achmea Bank Receivables Proceeds Distribution Agreement and the Transaction Documents. Pursuant to the Achmea Bank Receivables Proceeds Distribution Agreement, the Transferor and after an insolvency event relating to the Transferor, a new administrator appointed for such purpose, will perform such payment transaction services on behalf of the Collection Foundation.

The CBC has been advised that in the event of a bankruptcy of the Transferor any amounts standing to the credit of the Achmea Bank Collection Foundation Accounts relating to the Mortgage Receivables will not form part of the bankruptcy estate of the Transferor. The Achmea Bank Collection Foundation is set up as a special purpose bankruptcy remote foundation (*stichting*). The objectives clauses of the Achmea Bank Collection Foundation is limited to collecting, managing and distributing amounts received on the Achmea Bank Collection Foundation Accounts to the persons who are entitled to receive such amounts pursuant to the Achmea Bank Receivables Proceeds Distribution Agreement.

The Transferor has under the Achmea Bank Receivables Proceeds Distribution Agreement undertaken towards the CBC and the Security Trustee not to amend the payment instructions and not to redirect cash flows to the Achmea Bank Collection Foundation Accounts in respect of the Mortgage Receivables to another account, without prior approval of the CBC and the Security Trustee. In addition, Achmea Bank in its capacity as administrator for the Collection Foundation has undertaken in the Achmea Bank Receivables Proceeds Distribution Agreement to disregard any instructions or orders from the Transferor to cause the transfer of amounts in respect of the Mortgage Receivables to be made to another account than the Achmea Bank Collection Foundation Accounts without prior approval of each of the Collection Foundation, the CBC and the Security Trustee. In addition, the Transferor is obliged to pay to the CBC, any amounts which were not paid on the Achmea Bank Collection Foundation Accounts but to the Transferor directly to the extent the CBC is entitled to such amounts at such time.

#### *Achmea Hypotheken Collection Foundation*

In respect of the Achmea Hypotheken Collection Foundation, each Borrower has given a power of attorney to Achmea Hypotheken or any sub agent of Achmea Hypotheken respectively to collect amounts from his account due under the Achmea Hypotheken Mortgage Loan by direct debit. Under the Achmea Hypotheken Receivables Proceeds Distribution Agreement, Achmea Hypotheken undertakes to direct all amounts of principal and interest to the Achmea Hypotheken Collection Foundation Accounts maintained by the Achmea Hypotheken Collection Foundation (in its own name). The Achmea Hypotheken Collection Foundation is set up as a special purpose bankruptcy remote foundation (*stichting*). The objectives clause of the Achmea Hypotheken Collection Foundation is limited to collecting, managing and distributing amounts received on the Achmea Hypotheken Collection Foundation Accounts to the persons who are entitled to receive such amounts or in relation to the mortgage loans to be originated by Achmea Hypotheken pursuant to the Achmea Hypotheken Receivables Proceeds Distribution Agreement. The Achmea Hypotheken Collection Foundation Accounts are held with Coöperatieve Rabobank U.A. as foundation accounts provider and, therefore, the Achmea Hypotheken Collection Foundation has a claim against Coöperatieve Rabobank U.A. in respect of the balances standing to credit of the Achmea Hypotheken Collection Foundation Accounts. As a result thereof the Achmea Hypotheken Collection Foundation has a counterparty risk *vis-à-vis* Coöperatieve Rabobank U.A. and in case such risk materialises this could affect the collections received under the Mortgage Loans and, subsequently, the collections to be distributed to the CBC under the Achmea Hypotheken Receivables Proceeds Distribution Agreement. This may lead to losses under the Covered Bonds.

The Achmea Hypotheken Collection Foundation will distribute any and all amounts received by it in relation to the Achmea Hypotheken Mortgage Receivables, and to which Achmea Bank or the CBC is entitled, to the Achmea Bank Collection Foundation Accounts in accordance with the relevant provisions of the relevant Achmea Hypotheken Receivables Proceeds Distribution Agreement.

In respect of the Achmea Hypotheken Collection Foundation, Achmea Hypotheken has under the Achmea Hypotheken Receivables Proceeds Distribution Agreement undertaken towards Achmea Bank and the CBC not to amend the payment instructions and not to redirect cash flows to the Achmea Hypotheken Collection Foundation Accounts in respect of the Achmea Hypotheken Mortgage Receivables to another account, without

prior approval of Achmea Bank and the CBC. In addition, Syntrus Achmea Hypotheekdiensten B.V. in its capacity as administrator for the Achmea Hypotheken Collection Foundation has undertaken in the Achmea Hypotheken Receivables Proceeds Distribution Agreement to disregard any instructions or orders from Achmea Hypotheken to cause the transfer of amounts in respect of the Achmea Hypotheken Mortgage Receivables to be made to another account than the Achmea Hypotheken Collection Foundation Accounts without prior approval of each of the Collection Foundation, the CBC and Achmea Bank.

In addition, Achmea Bank has undertaken in the Guarantee Support Agreement to instruct the Achmea Hypotheken Collection Foundation to pay all amounts received in respect of the Achmea Hypotheken Mortgage Receivables to the Achmea Bank Collection Foundation Accounts and the CBC has undertaken in the Trust Deed to instruct the Achmea Hypotheken Collection Foundation to pay all amounts received in respect of the Achmea Hypotheken Mortgage Receivables to which it is entitled to the Achmea Bank Collection Foundation Accounts until the occurrence of an Achmea Hypotheken Assignment Notification Event.

However, there is a risk that Achmea Hypotheken or the Transferor (prior to notification of the assignment) or their liquidator (following bankruptcy or suspension of payments but prior to notification) instructs the Borrowers to pay to another bank account. Any such payments by a Borrower would be valid (*bevrijdend*) and the CBC will not receive such payments. As a result, the CBC may have insufficient funds available to fulfil its payment obligations under the Covered Bonds and this may result in losses under the Covered Bonds.

**3. Risk that the amounts collected pursuant to the pledge on the Achmea Bank Collection Foundation Accounts and the Achmea Hypotheken Collection Foundation Accounts are not distributed as agreed**

The balance standing to the credit of the Achmea Bank Collection Foundation Accounts will be pledged to the Security Trustee, the CBC, the Previous Outstanding Transaction SPVs and the Previous Outstanding Transaction Security Trustees by the Collection Foundation as security for, *inter alia*, any and all liabilities of the Collection Foundation to, respectively, the Security Trustee, the CBC, the Previous Outstanding Transaction SPVs and the Previous Outstanding Transaction Security Trustees. The pledge is shared between the Security Trustee and the Previous Outstanding Transaction Security Trustees and the CBC and the Previous Outstanding Transaction SPVs, most of which are set up as bankruptcy remote securitisation special purpose vehicles. Each Previous Outstanding Transaction Security Trustee and the Security Trustee will have a certain *pari passu* ranking undivided interest, or "share" (*aandee!*) in the co-owned pledge, entitling it to part of the foreclosure proceeds of the pledge over the Achmea Bank Collection Foundation Accounts. The share of the Security Trustee will be determined on the basis of the amounts in the Achmea Bank Collection Foundation Accounts relating to the Mortgage Receivables owned by the CBC.

In respect of the Achmea Hypotheken Collection Foundation, the balance standing to the credit of the Achmea Hypotheken Collection Foundation Accounts will be pledged to the beneficiaries which acceded to the Achmea Hypotheken Collection Foundation, including Achmea Bank and the CBC, as security for, *inter alia*, any and all liabilities of the Achmea Hypotheken Collection Foundation to each beneficiaries which acceded to the Achmea Hypotheken Collection Foundation. The pledge is shared between the beneficiaries which acceded to the Achmea Hypotheken Collection Foundation. Each such beneficiary will have a certain *pari passu* ranking undivided interest, or "share" (*aandee!*) in the co-owned pledge, entitling it to part of the foreclosure proceeds of the pledge over the Achmea Hypotheken Collection Foundation Accounts. In addition, a first ranking right of pledge was vested by the CBC in favour of the Security Trustee over all rights of the CBC under or in connection with the Achmea Hypotheken Collection Foundation Documents.

As a consequence, the rules applicable to co-ownership (*gemeenschap*) apply to the joint right of pledge. Section 3:166 of the Dutch Civil Code provides that co-owners will have equal shares, unless a different arrangement follows from their legal relationship. The co-pledgees have agreed that each pledgee's share within the meaning of section 3:166 of the Dutch Civil Code (*aandee!*) in respect of the balances of the Achmea Bank Collection Foundation Accounts or the Achmea Hypotheken Collection Foundation Accounts, respectively, from time to time is equal to their entitlement in respect of the amounts standing to the credit of the Achmea Bank Collection Foundation Accounts or the Achmea Hypotheken Collection Foundation Accounts, respectively, which relate to the mortgage receivables owned and/or pledged to them from time to time. In case of foreclosure of the co-owned right of pledge on the Achmea Bank Collection Foundation Accounts or the Achmea Hypotheken Collection Foundation Accounts (i.e. if the relevant Collection Foundation defaults in forwarding or transferring the amounts received by it; as agreed), the proceeds will be divided according to each pledgee's share. It is uncertain whether this sharing arrangement constitutes a sharing arrangement within the meaning of section 3:166 of the Dutch Civil

Code and thus whether it is enforceable in the event of bankruptcy or suspension of payments of one of the pledgees.

However, the CBC has been advised that the insolvency of the Collection Foundations would not affect this arrangement. In this respect it has been agreed that in case of a breach by a party of its obligations under the abovementioned pledge agreements or if such agreements are dissolved, void, nullified or ineffective for any reason in respect of such party, such party shall compensate the other parties forthwith for any and all loss, costs, claim, damage and expense whatsoever which such party incurs as a result hereof. If the amounts collected pursuant to the pledge on the Achmea Bank Collection Foundation Accounts or the Achmea Hypotheken Collection Foundation Accounts are not distributed as agreed, the Security Trustee and the CBC may have less amounts available for distribution to the Secured Creditors (including the Covered Bondholders), which may result in losses under the Covered Bonds.

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

The interest rate of each of the Mortgage Loans is to be reset from time to time. The CBC has been advised that a good argument can be made that the right to reset the interest rate on the Mortgage Loans should be considered as an ancillary right and would therefore follow the Mortgage Receivables upon their assignment to the CBC and the pledge to the Security Trustee. The question whether the right to reset the interest rate on the Mortgage Loans should be considered as an ancillary right, is not addressed by Dutch law. However, the view that the right to reset the interest rate in respect of the Mortgage Receivables should be considered as an ancillary right, is supported by a judgment of the Dutch Supreme Court (HR 10 July 2020, ECLI:NL:HR:2020:1276 (*Van Lanschot/Promontoria*)). In this ruling, an example is given of the exercise by an assignee of the right to reset the interest rate, demonstrating the framework the Dutch Supreme Court has given for the special duty of care an assignee has vis-à-vis a debtor/bank-client. To the extent that the interest rate reset right passes upon the assignment of the Mortgage Receivables to the CBC or upon the pledge of the Mortgage Receivables to the Security Trustee, such assignee or pledgee will also be bound by the contractual provisions relating to the reset of interest rates and any applicable law (including, without limitation, applicable principles of reasonableness and fairness, the right of the Borrower to invoke all defences available, specific duty of care obligations, any rulings and the Mortgage Conditions relating to the reset of interest rates) and regulations. This judgment therefore also makes more clear that the CBC or the Security Trustee may not have discretionary power to set the interest rates, as each of them may need to take into account a special duty of care when resetting the interest rate and may be required to set the interest at a lower level than the level the CBC or the Security Trustee would otherwise have set, taking into account the interest of Covered Bondholders, if they were not bound by the contractual provisions relating to the reset of interest rates and any applicable law. If the interest rates are set at a lower level at their interest reset dates than the interest rates prior to such interest reset dates or than the level the CBC or the Security Trustee would otherwise have set such interest rate, the proceeds resulting from the Mortgage Receivables may be lower than expected, and this may result in losses under the Covered Bonds (see also the risk factor '*Risk that interest rate offered to Borrowers does not comply with the Servicer's obligation to set such interest rates not below the Minimum Mortgage Interest Rate*').

#### **5. Risk regarding to novation of Mortgage Loans originated by Avéro Hypotheken B.V. on the interest rate reset date**

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

of the Mortgage Conditions of the Transferor (including Avéro Hypotheken B.V. as its legal predecessor). In addition, the Transferor has advised the CBC that in practice the Transferor has not encountered any claim by any Borrower which conflicts with the approach described above. Furthermore, in the Guarantee Support Agreement the Transferor has undertaken to request a retransfer of (i) all Mortgage Receivables resulting from Mortgage Loans originated by Avéro Hypotheken B.V. on the Mortgage Collection Payment Date immediately following the date on which a Dutch court has ruled in respect of such a Mortgage Receivable that, upon an interest rate reset thereof, the Mortgage Loan is novated and/or (ii) a Mortgage Receivable in case the relevant Borrower takes the position that the Mortgage Loan has been novated on the immediately succeeding Mortgage Collection Payment Date, or if the Mortgage Loan is considered to be prepaid, pay to the CBC an amount equal to the Outstanding Principal Amount of the relevant Mortgage Receivable which was outstanding immediately prior to such prepayment. The value of this obligation will, however, depend on the Transferor complying with its obligations. If the Transferor does not comply with such obligation and the CBC has no claim against the Borrower as a consequence of such novation, the CBC may have insufficient funds to pay any amounts due under the Guarantee, which may lead to losses under the Covered Bonds.

#### **6. Risk related to increase of prepayments**

The rate of prepayment of Mortgage Loans is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates, changes in tax laws (including but not limited to amendments to mortgage interest rate tax deductibility or the abolition thereof), local and regional economic conditions and changes in Borrower's behaviour (including but not limited to homeowner mobility). Higher or lower prepayment rates of mortgage loans may adversely affect the Issuer's return on its mortgage loans. Hence, no assurance can be given as to the level of prepayment that the Mortgage Loans granted may experience, and variation in the rate of prepayments of principal on the Mortgage Loans may affect the timing of the payments of the CBC under the Guarantee. A prepayment penalty may also be charged in case the borrower applies for interest rate averaging (*rentemiddeling*), as further described below.

#### **7. Risk related to a downward effect of interest received in case of interest rate averaging**

The Transferor and Achmea Hypotheken allow borrowers to apply for interest rate averaging (*rentemiddeling*). In case of interest rate averaging (*rentemiddeling*) a borrower of a mortgage loan is offered a new fixed interest rate whereby the (agreed-upon) fixed interest will be reduced taking into account the current interest rate offered by such offeror for the relevant period, the risk profile and the prepayment penalty for the fixed interest period. A prepayment penalty may also be charged in case the borrower applies for interest rate averaging. As of 1 July 2019, the prepayment penalty for the fixed interest period charged in case of interest rate averaging may not exceed the financial loss incurred by the provider of the mortgage loan. It should be noted that interest rate averaging (*rentemiddeling*) may have a downward effect on mortgage interest rates received by the Transferor and/or the CBC.

#### **8. Risk related to adjustment of interest rates of Mortgage Loans**

The AFM has published a module for the risk premium regarding mortgage loans (*Klantbelang Dashboardmodule risico-opslagen bij hypotheken Normenkader 2018*), in which the AFM sets out whether mortgage lenders should pro-actively adjust the risk class and interest rate of a mortgage loan if due to repayment and prepayment the mortgage loan migrates to a lower risk class.

In 2017, the *Centraal Beheer Thuis Hypotheek* label was introduced. One of the features of the *Centraal Beheer Thuis Hypotheek* label is that the interest rate is automatically adjusted downward if a certain loan-to-value (LTV) is met. Such LTV is calculated on the basis of the original market value of the property unless the borrower provides a valuation report with a higher market value. Automated property valuations (by Calcasa) do not trigger automatic adjustments of the interest rates. Downward LTV adjustments can also be achieved by contractual redemptions and additional redemptions made under the mortgage loans. Currently only the *Centraal Beheer Thuis Hypotheek* has this feature. For the *Woonfonds* label and other *Centraal Beheer* products, a borrower's interest rate is reassessed at the end of the fixed rate period of the mortgage or when additional redemptions are made by the borrower. Furthermore, borrowers may request an adjustment in case of an increase in the value of the property. An adjustment of the interest rates may have a downward effect on mortgage interest rates received by the Transferor and/or the CBC and could affect the Issuer's ability to fulfil its obligations under the Covered Bonds and may limit the CBC's ability to fulfil its obligations fully and/or timely under the Guarantee which may lead to losses under the Covered Bonds.

## **9. Risk related to variable interest rates**

Mortgage Receivables transferred to the CBC may carry a variable rate of interest. Although there are no precise rules which require a variable rate of interest on the Mortgage Loans to be set at a specific level, in a recent case KiFiD ruled, with regard to a mortgage loan (i.e. a loan with a variable rate of interest which is secured by a mortgage right) and in several other rulings in relation to consumer loans, that on the basis of the information provided and the terms and conditions applicable to the mortgage loan (or consumer loan), the variable rate of interest should have moved with the market interest rate and ordered the relevant offeror, which was not any of the Originators, to recalculate the interest. If the recalculation shows that the consumer paid more than the relevant offeror was allowed to charge, then the relevant offeror must repay the overpaid interest according to KiFiD. See in relation to KiFiD rulings in more detail in respect of consumer loans the risk factor '*Risk related to complaints and compensation arrangements for consumer loans with variable interest rate*'. Judgments of civil law courts in relation to variable interest rates on consumer loan agreements vary significantly from the KiFiD judgments in relation to consumer loans and also differ from one another. Civil law court cases on this matter are at the date of this Base Prospectus limited to consumer loans and do not apply to mortgage loans. The focus in the civil law courts is on the question whether the clauses which set out the right of the originator to change the variable interest rates are presumed to be unreasonably onerous and therefore invalid. Whether or not this applies, depends on the actual clause itself and the circumstances at the time of conclusion of the loan agreement. Decisive case law has yet to be developed further both in terms of when a clause is invalid and what the consequences thereof are. If an Originator has offered Mortgage Loans with a variable rate of interest of which the Mortgage Receivables are transferred to the CBC, and has not complied with the terms and conditions applicable to the Mortgage Loans and has not followed the relevant market interest rate, or if the relevant clause relating to interest is invalid, this could result in a repayment obligation for the relevant Originator and therefore the proceeds resulting from such Mortgage Receivables may be lower than expected and could lead to set-off, which may result in losses under the Covered Bonds.

## **10. Risk that interest rate offered to Borrowers does not comply with the Servicer's obligation to set such interest rates not below the Minimum Mortgage Interest Rate**

The Servicing Agreement provides that following notification to the relevant Borrowers of Assignment II of the Mortgage Receivables, other than the Achmea Hypotheken Mortgage Receivables, the Servicer, acting on behalf of the CBC, will use its reasonable efforts to offer the relevant Borrowers in respect of Mortgage Loans (or relevant loan part thereof) an interest rate (including relevant margin) for the next succeeding interest rate period (*rentevastperiode*) which is at least the Minimum Mortgage Interest Rate. The terms and conditions applicable to the Mortgage Loans provide that, unless agreed otherwise between the parties, upon termination of an interest rate period the relevant Borrower will be offered a new interest rate for a new fixed interest rate period. The terms and conditions do not contain guidelines as to how the new interest rate will be calculated or determined. If the interest rate is set below the Minimum Mortgage Interest Rate, the difference between such interest rate and the Minimum Mortgage Interest Rate will be taken into account in the Asset Cover Test. If the interest rate is set at such lower amount this could ultimately lead to losses under the Covered Bonds.

## **11. Risk related to the reduced value of investments under Investment Mortgage Loans or Life Insurance Policies**

The value of investments made under the Investment Mortgage Loans or by one of the Insurance Companies in connection with the Life Insurance Policies may not be sufficient for the Borrower to fully redeem the related Mortgage Receivables at its maturity, which could lead, depending on the value of the Mortgage Assets and other financial assets of such Borrower, if any, to a loss in respect of such Mortgage Receivables and/or the CBC having insufficient funds to pay its liabilities in full. This may lead to losses under the Covered Bonds.

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

Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks. This may be due to, amongst other things, market interest rates, general economic conditions, environmental, social and political conditions, the financial standing of Borrowers and other similar factors. Other factors such as loss of earnings or liquidity, illness, divorce and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers and could ultimately have an adverse impact on the ability of Borrowers to repay their Mortgage Receivables. This may result in lower repayment rates of and losses under such Mortgage Receivables and thus

may adversely affect the Issuer's and/or CBC's return on its Mortgage Receivables and ultimately result in losses under the Covered Bonds.

## **B. SET-OFF RISKS AND OTHER DEFENCES THAT MAY AFFECT THE PROCEEDS RECEIVED UNDER THE MORTGAGE RECEIVABLES**

### **1. Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables**

Under Dutch law and unless such right has been validly waived a debtor has a right of set-off if it has a claim that is due and payable which corresponds to its debt owed to the same counterparty and it is entitled to pay its debt as well as to enforce payment of its claim.

In respect of Achmea Hypotheken Mortgage Receivables and subject to such requirements being met, each Borrower of Achmea Hypotheken Mortgage Receivables will be entitled to set off amounts due by Achmea Hypotheken to it (if any) with amounts it owes in respect of the relevant Achmea Hypotheken Mortgage Receivable prior to the notification to such Borrowers of Assignment I and Assignment II and after notification to such Borrowers of Assignment I, but prior to notification to the Borrowers of Assignment II, due by the Transferor to it with amounts it owes in respect of the relevant Achmea Hypotheken Mortgage Receivable. In respect of Mortgage Receivables other than Achmea Hypotheken Mortgage Receivables and subject to such requirements being met, each Borrower of Mortgage Receivables other than Achmea Hypotheken Mortgage Receivables will be entitled to set off amounts due by the Transferor to it (if any) with amounts it owes in respect of the relevant Mortgage Receivable prior to the notification to such Borrowers of Assignment II.

Such amounts due and payable by Achmea Hypotheken or the Transferor to a Borrower could, *inter alia*, result from current account balances or deposits made with the Transferor by a Borrower. Also such claim of a Borrower could, *inter alia*, result from (investment) services rendered by the Transferor or Achmea Hypotheken or for which it is held liable. As a result of the set-off of amounts due and payable by Achmea Hypotheken or the Transferor to the Borrower with amounts the Borrower owes in respect of the Mortgage Receivable, the Mortgage Receivable will, partially or fully, be extinguished (*gaat teniet*). Set-off by Borrowers could thus affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Covered Bonds.

With respect to Achmea Hypotheken Mortgage Receivables only, after notification of Assignment I (and/or Assignment II) to a Borrower, such Borrower will also continue to have set-off rights in respect of claims it has on Achmea Hypotheken *vis-à-vis* the Transferor or, in respect of all Mortgage Receivables after the notification of Assignment II to a Borrower, such Borrowers will also continue to have set-off rights in respect of claims it has on Achmea Hypotheken and/or the Transferor *vis-à-vis* the CBC, provided that the legal requirements for set-off are met (see above), and further provided that (i) the counterclaim of the Borrower results from the same legal relationship as the relevant Mortgage Receivable, or (ii) the counterclaim of the Borrower has been originated (*opgekomen*) and became due and payable (*opeisbaar*) prior to Assignment I or Assignment II, as applicable, and notification thereof to the relevant Borrower.

The question whether a court will come to the conclusion that the relevant Mortgage Receivable and the claim of the Borrower against Achmea Hypotheken or the Transferor result from the same legal relationship will depend on all relevant facts and circumstances involved. But even if these would be held to be different legal relationships, set-off will be possible if the counterclaim of the Borrower has originated (*opgekomen*) and became due and payable (*opeisbaar*) prior to notification of Assignment I and/or Assignment II, provided that all other requirements for set-off have been met (see above). A balance on a current account is due and payable at any time and, therefore, this requirement for set-off will be met. With respect to deposits held with the Transferor, it will depend on the terms of the deposit whether the balance thereof will be due and payable at the moment of notification of Assignment II. If following receipt of notification of Assignment I and/or Assignment II, amounts are debited from or credited to the current account or, as the case may be, the deposit account, the Borrower will only be permitted to set-off its claim *vis-à-vis* the Transferor or the CBC as assignee for the amount of its claim at the moment such notification is received, after deduction of amounts which have been debited from the current account or the deposit account after receipt of such notification, notwithstanding that amounts may have been credited after receipt of such notification. The Transferor may have a savings relationship, current accounts or other account relationships with the Borrower or may have such relationship in the future. At the date of this Base Prospectus, Achmea Hypotheken does not offer saving accounts, current accounts or other accounts to Borrowers. The above applies *mutatis mutandis* to the pledge of the Mortgage Receivables envisaged in the Security Trustee Receivables Pledge Agreement. The above with regard to Assignment I applies *mutatis mutandis* to the right of

set-off in respect of the Transferor and the CBC after notification of Assignment II to the Borrowers.

If notification of the assignment of the Mortgage Receivables is made after the bankruptcy of the Transferor or Achmea Hypotheken having become effective, it is defended in legal literature that the Borrower will, irrespective of the notification of the assignment, continue to have the broader set-off rights afforded to it in the Dutch Bankruptcy Code. Under the Dutch Bankruptcy Code a person who was, prior to notification of the assignment, both debtor and creditor of the bankrupt entity can set off its debt with its claims, if each claim (i) came into existence prior to the moment at which the bankruptcy became effective or (ii) resulted from transactions with the bankrupt entity concluded prior to the bankruptcy becoming effective.

The Guarantee Support Agreement provides that if, following the occurrence of an Assignment Notification Event or the service of a Notice to Pay or a CBC Acceleration Notice, (i) a Borrower invokes a right to set-off amounts due by the Transferor or Achmea Hypotheken to it with the relevant Mortgage Receivable and (ii) as a consequence thereof the CBC or, as the case may be, the Security Trustee does not receive the full amount due in respect of such Mortgage Receivable, the Transferor shall forthwith pay to the CBC or, as the case may be, the Security Trustee, an amount equal to the difference between the amount which the CBC or, as the case may be, the Security Trustee, would have received in respect of the relevant Mortgage Receivable if no set-off had taken place and the amount actually received by the CBC or, as the case may be, the Security Trustee, in respect of such relevant Mortgage Receivable. Receipt of such amounts by the CBC or, as the case may be, the Security Trustee, is subject to the ability of the Transferor to actually make such payments. If the Transferor would not meet its obligations under the Guarantee Support Agreement, set-off by Borrowers could lead to losses under the Covered Bonds.

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

## **2. Set-off risks regarding risk premiums included in the mortgage interest rates**

In relation to the savings mortgage loans at least one consumer organisation has argued that the risk premium included in the mortgage loan interest rates for these mortgage loans should not have been charged and/or should have taken into account the built-up savings premiums and, therefore, the interest rates charged are too high. In view of these organisations, borrowers should be compensated for such overpaid interest amounts. At the date of this Base Prospectus, it is not clear if or when claims actually will be made by such consumer organisations and/or borrowers and whether these claims might be successful. However, if such claim is upheld in court and the Transferor is required to pay to a Borrower any interest that is deemed to be overpaid and the Transferor does not pay such amount, such Borrower would be allowed to set-off such claim with amounts it owes in respect of the Mortgage Receivable subject to the conditions for set-off (as set out above) are met. Set-off by Borrowers could affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Covered Bonds.

## **3. Set-off risks regarding Avéro Hypotheken B.V. and FBTO Hypotheken B.V.**

The Transferor shall pursuant to the Guarantee Support Agreement represent and warrant that according to the conditions applicable to the Mortgage Loans originated by (i) Avéro Hypotheken B.V. and FBTO Hypotheken B.V. and (ii) the Transferor after 1 January 2003, payments by the Borrowers should be made without set-off. Considering the wording of this provision, it is uncertain whether this clause is intended as a waiver by the relevant Borrowers of their set-off rights *vis-à-vis* the Transferor. In addition, under Dutch law it is uncertain whether such waiver will be valid. A provision in general conditions is voidable (*vernietigbaar*) if the provision is deemed to be unreasonably onerous (*onredelijk bezwarend*) for the party against whom the general conditions are used. A clause containing a waiver of set-off rights is, subject to proof to the contrary, assumed to be unreasonably onerous if the party, against which the general conditions are used, does not act in the conduct of its profession or trade (i.e. a consumer). Should the waiver be invalid and in respect of any of the other Mortgage Loans which do not contain such waiver, the Borrowers may be entitled to set off amounts due by the Transferor. Set-off by Borrowers could affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Covered Bonds.

#### 4. Set-off risks in relation to Employee Mortgage Loans

In respect of Employee Mortgage Loans and the question whether a Borrower which is an employee of the Achmea Group can set off any claim it has under its employment contract within the Achmea Group with its Employee Mortgage Loan, the following is noted. Pursuant to the Guarantee Support Agreement, the Transferor is required to represent that no Mortgage Loans have been granted to Borrowers which are also employed by the Transferor or Achmea Hypotheken and, therefore, the requirements for set-off set out in Article 6:127 DCC are not met and set-off should not be possible as a result thereof (see risk factor '*Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables*'). However, the possibility cannot be excluded that there are circumstances which could lead to set-off or other defences being successful in case a Borrower is also an employee of an entity within the Achmea Group, other than the Transferor or Achmea Hypotheken. In this respect, the Transferor is required to represent that (i) there is no connection between the Employee Mortgage Loan and the employment relationship, other than the right to reduced interest and no prepayment penalties in case of early repayment on the Employee Mortgage Loan initially offered prior to 2016 and (ii) no actual set-off of amounts due under the Employee Mortgage Loan with salary payments is agreed or actually effectuated. In case the Borrowers can successfully claim set-off, this could affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Covered Bonds.

#### 5. Risk of set-off or defences in respect of investments under Investment Mortgage Loans

The Transferor has represented that with respect to Investment Mortgage Loans, the relevant investments held in the name of the relevant Borrower have been validly pledged to the Transferor and the securities are purchased for investment purposes on behalf of the relevant Borrower by an investment firm (*beleggingsonderneming*) in the meaning ascribed thereto in the Wft, such as a securities broker or a portfolio manager, or by a bank, each of which is by law obliged to make adequate arrangements to safeguard the clients' rights to such securities. The CBC has been advised that on the basis of this representation the relevant investments should be effectuated on a bankruptcy remote basis and that, in respect of these investments, the risk of set-off or defences by the Borrowers should not be relevant in this respect. However, if the securities are not held in such manner and the investments were to be lost, this may lead to the Borrowers trying to invoke set-off rights or defences against the CBC on similar grounds as discussed under '*Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables*'. Set-off by Borrowers could affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Covered Bonds.

In addition, in relation to Investment Mortgage Loans, the Transferor may provide for certain services, for example for investment advice to the Borrowers. A Borrower may hold the Transferor liable for any damages if it does not meet its obligations towards such Borrower, including its services as investment adviser. In particular liability could arise if the value of the investments held in connection with the Investment Mortgage Loans is not sufficient to repay the Investment Mortgage Loan at maturity. This may lead to set-off by the Borrower under the Mortgage Receivable, provided that the legal requirements for set-off are met. Consequently, the CBC may have insufficient funds to pay the amounts due under the Guarantee, which may lead to losses under the Covered Bonds.

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

Apart from the general obligation of contracting parties to provide information, there are several provisions of Dutch law applicable to offerors of financial products, such as Mortgage Loans to which Life Insurance Policies are connected and the Investment Mortgage Loans. In addition, several codes of conduct apply on a voluntary basis. On the basis of these provisions and codes of conduct, offerors of these products (and intermediaries) have a duty, *inter alia*, to provide the customers with accurate, complete and non-misleading information about the product, the costs and the risks involved. These requirements have become stricter over time. A breach of these requirements may lead to a claim for damages from the customer on the basis of breach of contract or tort or the relevant contract may be dissolved (*ontbonden*) or nullified (*vernietigd*) or a Borrower may claim set-off or other defences generally available to debtors against the Transferor or the CBC (or the Security Trustee). The merits of such claims will, to a large extent, depend on the manner in which the product was marketed and the promotional materials provided to the Borrower. Also, depending on the relationship between the offeror and any intermediary involved in the marketing and sale of the product, the offeror may be liable for actions of the intermediaries which have led to a claim. The risk of such claims being made increases if the value of investments made under the Investment Mortgage Loans or Life Insurance Policies is not sufficient to redeem the Mortgage Loans.

After market downturn in 2001, in many cases the development of value in investment-linked insurances (*beleggingsverzekeringen*), such as Life Insurance Policies, was less than customers had hoped for and less than the value forecast at the time the investment-linked insurances were concluded. This had led to a public attention of these products, particularly since 2006, commonly known as the *woekerpolisaffaire* (usury insurance policy affair). There was a particular focus on the lack of information provided in some cases on investment-linked insurances regarding costs, and/or risk premiums and/or investment risks. As a result, in 2008, the KiFiD ombudsman issued a recommendation in which he proposes to limit the cost level of investment-linked insurances and to compensate customers of investment-linked insurances for costs exceeding a certain level.

With respect to life insurance, in 2012 Achmea Pensioen- en Levensverzekeringen N.V. implemented a compensation scheme for holders of unit-linked policies that had been agreed with consumer organisations. In addition, Achmea Pensioen- en Levensverzekeringen N.V. met the additional requirements formulated at the time by the Dutch Minister of Finance. According to a number of customers, the compensation scheme and the additional requirements have not been sufficient. This has been taken into account in the calculation of the provision for insurance liabilities. In January 2019, Achmea Pensioen- en Levensverzekeringen N.V. received a summons from Vereniging Woekerpolis.nl (association that represents customers with unit-linked policies) and the Dutch Consumers' Association. In June 2020, the District Court in Gelderland issued its judgement. This judgement was reason for Vereniging Woekerpolis.nl and the Consumers' Association to appeal with the Court of Appeal Arnhem/Leeuwarden. They submitted their statement of objections on 19 October 2021. In 2022 various pleadings were exchanged between the parties. In 2023 the oral hearing took place. Parallel rulings of the Dutch Supreme Court on 11 February 2022 and the Court of Appeal The Hague on 26 September 2023 in cases of another insurers regarding unit-linked policies have been studied by Achmea Pensioen- en Levensverzekeringen N.V. and have not led to an adjustment of the provision for insurance liabilities. The ruling of the Court of Appeal Arnhem/Leeuwarden is expected in Q1 2024. In parallel, Achmea Pensioen- en Levensverzekeringen N.V. is in talks with, amongst others, Vereniging Woekerpolis.nl and the Consumers' Association. Two large insurance companies, ASR Nederland N.V. in November 2023 and Nationale-Nederlanden Levensverzekeringen N.V. in January 2024, announced that they reached a final settlement for unit-linked life insurance customers affiliated with certain large claim organisations.

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

If Life Mortgage Loans to which Life Insurance Policies are connected would for the reasons described in this paragraph be dissolved or nullified, this will affect the collateral granted to secure these Mortgage Loans (as the Borrower Insurance Pledges and the Beneficiary Rights would cease to exist). The CBC has been advised that in such case the Mortgage Loans connected thereto can possibly also be dissolved or nullified, but that this will be different depending on the particular circumstances involved. Even if the Mortgage Loan is not affected, the Borrower/insured may invoke set-off or other defences against the CBC. The analysis in that situation is similar to the situation in the event of an insolvency of the insurer (see the risk factor '*Risk of set-off or defences by Borrowers in the event of an insolvency of Insurance Companies*'), except if the Transferor itself is liable, whether jointly with the insurer or separately, *vis-à-vis* the Borrower/insured. In this situation, which may depend on the involvement of the Transferor in the marketing and sale of the insurance policy, set-off or defences against the CBC may be invoked, which will probably only become relevant if the insurer and/or the Transferor will not indemnify the Borrower. Any such set-off or defences may affect the proceeds of the Mortgage Receivables and as a result lead to losses under the Covered Bonds.

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

The Savings Mortgage Loans have the benefit of Saving Insurance Policies with the Insurance Savings Participant, the Life Mortgage Loans with the possibility of a Savings Element have the benefit of a Life Insurance Policy with a Savings Alternative with the Insurance Savings Participant and the Life Mortgage Loans have the benefit of Life Insurance Policies with any of the Insurance Companies. If any of the Insurance Companies is no longer able to meet its obligations under the Insurance Policies, for example as a result of bankruptcy, this could result in amounts payable under the Insurance Policies either not, or only partly, being available for payment of the relevant Mortgage Receivables. This may lead to the Borrower trying to invoke set-off rights and defences as further discussed below which may have the result that the Mortgage Receivables will be, fully or partially, extinguished (*teniet gaan*) or cannot be recovered for other reasons, which could lead to losses under the Covered Bonds.

If the amounts payable under the Insurance Policy are not applied towards redemption of the Mortgage Receivable, the Borrower may try to invoke a right of set-off of the amount due under the Mortgage Receivable with amounts payable under or in connection with the relevant Insurance Policy. As set out in the risk factor '*Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables*', some of the Borrowers have waived their set-off rights, but it is uncertain whether such waiver is effective. If the waiver is not effective or the relevant Borrower has not waived its set-off rights, the Borrowers will need to comply with the applicable legal requirements for set-off. One of these requirements is that the Borrower should have a claim which corresponds to his debt to the same counterparty. The Insurance Policies are contracts between the relevant Insurance Company and the Borrowers and the Mortgage Loans are contracts between the Transferor and the Borrowers. Therefore, in order to invoke a right of set-off, the Borrower would have to establish that the Transferor and the relevant Insurance Company should be regarded as one legal entity or that possibly set-off is allowed, despite the Transferor and the Insurance Company not forming a single legal entity, since, based upon interpretation of case law, the Insurance Policies and the Mortgage Loans are to be regarded as one inter-related relationship or one legal relationship.

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

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

With respect to the Savings Mortgage Loans and the Life Mortgage Loans with the possibility of a Savings Element (one of) these additional requirements are likely to be met, since it is likely that the Savings Mortgage Loans and the Savings Insurance Policies, the Life Mortgage Loans with the possibility of a Savings Element and the Life Insurance Policies with a Savings Alternative are to be regarded as one legal relationship. If the Savings Mortgage Loans and the Savings Insurance Policies, the Life Mortgage Loans with the possibility of a Savings Element and the Life Insurance Policies with a Savings Alternative are regarded as one legal relationship, the assignment will not obstruct the set-off.

Even if the Borrowers cannot invoke a right of set-off, they may invoke defences *vis-à-vis* the Transferor, the CBC and/or the Security Trustee, as the case may be. The Borrowers will naturally have all defences afforded by Dutch law to debtors in general. For example, such defence could be based upon interpretation of the Mortgage Conditions and the promotional materials relating to the Mortgage Loans. Borrowers could argue that the Mortgage Loans and the Insurance Policies are to be regarded as one inter-related legal relationship and could on this basis claim a right of annulment or rescission of the Mortgage Loans or possibly suspension of their obligations thereunder. The Borrowers could also argue that it was the intention of the Borrower, the Transferor

and the relevant Insurance Company, at least they could rightfully interpret the Mortgage Conditions and the promotional materials in such a manner, that the Mortgage Receivable would be (fully or partially) repaid by means of the proceeds of the relevant Insurance Policy and that, failing such proceeds being so applied, the Borrower is not obliged to repay the (corresponding) part of the Mortgage Receivable. Also, a defence could be based upon principles of reasonableness and fairness (*redelijkheid en billijkheid*) in general, i.e. that it is contrary to principles of reasonableness and fairness for the Borrower to be obliged to repay the Mortgage Receivable to the extent that he has failed to receive the proceeds of the Insurance Policy. The Borrowers could also base a defence on "error" (*dwalig*), i.e. that the Mortgage Loans and the Insurance Policy were entered into as a result of "error". If this defence were successful, this could lead to annulment of the Mortgage Loan, which would result in the CBC no longer holding a Mortgage Receivable.

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

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

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

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

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

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

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

An arrangement as is provided for in the Participation Agreements as described below under '*Savings Mortgage Loans, Life Mortgage Loans with the possibility of a Savings Element*' and '*Bank Savings Mortgage Loans*' or any similar arrangement does not apply to Life Mortgage Loans originated by Interpolis Schade Hypotheken or

Interpolis BTL Hypotheken with Life Insurance Policies with Interpolis BTL connected thereto.

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

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

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

The amount of the Insurance Savings Participation is equal to the amount of Savings Premium received by the CBC plus the accrued yield on such amount (see further section 15 (*Participation Agreements*)) provided that the Insurance Savings Participant will have paid (at least) an amount equal to all Savings Premium received from the relevant Borrower to the CBC. Therefore, normally the CBC would not suffer any damages if the Borrower would invoke any such right of set-off or defence, if and to the extent that the amount for which the Borrower would invoke set-off or defences does not exceed the amount of the Insurance Savings Participation. However, the amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Insurance Savings Participation. The remaining risk will be that if and to the extent that the amount for which a Borrower successfully invokes set-off or defences would exceed the relevant Insurance Savings Participation, such set-off or defences could reduce the amount due by the Borrower with such amount and could lead to losses under the Covered Bonds.

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

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

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

In respect of Bank Savings Mortgage Loans it is noted that from 1 January 2014 a Bank Savings Deposit will, by operation of law, be set-off against the Bank Savings Mortgage Loan, irrespective of any rights of third parties, such as Achmea Bank or the CBC, with respect to the Bank Savings Mortgage Loan, if (i) DNB has put into effect the Deposit Guarantee Scheme in respect of the entity which holds the Bank Savings Deposit or (ii) such entity has been declared bankrupt (*failliet*).

If the automatic set-off as described in the previous paragraph does not apply and the amounts payable in connection with Bank Savings Accounts are not applied towards redemption of the Mortgage Receivable, the Borrower may try to invoke a right of set-off of the amount due under the Mortgage Receivable with amounts payable under or in connection with the relevant Bank Savings Account. As set out in the risk factor '*Risk that set-off by Borrowers may affect the proceeds under the Mortgage Receivables*', some of the Borrowers have waived

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

## **9. Risk in relation to the Bank Savings Participation**

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

The amount of the Bank Savings Participation is equal to the amount of Bank Savings Deposit Instalments received by the CBC plus the accrued yield on such amount provided that the Bank Savings Participant will have paid (at least) an amount equal to all Bank Savings Deposit Instalments received from the relevant Borrower to the CBC (see further section 15 (*Participation Agreements*)). Therefore, normally the CBC would not suffer any damages if the Borrower would invoke any such right of set-off or defence, if and to the extent that the amount for which the Borrower would invoke set-off or defences does not exceed the amount of the Bank Savings Participation. However, the amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Bank Savings Participation. Set-off by Borrowers could affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Covered Bonds.

## **C. RISKS REGARDING INSURANCE POLICIES AND BENEFICIARY RIGHTS**

### **1. Risks related to Beneficiary Rights under the Insurance Policies**

With respect to each Mortgage Loan the Transferor has appointed itself as beneficiary of the proceeds under the Insurance Policies either (i) for all amounts owed by the Borrower to the Transferor or (ii) up to the amount provided for in the mortgage deed, except where any other beneficiary is appointed ranking ahead of the Transferor, provided that, *inter alia*, the relevant Insurance Company is irrevocably authorised by such beneficiary to pay the proceeds of the Insurance Policy to the Transferor. The Transferor will only have a claim on the relevant Insurance Company as beneficiary if it accepts the appointment as beneficiary by delivering a statement to this effect to the Insurance Company. The Transferor can only accept such appointment as beneficiary by written notification to the relevant Insurance Company of (i) the acceptance and (ii) the written consent by the insured, unless the appointment as beneficiary has become irrevocable. The CBC has been advised that it is unlikely that a valid appointment of the Transferor as beneficiary will be regarded as an ancillary right which will follow the Mortgage Receivables upon assignment or pledge thereof to the CBC or the Security Trustee. Therefore, the Transferor will separately assign, and the CBC will accept the assignment of, the Beneficiary Rights, to the extent necessary and legally possible. In addition, the CBC will grant a first-ranking undisclosed right of pledge over these Beneficiary Rights to the Security Trustee. The assignment and pledge of the Beneficiary Rights must be notified to the Insurance Company before becoming effective, which is not expected to occur prior to the occurrence of an Assignment Notification Event, and if the Transferor is also the Insurance Company the appointment as beneficiary may not be effective. However, the CBC has been advised that it is uncertain whether this assignment and subsequent pledge will be effective.

If the CBC or the Security Trustee, as the case may be, has not become the beneficiary of the Insurance Policies or the assignment and pledge of the Beneficiary Rights are not effective, any proceeds under the Insurance Policies will be payable to the Transferor or to another beneficiary rather than to the CBC or the Security Trustee, as the case may be. If the proceeds are paid to the Transferor, it will pursuant to the Guarantee Support

Agreement be obliged to pay the amount involved to the CBC or the Security Trustee, as the case may be. If the proceeds are paid to the Transferor and the Transferor does not pay such amount to the CBC or the Security Trustee, as the case may be, for example in the event of a bankruptcy applicable to the Transferor, or if the proceeds are paid to another beneficiary instead of the CBC or the Security Trustee, as the case may be, this may result in the amount paid under the Insurance Policies not being applied in reduction of the Mortgage Receivables. This may lead to the Borrower invoking set-off or defences against the CBC or, as the case may be, the Security Trustee for the amounts so received by the Transferor or another beneficiary, as the case may be. This could lead to the CBC having insufficient funds to pay any amounts due under the Guarantee, which in turn could lead to losses under the Covered Bonds.

## **2. Risks relating to Insurance Policies**

The Mortgage Loans may consist of a Life Mortgage Loan or Life Mortgage Loan with a Savings Element which have the benefit of a Life Insurance Policy or a Life Insurance Policy with a Savings Alternative, respectively. All other Mortgage Loans may have the benefit of a risk insurance policy. Investors should be aware that it is possible that (i) the CBC will not benefit from the Insurance Policies and/or (ii) the CBC may not be able to recover any amounts from the relevant Borrower if the Insurance Company defaults on its obligations. As a consequence thereof, the CBC may not have a claim on the Borrower and the rights of the Security Trustee may be similarly affected. This could lead to the CBC or the Security Trustee having insufficient funds to pay any amounts due under the Guarantee, which may result in losses under the Covered Bonds.

## **D. RISKS REGARDING THE MORTGAGED ASSETS AND OTHER SECURITY RIGHTS**

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

No assurance can be given that values of the Mortgaged Assets have remained or will remain at the level at which they were on the date of origination of the related Mortgage Loans. Investors should be aware that house prices in the Netherlands have on average declined significantly between 2008 and 2013 and substantially increased in the following years, although there are regional differences (see in this respect section 11 (*Overview of the Dutch Residential Mortgage Market*) and the risk factor '*Risks of weaker economic conditions in certain geographic regions in the Netherlands may ultimately result in losses to the Covered Bondholders*'). A decline in value can be caused by many different circumstances, including but not limited to individual circumstance relating to the Borrower (e.g. neglect of the property) or events that affect all Borrowers, such as catastrophic events, or a general or regional decline in value. In addition, the current increasing interest rate environment, high and/or sustained inflation and rising energy prices may, *inter alia*, reduce the income available for housing costs and may result in a negative effect on house prices and/or demand for mortgage loans.

If the CBC is required to pay under the Guarantee, a decline in value of the Mortgaged Assets may result in losses under the Covered Bonds if the relevant security rights on the Mortgaged Assets are required to be enforced. The Transferor will not be liable for any losses incurred by the Covered Bondholders, or for any deficiency incurred by the CBC as a result of such decline in value of the Mortgaged Assets in connection with the relevant Mortgage Loans.

### **2. Risk that the valuations may not accurately reflect the up-to-date value of Mortgaged Assets**

As of 1 January 2013 in the Dutch housing market only the market value (*marktwaaarde*) is reported and the Foreclosure Value is no longer reported in the valuation report of the mortgaged assets. As a result thereof Mortgaged Assets had to be calculated to the market value in cases where the market value was missing, which calculation has been based on the Foreclosure Value reported prior to 1 January 2013 in respect of such Mortgaged Assets. Consequently, a deviation from the valuation report might have occurred in respect of such Mortgaged Assets.

This may result in a loss being incurred upon the sale of the Mortgaged Assets. These circumstances could affect receipts on the Mortgage Loans and ultimately result in losses on the Covered Bonds.

### **3. Risks of weaker economic conditions in certain geographic regions in the Netherlands may ultimately result in losses to the Covered Bondholders**

To the extent that specific geographic regions within the Netherlands have experienced or may in the future

experience weaker economic conditions and housing markets than other regions, a concentration of the loans in such a region may be expected to exacerbate all of the risks relating to the Mortgage Loans. The economy of each geographic region within the Netherlands is dependent on different mixtures of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the borrowers in that region or the region that relies most heavily on that industry. This may result in higher defaults and may adversely affect the Issuer's or CBC's return on its Mortgage Loans (also see the risk factor '*Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks*'). Any natural disasters in a particular region may reduce the value of affected mortgaged properties. This may result in a loss being incurred upon the sale of the Mortgaged Assets (also see the risk factor '*The Issuer is exposed to risks related to environmental factors*'). All these circumstances could affect receipts on the Mortgage Loans and ultimately result in losses on the Covered Bonds.

#### **4. Risk that the All Moneys Security Rights will not follow the Mortgage Receivables upon assignment to the CBC**

The Mortgage Deeds relating to the Mortgage Receivables to be sold to the CBC may provide for All Moneys Mortgages, meaning that the mortgage rights created pursuant to such Mortgage Deeds, not only secure the loan granted by the Transferor to the Borrower for the purpose of acquiring the relevant Mortgaged Asset, but also other liabilities and moneys that the Borrower, now or in the future, may owe to the Transferor. Such Mortgage Loans also provide for rights of pledge granted in favour of the Transferor, which are All Moneys Pledges or fixed pledges.

Under Dutch law a mortgage right is an accessory right (*afhankelijk recht*) which follows by operation of law the receivable with which it is connected. Furthermore, a mortgage right is an ancillary right (*nevenrecht*) and the assignee of a receivable secured by an ancillary right will have the benefit of such right, unless the ancillary right by its nature is, or has been construed as, a purely personal right of the assignor or such transfer is prohibited by law.

Although the view prevailing in the past that such all moneys security right will as a general rule not follow as an accessory right upon assignment of a receivable which it secures is still defended, the Issuer and the CBC have been advised that the better view is that as a general rule an all moneys security right in view of its nature follows the receivable as an accessory right upon its assignment. Whether in the particular circumstances involved the all moneys security right will remain with the original holder of the security right, will be a matter of interpretation of the relevant deed creating the security right.

Furthermore, the Transferor shall represent and warrant and each further Transferor will be required to represent and warrant that all Mortgage Loans secured by All Moneys Security Rights (i) provide that in case of assignment or pledge of the Mortgage Receivable the assignee or pledgee will have the benefit of the Mortgage, or (ii) do not contain any specific wording to the extent that the Mortgage of Borrower Pledge will not follow the receivable if it is assigned or pledged to a third party and as a consequence thereof there is either no clear indication of the intention of the parties or a clear indication of the intention of the parties in this respect. The CBC has been advised that, not only in case a clear indication is provided that the security transfers but also in the absence of circumstances giving an indication to the contrary, the All Moneys Security Right should (partially) follow the receivable as an accessory and ancillary right upon its assignment, but that there is no case law explicitly supporting this advice and that, consequently, it is not certain what the Dutch courts would decide if this matter were to be submitted to them, particularly taking into account the prevailing view of Dutch commentators on all moneys security rights in the past, which view continues to be defended by some legal authors.

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

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

## 5. Risk that the Mortgages on long leases cease to exist

The Mortgages securing the Mortgage Loans may be vested on a long lease (*erfpacht*). A long lease will, *inter alia*, end as a result of expiration of the long lease term (in respect of a lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease in the event the leaseholder has not paid the remuneration (*canon*) due for a period exceeding two (2) consecutive years or seriously breaches (*in ernstige mate tekortschieten*) other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the mortgage right will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder on the landowner for such compensation. The amount of the compensation will, *inter alia*, be determined by the conditions of the long lease and may be less than the market value of the long lease.

When underwriting a Mortgage Loan to be secured by a mortgage right on a long lease, the Transferor (and each of its legal predecessors) has taken into consideration the conditions, including the term of the long lease. The Transferor shall represent and warrant in the Guarantee Support Agreement that with respect to each of the Mortgage Receivables secured by Mortgage or a long lease, the Mortgage Loan (a) has a maturity that is equal to or shorter than the term of the long lease (or, if the maturity date of the Mortgage Loan falls after the maturity date of the long lease, the acceptance conditions used by the Transferor provide that certain provisions should be met as would in such case be required by a reasonable lender) and (b) becomes due if the long lease terminates for whatever reason.

Accordingly, certain Mortgage Loans may become due and payable prematurely as a result of early termination of a long lease due to a leaseholder's default or for other reasons. In such event there is a risk that the Transferor or the CBC will upon enforcement receive less than the market value of the long lease, which could lead to losses under the Covered Bonds.

## 6. Risk related to jointly-held All Moneys Security Rights by the Transferor, the CBC and the Security Trustee

If the All Moneys Security Rights have (partially) followed the Mortgage Receivables upon their assignment by the Transferor to the CBC, the All Moneys Security Rights will be jointly-held by the CBC (or the Security Trustee, as pledgee) and the Transferor and will secure both the Mortgage Receivables held by the CBC (or the Security Trustee, as pledgee) and any Other Claims.

Where All Moneys Security Rights are jointly-held by both the CBC or the Security Trustee and the Transferor and/or a third party, the rules applicable to joint estate (*gemeenschap*) apply. The Dutch Civil Code provides for various mandatory rules applying to such jointly-held rights. In the Guarantee Support Agreement the Transferor, the CBC and/or the Security Trustee (as applicable) have agreed that in case of an Other Claim the CBC and/or the Security Trustee (as applicable) will manage and administer such jointly-held rights. Certain acts, including acts concerning the day-to-day management (*beheer*) of the jointly-held rights, may under Dutch law be transacted by each of the participants (*deelgenoten*) in the jointly-held rights. All other acts must be transacted by all of the participants acting together in order to bind the jointly held rights. It is uncertain whether the foreclosure of All Moneys Security Rights will be considered as day-to-day management, and consequently it is uncertain whether the consent of the Transferor, or the Transferor's bankruptcy trustee (*curator*) may be required for such foreclosure.

The Transferor, the CBC and the Security Trustee have agreed in the Guarantee Support Agreement that in the event of a foreclosure in respect of the Mortgage Receivables, the share (*aandeel*) in each jointly-held All Moneys Security Right of the Security Trustee and/or the CBC will be equal to the lesser of (i) the Net Foreclosure Proceeds and (ii) the Outstanding Principal Amount of the Mortgage Receivable increased with interest and costs, if any, and the Transferor's share will be equal to the Net Foreclosure Proceeds less the Outstanding Principal Amount of the Mortgage Receivable, increased with interest and costs, if any.

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

If (a bankruptcy trustee or administrator of) the Transferor would, notwithstanding the arrangement set out above, enforce the jointly-held All Moneys Security Rights securing the Mortgage Receivables, the CBC and/or the

Security Trustee would have a claim against the Transferor (or, as the case may be, its bankruptcy estate) for any damages as a result of a breach of the contractual arrangements, but such claim would be unsecured and non-preferred. This may lead to losses under the Covered Bonds.

#### **7. Risk that the Borrower Insurance Pledge will not be effective**

All rights of a Borrower under the Insurance Policies have been pledged to the Transferor under a Borrower Insurance Pledge. The CBC has been advised that it is probable that the right to receive payment, including the commutation payment (*afkoopsom*), under the Insurance Policies will be regarded by a Dutch court as a future right. The pledge of a future right is, under Dutch law, not effective if the pledgor is declared bankrupt, granted a suspension of payments or a debt restructuring scheme pursuant to the Dutch Bankruptcy Code, prior to the moment such right comes into existence. This means that it is uncertain whether such pledge will be effective. Furthermore, as the Borrower Insurance Pledges qualify as All Moneys Security Rights Pledges, reference is made to '*Risk that the All Moneys Security Rights will not follow the Mortgage Receivables upon assignment to the CBC*'.

### **E. OTHER RISKS REGARDING THE MORTGAGE RECEIVABLES**

#### **1. Risk related to no investigations in relation to the Mortgage Loans and the Mortgaged Assets and risk that the Transferor may not transfer additional Eligible Receivables if any Mortgage Receivable does not materially comply with any of the Eligibility Criteria**

None of the CBC, the Security Trustee, the Arranger, the Dealers or any other person has undertaken or will undertake an independent investigation, searches or other actions to verify the statements of the Transferor concerning itself, the Mortgage Loans, the Mortgage Receivables and the Mortgaged Assets. The CBC and the Security Trustee will rely instead on the Transferor Warranties and the Mortgage Receivables Warranties given in the Guarantee Support Agreement by the Transferor in respect of the relevant Mortgage Receivables.

If any Mortgage Receivable does not materially comply with any of the Eligibility Criteria as at the Transfer Date of that Mortgage Receivable or is or becomes a Defaulted Receivable, then such Mortgage Receivables will be excluded from the Asset Cover Test and the Amortisation Test. However, if the Transferor in such case does not transfer additional Eligible Receivables, the CBC may have insufficient assets to comply with its obligations and/or the Asset Cover Test or the Amortisation Test, as the case may be, may be breached. This may lead to losses under the Covered Bonds.

Prior to service of a Notice to Pay and provided that the Asset Cover Test shall not be breached upon such retransfer, the Transferor may request the retransfer of a Mortgage Receivable from the CBC if a breach of the Mortgage Receivables Warranties occurs on or appears after the relevant Transfer Date in respect of such Mortgage Receivable (see section 10 (*Guarantee Support*) under '*Retransfers*'). A failure of the Transferor to take the appropriate action may have an adverse effect on the ability of the CBC to make payments under the Covered Bonds. This may lead to losses under the Covered Bonds.

#### **2. Risks related to the Mortgage Loans forming part of a mortgage platform**

The Achmea Hypotheken Mortgage Loans have been originated within the Achmea Hypotheken Platform (see section 10 (*Guarantee Support*) and section 0 (*Origination & Servicing of the Mortgage Loans*)).

Pursuant to the Achmea Bank Master Purchase Agreement, Achmea Hypotheken and Achmea Bank have, *inter alia*, agreed that (i) Achmea Bank will purchase and accept the assignment of the Achmea Hypotheken Mortgage Receivables allocated to it, (ii) Achmea Hypotheken will (via sub-servicers) provide to Achmea Bank the mortgage loan services in respect of the Achmea Hypotheken Mortgage Receivables and (iii) the Borrowers of Achmea Hypotheken Mortgage Receivables may only be notified of the assignment upon instruction of Achmea Bank after the occurrence of an Achmea Hypotheken Assignment Notification Event.

Pursuant to the CBC Master Purchase Agreement, Achmea Hypotheken, Achmea Bank and the CBC, *inter alia*, have agreed that:

- (i) Achmea Hypotheken will provide the mortgage loan services in relation to Achmea Hypotheken Mortgage Receivables directly to the CBC after the occurrence of an Achmea Bank Default Event and a notice of the

CBC to Achmea Hypotheken that it wishes that such mortgage loan services are provided to it;

- (ii) until the occurrence of an Achmea Bank Default Event and a notice of the CBC to Achmea Hypotheken that it wishes that such mortgage loan services are provided to it, the CBC and the Security Trustee will be represented by Achmea Bank vis-à-vis Achmea Hypotheken and may not directly claim nor proceed directly against Achmea Hypotheken and the liability of Achmea Hypotheken vis-à-vis the CBC, if any, will be deemed to be part of the loss of Achmea Bank in accordance with the Achmea Bank Master Purchase Agreement;
- (iii) Achmea Hypotheken is solely entitled to (re)set the mortgage interest rates from time to time in accordance with the CBC Master Purchase Agreement until the services provided under the Achmea Hypotheken Platform are no longer provided to Achmea Bank or, after an Achmea Bank Default Event, to the CBC or the Security Trustee, as the case may be;
- (iv) the CBC and the Security Trustee may not sell and/or assign and/or pledge Achmea Hypotheken Mortgage Receivables in favour of any third party, unless (a) such Achmea Hypotheken Mortgage Receivables are sold to another investor in the Achmea Hypotheken Platform or a party which will accede to the Achmea Hypotheken Platform as a new investor or (b) it is to a third party which will not accede to the Achmea Hypotheken Platform, provided that, *inter alia*, Achmea Hypotheken and the other investors in the Achmea Hypotheken Platform have been given the opportunity to match the offer, whereby the Transferor shall have the first right to match such offer, but have not exercised such right to match the offer, the Achmea Hypotheken Mortgage Loans are transferred to such third party by way of contact transfer (*contractsoverneming*) or Achmea Hypotheken will provide the mortgage loan services directly to such third party, and Achmea Hypotheken will be indemnified for the out-migration costs in relation to any transfer (see further section 10 (*Guarantee Support*)).

The CBC and/or the Security Trustee are bound by these agreements in respect of the Achmea Hypotheken Mortgage Receivables. Therefore, Borrowers of Achmea Hypotheken Mortgage Receivables may only be notified of Assignment I and Assignment II after the occurrence of both an Assignment Notification Event and an Achmea Hypotheken Assignment Notification Event. Also, the Achmea Hypotheken Assignment Notification Events could be considered more limited than the Assignment Notification Events or assignment notification events in other Dutch covered bond programmes, for example no payment or other default triggers are included in the Achmea Hypotheken Assignment Notification Events (see further section 10 (*Guarantee Support*)). Consequently, the CBC and/or the Security Trustee are more limited in their rights to notify such Borrowers than in respect of the Mortgage Receivables which are not originated by Achmea Hypotheken.

Also, if the CBC and/or the Security Trustee are entitled pursuant to the Transaction Documents, other than the CBC Master Purchase Agreement, to manage the Mortgage Receivables, they are limited in their rights to appoint its servicers and/or manage the Achmea Hypotheken Mortgage Receivables in a manner they deem fit and/or in their rights to sell the Achmea Hypotheken Mortgage Receivables. Further, the Transferor will in its capacity as investor in the Achmea Hypotheken Platform represent the CBC in any Achmea Hypotheken Platform level matters and in exercising any rights under and in connection with the CBC Master Purchase Agreement until the occurrence of an Achmea Bank Default Event. Upon the occurrence of an Achmea Bank Default Event, the CBC can exercise any rights under the CBC Master Purchase Agreement *vis-à-vis* Achmea Hypotheken, including the services, itself. Also, many resolutions of investors may be made with a majority vote. There is a risk that the CBC will be confronted with approved investor resolutions in relation to, for example, the interest rate setting procedure and the services provided under the Achmea Hypotheken Platform, which may have a negative impact on its rights under the CBC Master Purchase Agreement and the Achmea Hypotheken Mortgage Receivables. These limitations could impact the market value of the Achmea Hypotheken Mortgage Receivables in case of a sale thereof. In addition, pursuant to the CBC Master Purchase Agreement the CBC is limited in its rights to claim or proceed against Achmea Hypotheken, is subject to a maximum amount it can claim *vis-à-vis* Achmea Hypotheken and has bound itself to limited recourse and non-petition provisions. This could affect the expected damages to be received by the CBC and may lead to losses under the Covered Bonds.

In general, the Transferor and the CBC will be bound by the limitations that follow from the Achmea Hypotheken Platform as long as the Achmea Hypotheken Mortgage Loans form part of the Achmea Hypotheken Platform. Pursuant to the CBC Master Purchase Agreement, the link between the Achmea Hypotheken Mortgage Loans and the Achmea Hypotheken Platform can be terminated upon the occurrence of CBC Master Purchase Agreement Termination Events. If these events occur, the CBC (a) may, or a third party appointed by it may

accept the transfer of all Achmea Hypotheken Mortgage Loans from Achmea Hypotheken; or (b) may offer for sale and assignment its Achmea Hypotheken Receivables (i) until the occurrence of an Achmea Bank Default Event, to the Transferor and the Transferor will in such case accept the offer of the CBC and (ii) after the occurrence of an Achmea Bank Default Event, to other parties.

In addition, Achmea Hypotheken Mortgage Receivables may be sold to a third party prior to the termination of the CBC Master Purchase Agreement subject to the provisions of the CBC Master Purchase Agreement, in which it is provided that:

- (i) the CBC shall inform Achmea Bank, or upon the occurrence of an Achmea Bank Default Event, Achmea Hypotheken that it wishes to offer for sale and assignment any or all of the Achmea Hypotheken Mortgage Receivables,
- (ii) it may offer the Achmea Hypotheken Mortgage Receivables to (a) another investor which acceded to the Achmea Hypotheken Platform (including Achmea Bank), (b) a party that is willing to accede to the Achmea Hypotheken Platform as investor or (c) a party that is not willing to accede to the Achmea Hypotheken Platform, provided that Achmea Hypotheken and all investors acceded to the Achmea Hypotheken Platform have the right to match the offer of such third party referred to under item (c) whereby the Transferor shall have the first right to match such offer and, in case Achmea Hypotheken or such investor matches the offer, the CBC shall sell and assign the Achmea Hypotheken Mortgage Receivables to Achmea Hypotheken or such other investor, as the case may be. In case the Achmea Hypotheken Mortgage Receivables are sold to a party that is not willing to accede to the Achmea Hypotheken Platform, (a) either (1) the Achmea Hypotheken Mortgage Loans are transferred to such party by way of contract transfer (*contractsoverneming*) or (2) the mortgage loans services in respect of such Achmea Hypotheken Mortgage Receivables are provided by Syntrus Achmea Hypotheekdiensten and the relevant Borrowers continue to make their payment to the Achmea Hypotheken Collection Foundation or such other account Syntrus Achmea Hypotheekdiensten is authorised to dispose over and (b) Achmea Hypotheken shall be indemnified for the out-migration costs in relation to such transfer. The Achmea Hypotheken Mortgage Loans can thus only be transferred to a party that has the appropriate licenses under the Wft. There is a risk that such a party cannot be found.

These impediments to the termination of the link between the Achmea Hypotheken Platform and the Achmea Hypotheken Mortgage Receivables and thus the CBC, limit the rights of the CBC to appoint its servicers and manage the Achmea Hypotheken Mortgage Receivables in a manner it deems fit and could impact the market value of the Achmea Hypotheken Mortgage Receivables in case of a sale. The above may lead to losses under the Covered Bonds.

### **3. Risks related to NHG Guarantee**

Mortgage Loans may have the benefit of an NHG Guarantee issued by Stichting WEW. Pursuant to the terms and conditions (*voorwaarden en normen*) applicable to the NHG Guarantee, Stichting WEW has no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the terms and conditions of the NHG Guarantee.

The Transferor will in the Guarantee Support Agreement represent and warrant that (i) the NHG Guarantee is granted for the full amount of the relevant Mortgage Loan at origination, excluding, in general, a Further Advance, (ii) the NHG Guarantee was in compliance with all terms and conditions (*voorwaarden en normen*) applicable to it at the time of origination of the relevant Mortgage Loan and (iii) the Transferor is not aware of any reason why any claim under any NHG Guarantee granted by Stichting WEW in respect of the relevant Mortgage Loan should not be met in full and in a timely manner. If, notwithstanding such representation, Stichting WEW has no obligation to pay any such loss, then such loss may have an adverse effect on the ability of the CBC to make payments under the Covered Bonds.

Finally, the terms and conditions of the NHG Guarantee stipulate that each NHG Guarantee (irrespective of the type of redemption of the mortgage loan) is reduced on a monthly basis by an amount which is equal to the amount of the monthly repayments plus interest as if the Mortgage Loan were to be repaid on a thirty (30) year annuity basis. The actual redemption structure of a Mortgage Loan can be different. This may result in the Transferor, CBC or Security Trustee, as the case may be, not being able to fully recover a loss incurred with Stichting WEW, which may lead to losses under the Covered Bonds. Mortgage loans taken out for houses purchased after 1 January 2013 have to be repaid in full in thirty (30) years and at least on an annuity basis in

order to be eligible for mortgage interest relief (*hypotheekrenteaftrek*).

In relation to the representations and warranties given by the Transferor in this respect, also see risk factor '*Not all risks are deducted from the Asset Cover Test*'.

For a description of the NHG Guarantees, see section 12 (*NHG Guarantee Programme*).

#### **4. Risks related to changes to Dutch tax treatment of interest on Mortgage Loans and tax deductibility**

The Dutch tax system allows borrowers to deduct, subject to certain limitations, mortgage interest payments for owner-occupied residences from their taxable income. The deduction period allowed is restricted to a term of thirty (30) years.

For the year 2024, the maximum tax rate against which mortgage interest may be deducted for Dutch income tax purposes (the '**maximum deductibility rate**') is set at 36.97 per cent.

In view of the ongoing political discussions, it may be that the maximum deductibility is decreased faster than set out above or will be abolished entirely in the future. This accelerated reduction or abolition of the maximum deductibility rate could ultimately have an adverse impact on the ability of Borrowers to pay interest and principal on their Mortgage Loans and may lead to an increase of defaults, or different prepayment and repayment behaviour of the Borrowers of such Mortgage Loans. This may result in defaults on Mortgage Loans in relation to the Transferred Assets and thus may decrease the CBC's proceeds from such Transferred Assets thereby adversely affecting the CBC's ability to meet fully and/or timely its obligations under the Guarantee. This may ultimately lead to losses under the Covered Bonds.

#### **5. Risk related to New Transferors and New Originators**

The Issuer may propose that any affiliate to the Issuer may become a New Transferor and that such New Transferor may transfer Eligible Assets to the CBC. In addition, New Originators may accede to the Programme. However, such New Transferor or New Originator will only be permitted to become a New Transferor or New Originator if the conditions precedent set out in the Programme Agreement relating to New Transferors or New Originators, respectively, acceding to the Programme are met.

Any Mortgage Receivables originated by a New Transferor or a New Originator will have been originated in accordance with the underwriting criteria of the New Transferor or the New Originator, which may differ from the underwriting criteria of Mortgage Receivables originated by the other Transferors or Originators. If the underwriting criteria differ in a way that affects the creditworthiness of the Borrowers under the Mortgage Receivables, that may lead to increased defaults by Borrowers and may affect the realisable value of the relevant Mortgage Receivables or any part thereof and/or the ability of the CBC to make payments under the Guarantee. This may lead to losses under the Covered Bonds.

### **RISK FACTORS REGARDING SWAPS**

*The below risk factors are only relevant in case the CBC will at any time in the future enter into any Swap Agreements. At the date of this Base Prospectus, the CBC has not entered into any Swap Agreements.*

#### **1. Risk related to the mismatches between income and liabilities and termination of a Swap Agreement**

Variances are possible in (i) the rates of interest payable on the Mortgage Receivables (which may, for instance, include variable rates of interest, fixed rates of interest or rates of interest which track a base rate), the other Transferred Assets and the CBC Transaction Accounts and (ii) the amounts payable on the outstanding Covered Bonds. The CBC may hedge against these variances by entering into Swap Agreements. Such swaps may be insufficient to correct mismatches in the rates of interest and revenue on the Mortgage Receivables or the rates of interest or revenue payable on the other Transferred Assets and the CBC Transaction Accounts and the rate of interest payable on the outstanding Covered Bonds, as well as other mismatches which may adversely affect the realisation value of the Mortgage Receivables, and/or the CBC's ability to fulfil its obligations under the Guarantee. Any risks not hedged or not catered for in respect of any interest of the Covered Bonds will be borne by all Covered Bondholders, which may result in losses under the Covered Bonds.

A Swap Counterparty will usually be obliged to make payments under the relevant Swap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the relevant Swap Counterparty will be required to pay such additional amount necessary to ensure that the net amount actually received by the CBC will equal the full amount that the CBC would have received had no such withholding or deduction been required. The relevant Swap Agreement may provide, however, that if due to a Tax Event, the relevant Swap Counterparty may (with the consent of the CBC and subject to Rating Agency Confirmation) transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event. If the relevant Swap Counterparty is unable to transfer its rights and obligations under the relevant Swap Agreement to another office, branch or affiliate, it will in such case have the right to terminate the relevant Swap Agreement. Upon such termination, the CBC or the relevant Swap Counterparty may be liable to make a termination payment to the other party.

A Swap Agreement will usually be terminable by one party if - *inter alia*- (i) an Event of Default (as defined therein) occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the relevant Swap Agreement, (iii) a CBC Acceleration Notice is served, (iv) a Tax Event occurs as described in the paragraph above or (v) an additional termination event (as defined in the relevant Swap Agreement) occurs. Events of Default under the Swap Agreements in relation to the CBC will in principle be limited to (i) non-payment under the relevant Swap Agreement and (ii) insolvency events. If the relevant Swap Agreement terminates, the CBC will be exposed to changes in the relevant rates of interest. As a result, unless a replacement swap agreement is entered into, the CBC may have insufficient funds to make payments under the Guarantee, if it is required to pay thereunder.

## **2. Risk of termination payments under Swap Agreements**

If a Swap Agreement terminates, then the CBC may be obliged to make a termination payment to the relevant Swap Counterparty. There can be no assurance that the CBC will have sufficient funds available to make such a termination payment, nor can there be any assurance that the CBC will be able to enter into a replacement swap agreement, or if one is entered into, that the credit rating of the replacement swap counterparty will be sufficiently high to prevent a downgrade of the then current ratings of the Covered Bonds by the Rating Agency.

If the CBC is obliged to make a termination payment under any Swap Agreement, such termination payment will in most cases (see the applicable priority of payments) rank ahead of amounts due on the Covered Bonds except where default by, or downgrade of, the relevant Swap Counterparty has caused the relevant Swap Agreement to terminate. The obligation to make a termination payment other than arising from default by, or downgrading of, the Swap Counterparty, may therefore adversely affect the ability of the CBC to meet its obligations under the Guarantee.

## **3. Risk of differences in timing of obligations of the CBC and Swap Counterparties**

With respect to the Swap Agreements, the CBC (or the Issuer on its behalf) may be obliged to make monthly payments to the relevant Swap Counterparty, whereas the relevant Swap Counterparty may not be obliged to make corresponding swap payments for up to twelve (12) months. If the relevant Swap Counterparty does not meet its payment obligations to the CBC, the CBC may have a larger shortfall than it would have had if the relevant Swap Counterparty's payment obligations had coincided with CBC's payment obligations under the relevant Swap. Hence, the difference in timing between the obligations of the CBC and the relevant Swap Counterparty may affect the CBC's ability to make payments under the Guarantee.

## **4. Risk related to payments with respect to Covered Bonds and Swap Agreements during a CBC Payment Period (other than on the CBC Payment Date on which the CBC Payment Period commences)**

Following the service of an Issuer Acceleration Notice and a Notice to Pay (but prior to a CBC Acceleration Notice), pursuant to the Trust Deed, the Available Revenue Funds and the Available Principal Funds (less any amounts payable to third parties incurred by the CBC in its ordinary course of business, which may be paid on each day by the CBC) will be applied in accordance with the CBC Priority of Payments on each CBC Payment Date, which date will occur monthly. Payments in respect of interest and principal on a Series of Covered Bonds and in respect of Swap Agreements may however become due and payable on other days than on the relevant CBC Payment Date during a CBC Payment Period. Such amounts will be payable by the CBC on the date on which such payments become due and payable as follows:

- (i) in respect of a Series of Covered Bonds, to the extent that the CBC has entered into a Swap Agreement with respect to such Series of Covered Bonds, from the amounts received under the relevant Swap Agreement connected to such Series after the CBC Payment Date on which the relevant CBC Payment Period commenced;
- (ii) from the amounts reserved in respect of such Series of Covered Bonds or such Swap Agreement pursuant to items (e) and (f) of the CBC Priority of Payments on the CBC Payment Date on which the relevant CBC Payment Period commenced; and
- (iii) in respect of a Series of Covered Bonds, to the extent not so paid in full following application of the funds available in accordance with (i) and (ii) above, from the amounts as were credited to the CBC Transaction Accounts in accordance with item (i) of the CBC Priority of Payments on the CBC Payment Date on which the relevant CBC Payment Period commenced.

To the extent that the amounts under (i), (ii) and (iii) are insufficient to pay the amounts due, the CBC will be unable to meet its obligations with respect to such Series of Covered Bonds.

It is noted that, consequently, should a Swap Counterparty default in its obligation to pay the CBC under a Swap Agreement, and despite the relevant mitigants described above there are insufficient funds available pursuant to item (f) of the CBC Priority of Payments, one or more Series which are subject to a Swap Agreement may not be paid, or not be paid in full during the relevant CBC Payment Period, whereas one or more other Series may be paid in full during that same CBC Payment Period.

## **5. Risks related to EMIR**

EMIR entered into force in all the Member States on 16 August 2012. EMIR establishes certain requirements for OTC derivative contracts, including (i) mandatory clearing obligations, (ii) the mandatory exchange of initial and/or variation margin, (iii) other risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty and (iv) reporting requirements.

The Issuer does not expect the CBC to be or become subject to the margin requirements or the clearing obligation, as these only apply to certain financial counterparties and non-financial counterparties that (are deemed to) exceed the applicable clearing threshold (established on a group basis). Moreover, even if the CBC would at any time exceed the relevant clearing threshold, it may be able to rely on specific statutory exemptions for OTC contracts concluded with covered bond issuers or with cover pools for covered bonds. However, the possibility cannot be excluded that the CBC may in the future, whether as a result of changes to the legislation or group activity, qualify as a counterparty subject to the margin requirements or the clearing obligation and not be able to rely on any such exemption. This would lead to significantly more administrative burdens, higher costs and potential complications, for instance if the CBC will be required to enter into a replacement swap agreement or to amend the Swap Agreement, as the case may be, in order to comply with these requirements. A failure to comply with EMIR may result in fines being imposed on the CBC, which may affect the CBC's ability to make payments under the Guarantee. This may lead to losses under the Covered Bonds.

#### 4. IMPORTANT INFORMATION

This Base Prospectus has been approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer and/or the CBC that is the subject of this Base Prospectus nor as an endorsement of the quality of any Covered Bonds that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Covered Bonds.

This Base Prospectus shall be valid for use only by the Issuer for a period of up to twelve (12) months after its approval by the AFM and shall expire on 22 January 2025, at the latest. The obligation to supplement this Base Prospectus, in the event of significant new factors, material mistakes or material inaccuracies only, shall cease to apply upon the expiry of the validity period of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Covered Bonds.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the CBC accepts responsibility for the information contained in section 0 (*Asset Backed Guarantee*) under *'The CBC'*). To the best of their knowledge, the information contained in this Base Prospectus is in accordance with the facts and makes no omission likely to affect its import. Any information from third parties identified in this Base Prospectus as such has been accurately reproduced and as far as the Issuer and the CBC are aware and are able to ascertain from the information published by a third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer and the CBC accept responsibility accordingly.

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any of the Arranger, the Dealers, the Security Trustee, the Listing Agent or the Paying Agent as to the accuracy or completeness of the information contained or referred to in this Base Prospectus or any other information provided or purported to be provided by or on behalf of the Arranger, a Dealer, the Security Trustee, the Issuer or the CBC in connection with the Programme. The Arranger, the Dealers, the Security Trustee, the Listing Agent and the Paying Agent accordingly disclaim all and any liability whether arising in tort or contract or which it might otherwise have in respect of such information.

The Issuer will furnish a supplement to this Base Prospectus in case of any significant new factor, material mistake or material inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of the Covered Bonds and which arises or is noticed between the time when this Base Prospectus has been approved and the final closing of any Series or Tranche of Covered Bonds offered to the public or, as the case may be, when trading of any Series or Tranche of Covered Bonds on a regulated market begins, in respect of Covered Bonds issued on the basis of this Base Prospectus.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the offering of the Covered Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the CBC, the Arranger or any of the Dealers. Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Covered Bonds should be considered as a recommendation by the Issuer or the CBC that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Covered Bonds should purchase any Covered Bonds. Each investor contemplating purchasing any Covered Bonds should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer and the CBC. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Covered Bonds constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Covered Bonds.

Forecasts and estimates in this Base Prospectus are forward looking statements. Such projections are speculative in

nature and it can be expected that some or all of the assumptions underlying the projections will not prove to be correct or will vary from actual results. Consequently, the actual result might differ from the projections and such differences might be significant.

The distribution of this Base Prospectus and the offering, sale and delivery of the Covered Bonds may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Covered Bonds comes must inform themselves about, and observe, any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Covered Bonds and on distribution of this Base Prospectus and other offering material relating to the Covered Bonds, see section 7 (*Covered Bonds*) under '*Subscription and Sale*'.

THE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY IN THE UNITED STATES, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE COVERED BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND INCLUDE COVERED BONDS IN BEARER FORM THAT ARE SUBJECT TO UNITED STATES TAX LAW REQUIREMENTS. THE COVERED BONDS MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO UNITED STATES PERSONS AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT, EXCEPT IN CERTAIN TRANSACTIONS PERMITTED BY U.S. TAX REGULATIONS AND THE SECURITIES ACT. SEE SECTION 7 (*COVERED BONDS*) UNDER '*SUBSCRIPTION AND SALE*'.

The credit ratings included or referred to in this Base Prospectus will be treated for the purposes of the CRA Regulation as having been issued by S&P upon registration pursuant to the CRA Regulation. S&P is established in the European Union and has been registered by ESMA as a credit rating agency in accordance with the CRA Regulation.

Whether or not a rating in relation to any Series of Covered Bonds will be treated as having been issued by a credit rating agency established in the European Union and registered in accordance with the CRA Regulation or as endorsed under the CRA Regulation by a credit rating agency established in the European Union and registered in accordance with the CRA Regulation will be disclosed in the relevant Final Terms.

If a Stabilising Manager is appointed for a Series or Tranche of Covered Bonds, the relevant Stabilising Manager will be set out in the applicable Final Terms. The Stabilising Manager or any duly appointed person acting for the Stabilising Manager may over-allot or effect transactions with a view to supporting the market price of the relevant Series of Covered Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series or Tranche of Covered Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of thirty (30) calendar days after the issue date and sixty (60) calendar days after the date of the allotment of the relevant Series or Tranche of Covered Bonds. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules as amended from time to time.

All references in this document to '€', '**EUR**' and '**euro**' refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the EU Treaty on the functioning of the European Union, as amended, references to '**CHF**' refer to Swiss Franc, references to '**Japanese Yen**' refer to the lawful currency of Japan and references to '**Australian dollars**' refer to the lawful currency of Australia.

The Arranger, the Dealers and/or their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Arranger, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their clients. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Arranger, the Dealers and/or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Arranger, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Covered Bonds. Any such

short positions could adversely affect future trading prices of Covered Bonds. The Arranger, the Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

ABN AMRO Bank N.V. has been engaged by the Issuer as Listing Agent for the Covered Bonds and in such capacity is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Covered Bonds.

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

**EU MIFID II PRODUCT GOVERNANCE / TARGET MARKET:** The Final Terms in respect of any Covered Bonds will include a legend entitled "*EU MiFID II Product Governance*" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (an "**EU distributor**") should take into consideration the target market assessment; however, an EU distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Covered Bonds about whether, for the purpose of the EU MiFID Product Governance rules under the EU MiFID Product Governance Rules, the Arranger and/or any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor any Dealer nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS:** The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the laws of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the laws of the United Kingdom by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the laws of the United Kingdom by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of the laws of the United Kingdom by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:** The Final Terms in respect of any Covered Bonds may include a legend entitled "*UK MiFIR Product Governance*" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**UK distributor**") should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Covered Bonds about whether, for the purpose of the UK MiFIR Product Governance Rules, any Arranger and/or any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**BENCHMARKS REGULATION:** Interest and/or other amounts payable under the Covered Bonds may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark under the Benchmarks Regulation. If any such reference rate does constitute such a benchmark, the relevant Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation.

Not every reference rate falls within the scope of the Benchmarks Regulation. Furthermore, transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark and/or a benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms. The registration status of any administrator or benchmark under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update any Final Terms to reflect any change in the registration status of the administrator.

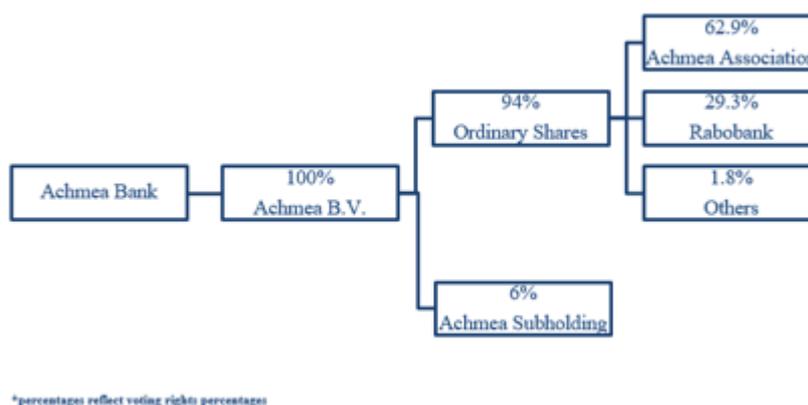
Amounts payable under the Covered Bonds may be calculated by reference to EURIBOR which is provided by European Money Markets Institute ("**EMMI**"). As at the date of this Base Prospectus, EMMI appears in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation.

Amounts payable under the Covered Bonds may be calculated by reference to €STR which is provided by the European Central Bank (the "**ECB**"). As at the date of this Base Prospectus, as far as the Issuer is aware, the ECB is excluded from the scope of the Benchmarks Regulation pursuant to Article 2(2)(a) of the Benchmarks Regulation, as a consequence whereof the ECB as administrator of €STR is not currently required to obtain authorisation or registration and therefore does not appear in the aforementioned register.

## 5. ACHMEA BANK N.V.

### General Information

Achmea Bank N.V. is a fully owned subsidiary of Achmea B.V. (see structure chart below). Achmea B.V. is the holding company of all operations of the Achmea Group. Achmea Bank has its current form after a legal merger on 31 May 2014 (see description below under '2014 legal merger'). The legal entity identifier (LEI) of Achmea Bank N.V. is 724500AH42V5X8BCPE49. The website of Achmea Bank N.V. is <https://www.achmeabank.nl/>. Any information contained on or accessible via any website, including <https://www.achmeabank.nl/>, does not form part of this Base Prospectus, unless that information is incorporated by reference into this Base Prospectus.



### Incorporation

Achmea Bank was incorporated on 16 June 1995 as a public limited liability company (*naamloze vennootschap*) incorporated and operates under the laws of the Netherlands. Achmea Bank has its statutory seat in The Hague, the Netherlands and has its registered office at Spoorlaan 298, 5017 JZ Tilburg, the Netherlands. Achmea Bank is registered with the Commercial Register of the Chamber of Commerce under number 27154399. At its incorporation, Achmea Bank was named "Achmea Hypotheekbank N.V."

### Objects

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

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

### 2014 legal merger

On 31 May 2014, Achmea Hypotheekbank N.V. legally merged (*juridische fusie*) with Achmea Bank Holding N.V. and Achmea Retail Bank N.V. and subsequently changed its name to its current name, Achmea Bank N.V. Pursuant to the legal merger Achmea Bank is the surviving entity (*verrijgende vennootschap*) and Achmea Bank Holding N.V. and Achmea Retail Bank N.V. are the disappearing entities (*verdwijende vennootschappen*). As a result of the legal merger Achmea Bank assumed all of the rights and obligations of the disappearing entities by operation of law under universal title (*onder algemene titel*).

### Previous mergers

On 1 September 2000, Avéro Hypotheken BV, Centraal Beheer Hypotheken B.V, Centraal Beheer Woninghypotheken B.V., FBTO Hypotheken B.V., Zilveren Kruis Hypotheken B.V. and Woonfonds Nederland B.V., all direct subsidiaries of Achmea Bank, merged into Achmea Bank.

On 1 January 2004, Woonfonds Holland B.V., a subsidiary of Achmea Bank, merged into Achmea Bank.

On 5 April 2007, Interpolis Schade Hypotheken B.V. and Interpolis BTL Hypotheken B.V., subsidiaries of Achmea Bank, merged into Achmea Bank.

## Figures

The presented financial figures for 31 December 2022 are extracted from the 2022 audited consolidated financial statements of Achmea Bank. The presented financial figures for 31 December 2021 are extracted from the 2021 audited consolidated financial statements of Achmea Bank.

## Profile

Achmea Bank was incorporated with the purpose of collectively attracting funding on the capital and money markets to fund the mortgage portfolios of its subsidiary mortgage companies, each of which granted mortgage loans to private individuals in the Netherlands under its own name.

Since the legal merger of the mortgage companies with Achmea Bank in 2000 (and 2004 in relation to Woonfonds Holland B.V.) and the acquisition of Interpolis Schade Hypotheken B.V. and Interpolis BTL Hypotheken B.V. in 2006, mortgage loans are granted directly by Achmea Bank, under different brand names used earlier by the mortgage companies.

## Mortgage lending market approach

One method of market approach is used: through an intermediary (Centraal Beheer and Woonfonds). In principle, mortgage loans are provided for residential property only.

In October 2020, Achmea Bank joined the Achmea Hypotheken Platform of SAREF. This platform is a separate account for mortgages with which institutional investors can invest in Dutch residential mortgages with a desired risk profile. Mortgages are sold under the Centraal Beheer brand and Achmea Bank and Achmea Pensioen- en Levensverzekeringen N.V. are the first investors. Also from 1 October 2020, Achmea's mortgage activities have largely been transferred to SAREF. The origination of new mortgages for Achmea Bank through the Achmea Hypotheken Platform amounted to EUR 1.6 billion in 2022 (2021: EUR 0.4 billion).

Achmea Bank intends to run its future mortgage business primary through Achmea Hypotheken Platform supported by mortgage business via the Woonfonds brand, the partnership with a.s.r. and buying mortgage portfolios that matches its balance sheet and ambition.

Since 2019 Achmea Bank has focused on buying existing mortgage portfolios mainly with shorter remaining interest periods matching Achmea Bank's risk profile in line with Achmea Bank's strategy. This led to the following transactions:

- 2019: ASR Admin mortgage portfolio: EUR 1.5 billion
- 2019: Obvion N.V. mortgage book sold by Achmea Pensioen- en Levensverzekeringen N.V.: EUR 0.6 billion
- 2020: BinckBank N.V. mortgage portfolio sold by Saxo Bank Group: EUR 0.5 billion
- 2021: ASR Levensverzekering mortgage portfolio: EUR 0.5 billion
- 2022: ASR Levensverzekering mortgage portfolio: EUR 0.2 billion
- 2022: ASR Levensverzekering mortgage portfolio: EUR 0.4 billion
- 2022: ASR Levensverzekering mortgage portfolio: EUR 0.3 billion
- 2023: ASR Levensverzekering mortgage portfolio: EUR 0.4 billion

In addition to the transactions set out above, Achmea Bank and ASR Levensverzekering. agreed to continue their cooperation for an additional three years. Each month during this period, Achmea Bank will acquire newly originated mortgage receivables up to an amount of EUR 1 billion annually.

Furthermore, Achmea Bank invests in line with its multi-platform strategy in newly originated mortgage loans from Orange Credit Hypotheken B.V. In addition, in April 2023 Achmea Bank joined DMFCO's mortgage platform and aims to invest EUR 1.5 billion in mortgages receivables originated through the label MUNT Hypotheken during the next three years. The total Achmea Bank portfolio equals EUR 12.4 billion nominal value as at 31 December 2022 (year-end 2021: EUR 11.1 billion).

By the introduction of the Achmea Hypotheken Platform and the purchase of mortgage portfolios, Achmea Bank aims to increase its market share in the mortgage market in the coming years.

## Funding, financing and collateral

Achmea Bank funds its lending business partly by raising loans in euros and other global currencies on the international money and capital markets. As at 31 December 2022 an amount of EUR 6.5 billion (year-end 2021: EUR 5.7 billion) of the total mortgage portfolio has been legally transferred to another legal entity or pledged in connection with funding programmes.

	<b>31 Dec 2022</b> <b>(audited)</b>	<b>31 Dec 2021</b> <b>(audited)</b>
<i>(amounts in billions of EUR)</i>		
<b>Transferred or pledged Mortgages</b>		
Trustee guaranteed loans	0.1	0.1
Covered bond	4.2	2.8
Securitisations	1.5	2.2
Asset Switch	0.7	0.6
<b>Total transferred or pledged mortgages</b>	<b>6.5</b>	<b>5.7</b>

#### **Stichting Trustee Achmea Hypotheekbank**

Stichting Trustee Achmea Hypotheekbank was formed on 18 December 1995. This first collateral structure set up by Achmea Bank was defined in a trust agreement, under which Achmea Bank periodically pledges the mortgage receivables to Stichting Trustee Achmea Hypotheekbank as security for Achmea Bank's liabilities under financing contracts such as to private loans and derivative exposures. In the event of a default by Achmea Bank, investors can recover their investments from the pledged mortgage receivables. It has been agreed with Stichting Trustee Achmea Hypotheekbank that the value of the mortgage receivables will at all times be at least 5 per cent. more than the nominal value of the secured loans.

#### **Conditional pass-through covered bond programme**

Achmea Bank has set up a EUR 5 billion conditional pass-through covered bond ("**CPTCB**") programme in November 2017 to replace an older soft bullet covered bond programme which was terminated in October 2017.

#### **Consent Solicitation and termination of CPTCB programme**

On 22 May 2023, Achmea Bank gave a notice of a meeting of covered bondholders in respect of the CPTCB programme for the purpose of soliciting a consent to the transfer of such covered bonds from the CPTCB programme to this Programme by replacing Achmea Bank Conditional Pass-Through Covered Bond Company B.V. (the "**CPT CBC**") as the guarantor with the CBC and to modify and/or replace the final terms and the conditions of all series outstanding under the CPTCB programme with the Final Terms and Terms and Conditions of this Programme to provide that, instead of being "conditional pass-through" covered bonds, the covered bonds will instead become "soft bullet" Covered Bonds as proposed by Achmea Bank for approval by a programme resolution (the "**Consent Solicitation**").

On 16 June 2023, a meeting of covered bondholders was held at which meeting the covered bondholders were invited to consider and, if thought fit, vote in favour of the programme resolution. The programme resolution was passed at the meeting and the proposed amendments were implemented on 29 June 2023 and pursuant thereto, all covered bonds outstanding under the CPTCB programme were transferred to this Programme and are as of such date outstanding under and forming part of this Programme and the mortgage receivables and the beneficiary rights relating thereto which were held by the CPT CBC have been transferred by the CPT CBC to Achmea Bank and by Achmea Bank to the CBC. The CPTCB programme was terminated on 12 December 2023.

#### **Soft bullet covered bond programme**

Achmea Bank has set up this Programme in June 2021. Under this Programme Achmea Bank issued its inaugural EUR 0.5 billion 15-year soft-bullet covered bond followed by a second issuance (EUR 0.5 billion, 7-year) in May 2022, a third issuance (EUR 0.5 billion, 7-year) in January 2023 and a fourth issuance (EUR 0.5 billion, 3-year) in October 2023. As a result of the Consent Solicitation and the subsequent implementation thereof, the covered bonds outstanding under the CPTCB programme (EUR 1.5 billion) were transferred to this Programme in June 2023. The total outstanding amount of covered bonds per October 2023 is EUR 3.5 billion.

On 22 January 2024, the Programme Amount was increased from EUR 5 billion to EUR 10 billion in accordance with the terms of the Programme Agreement.

This programme is UCITS eligible and registered with the DNB. The credit rating of this programme is AAA (S&P).

#### **Securitisations**

After the redemption of the DRMP II securitisation transaction on the first optional redemption date in December 2022, Achmea Bank no longer has any RMBS securitisations outstanding externally. This excludes retained notes for the SRMP transactions in an amount of EUR 1.5 billion (2021: EUR 1.9 billion). There are no RMBS notes held by other Achmea entities.

For RMBS transactions Achmea Bank assigns a portfolio of mortgage receivables to a special purpose vehicle ("SPV") which issues notes. The SPV uses the proceeds of the notes to finance the assigned mortgage receivables and uses the interest from the mortgage receivables to pay the interest on the notes.

#### **Unsecured EMTN Programme**

In October 2012, Achmea Bank set up a EUR 10 billion Unsecured European Medium Term Note programme. The total outstanding amount under the programme was EUR 0.6 billion at year-end 2022 (year-end 2021: EUR 1.4 billion) including CHF denominated loans for an amount of CHF 0.3 billion (year-end 2021: CHF 0.4 billion).

#### **French commercial paper programme**

In 2013 Achmea Bank set up a French commercial paper programme of EUR 1.5 billion. With this programme Achmea Bank is able to access the international money markets for its short-term funding needs. The total outstanding amount under the programme was EUR 0.6 billion as at year-end 2022 (year-end 2021: EUR 0.5 billion).

#### **Other funding**

Achmea Bank has deposits with financial and non-financial institutions with a total outstanding amount of EUR 0.2 billion as at year-end 2022 (year-end 2021: EUR 0.1 billion). At year-end 2022, Achmea Bank has funding in the form of cash collateral received on derivative exposures (EUR 0.2 billion), money market loans (EUR 0.2 billion), ECB main refinancing operations (EUR 0.3 billion) and repos (EUR 0.4 billion).

#### **Savings**

A substantial part of the savings deposits held by Achmea Bank, generated under the Centraal Beheer label, is used to fund Achmea Bank's long term assets, such as its mortgage portfolio. As at 31 December 2022, EUR 4.4 billion of savings was provided as funding of the mortgage loans (year-end 2021: EUR 3.7 billion).

As a consequence of the legal merger with Achmea Retail Bank N.V., Achmea Bank assumed the savings portfolio of Achmea Retail Bank N.V. Savings activities remain a substantial part of Achmea Bank's banking activities.

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

Achmea Bank reported an operating profit before taxes of EUR 18 million in 2022 (2021: EUR 52 million). The operating profit before taxes declined mainly due to a lower interest margin by EUR 20 million and higher impairment of financial assets by EUR 13 million. The latter was due to an incidental release relating to the implementation of a second generation IFRS 9 model in 2021. The interest margin decreased from EUR 138 million in 2021 to EUR 118 million in 2022 as a result of lower compensation for early redemption and a lower interest income for the mortgage portfolio. During 2022, more specifically the second half, the development of the interest margin was positive due to an increase of the mortgage production and higher margins on new and repricing mortgages compared to the previous year. The rise in interest rates resulted in a shift of the mortgage market to shorter fixed-interest periods (shorter than 10 years) which is positive for Achmea Bank. In the second half of 2022, the interest margin (EUR 63 million) increased significantly compared to the first half of 2022 (EUR 55 million), which reflects this positive development.

The common equity Tier 1 capital ratio was 18.2 per cent in 2022 (2021: 20.9 per cent). The decrease is mainly due to higher mortgage origination. In April 2022, Achmea Bank paid a dividend of EUR 42 million to its shareholder Achmea B.V., the 2021 net distributable profit plus a small amount (EUR 3 million) of released other reserves.

On 11 September 2023, DNB has approved the application for the Advanced Internal Rating-Based (AIRB) status and Achmea Bank may now call itself an AIRB bank. The new status allows Achmea Bank to use advanced internal models to calculate its credit risks. This results in improved risk management and customer service, both in the acceptance and management of mortgages. In the medium term, this step may also result in an improvement in capital ratios.

#### **Liquidity Coverage Ratio and Net Stable Funding Ratio (unaudited)**

Achmea Bank manages its liquidity positions prudently. The most important metrics used to monitor liquidity risk are the Liquidity Coverage Ratio (LCR), the Net Stable Funding Ratio (NSFR) and the Survival Period (i.e. the number of days Achmea Bank can continue to operate using available cash and collateral without access to the funding markets, the SP). The aim of the LCR is to ensure that the bank holds sufficient liquid assets to absorb the total net cash outflow during a thirty (30) day period of stress. The aim of the NSFR is to ensure that long-term assets are financed with stable, longer term funding. The aim of the SP is to ensure the bank holds sufficient liquidity to survive the most severe internal stress scenario for at least six months. Achmea Bank complied with all external and internal minimum liquidity requirements in 2022. At year-end 2022 the LCR was 211 per cent. (year-end 2021: 297 per cent.), the NSFR was 130 per cent. (year-end 2021: 133 per cent.) and the Survival Period (SP) was more than 12 months (year-end 2021: more

than 12 months).

### Leverage Ratio (unaudited)

The Leverage Ratio (LR) is a regulatory capital adequacy measure under CRD IV/CRR. The LR is calculated as an institution's capital divided by that institution's total non-risk weighted exposures, expressed as a percentage. Achmea Bank fully complied with the internal minimum requirement for 2020 of 3.5 per cent. and the (expected future) external minimum requirements; the LR as at 31 December 2022 was 5.4 per cent. (year-end 2021: 6.6 per cent.).

### Corporate Governance

Achmea Bank is part of Achmea Group and has a governance structure that complies with Dutch laws and regulations. Achmea Bank has a 'two-tier management system', with an Executive Board and a Supervisory Board. The Executive Board is responsible for day-to-day management of the business. The Supervisory Board oversees the Executive Board. The powers and responsibilities of the Executive Board and the Supervisory Board are described in the articles of association, the Executive Board by-laws and the Supervisory Board by-laws in which arrangements have been set out regarding, *inter alia*, the decision making process, the responsibilities of the corporate bodies, measures to avoid conflicts of interest and the relationship between the corporate bodies of Achmea Bank. Achmea Bank has a governance code (*Governance & Besturing Achmea Bank*) in place which further describes the governance and the interrelationships of the different corporate bodies of Achmea Bank.

Achmea Bank also applies the principles of the Banking Code (*Code Banken*). The Banking Code lays down the principles by which Dutch banks should conduct themselves in terms of corporate governance, risk management, audit and remuneration.

These regulations and codes envisage, *inter alia*, to balance the control of the shareholder, the Executive Board and the Supervisory Board of Achmea Bank. For the description of Achmea Bank's internal procedures on the financial reporting process Achmea Bank refers to [www.achmeabank.nl](http://www.achmeabank.nl), where the 'Application of Banking Code', the Executive Board regulations, the Supervisory Board regulations and Achmea Bank governance code are published.

### Executive and Supervisory Boards

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

<b>Executive Board</b>	<b>Principal activity outside Achmea Bank</b>
P.J Huurman (Chairman)	- Not applicable
M.J.M. Geubbels (Chief Financial & Risk Officer)	- Chairman of Vereniging Energy Efficient Mortgages NL Hub.
<b>Supervisory Board</b>	<b>Principal activity outside Achmea Bank</b>
H. Arendse (Chairman)	- Chairman of the Supervisory Board of the Nederlandse Brandwonden Stichting; - Chairman of the Supervisory Board of BNG Bank; and - Member of the Board of Hockey Hoofdklasse C.V..
M.R. van Dongen	- Member of the Supervisory Board and member of the Audit & Risk Committee of Achmea B.V.; - Member of the Supervisory Board and member of the Audit & Risk Committee of Achmea Bank N.V.; - Member of the Supervisory Board of Achmea Schadeverzekeringen N.V.; - Member of the Supervisory Board of Achmea Pensioen- en Levensverzekeringen N.V.; - Member of the Supervisory Board of Achmea Zorgverzekeringen N.V.;

## Supervisory Board

## Principal activity outside Achmea Bank

Supervisory Board	Principal activity outside Achmea Bank
	<ul style="list-style-type: none"><li>- Member of the Supervisory Board of Interpolis Zorgverzekeringen N.V.;</li><li>- Member of the Supervisory Board of Zilveren Kruis Zorgverzekeringen N.V.;</li><li>- Member of the Supervisory Board of FBTO Zorgverzekeringen N.V.;</li><li>- Member of the Supervisory Board of De Friesland Zorgverzekeraar N.V.;</li><li>- Member of the Supervisory Board of Zilveren Kruis Zorgkantoor N.V.;</li><li>- Vice Chair of the Supervisory Board and Chair of the Audit Committee of The Netherlands' Cadastre, Land Registry and Mapping Agency (Kadaster);</li><li>- Vice Chair of the Supervisory Board and Chair of the Audit Committee of Mollie B.V. and Mollie Holding B.V.;</li><li>- Vice Chair of the Supervisory Board, Chair of the Audit Committee, and Chair of the Remuneration and Nomination Committee of Optiver Holding B.V.;</li><li>- Non-Executive Director and Member of the Audit Committee and Remuneration Committee SPEAR Investments I B.V.;</li><li>- Independent Chair Advisory Council uMunthu Investment Company – Goodwell Investments</li><li>- Senior Advisor BlackFin Capital Partners; and</li><li>- Member of the Supervisory Board of Het Balletorkest.</li></ul>
D.C. de Kluis	<ul style="list-style-type: none"><li>- Member of the Supervisory Board and Audit &amp; Risk Committee Syntrus Achmea Real Estate &amp; Finance B.V.;</li><li>- Member of the Board Achmea Pensioen- en Levensverzekeringen N.V.;</li><li>- Member of the Board of Achmea B.V.;</li><li>- Member of the Supervisory Board and Audit &amp; Risk Committee Achmea Investment Management B.V.;</li><li>- Member of the Supervisory Board and Audit &amp; Risk Committee Achmea Bank N.V.; and</li><li>- Member of the Advisory Board ItVitea.</li></ul>
J.H.G. Snijders	<ul style="list-style-type: none"><li>- Chairman of the Supervisory Board of ContextLogic Collections B.V.;</li><li>- Member of the Board Stichting Bedrijfstakpensioenfonds voor de Bouwnijverheid;</li><li>- Member of the Supervisory Board of Rabo Helmond Peel Noord; and</li><li>- Member of the Supervisory Board of Syntrus Achmea Real Estate &amp; Finance B.V.</li></ul>

No potential conflict of interests exist between the duties to the Issuer, of members of the Executive Board and the Supervisory Board of Achmea Bank and their private interest or other duties. All the members of the Executive Board and the Supervisory Board have elected domicile at the registered office of Achmea Bank (being the business address of these persons).

### Audit & Risk Committee

All the members of the Supervisory Board are also members of the Audit & Risk Committee of Achmea Bank. The Audit & Risk Committee has obtained a mandate from the Supervisory Board to prepare together with the Executive Board the meetings of the Supervisory Board. In addition, the Audit & Risk Committee has the mandate to supervise the main developments in the field of financial reporting, tax, funding and finance, risk management and to monitor the relationship with the external accountants of Achmea Bank.

### Asset and Liability Committee (ALCo)

The Executive Board is responsible for setting up effective processes that enable the Issuer to hold sufficient capital and liquidity with respect to its objectives and the regulatory capital and liquidity adequacy requirements. Within this scope, the Executive Board delegated specific tasks to different committees, such as the Asset and Liability Committee.

The Asset and Liability Committee focuses on the management of interest rate risk, market risk, professional counterparty risk, liquidity risk, funding risk and capital management. In addition, the Asset and Liability Committee supervises compliance with the relevant regulatory guidelines.

### Pricing Committee

In Achmea Bank's Pricing Committee, consisting of Achmea Bank's relevant board member and the relevant senior management members, all decisions are taken with regard to pricing of existing and new products of Achmea Bank, including any changes in the interest rate on the offered mortgage loans by Achmea Bank (for the avoidance of doubt, the Pricing Committee does not set the interest rate for mortgage receivables that were or are acquired by Achmea Bank) and the spread requirements for the Achmea Hypotheken Platform managed by Syntrus Achmea which enables Achmea entities and third-party investors to invest in Centraal Beheer Leef mortgages.

### Supervision by the Dutch Central Bank

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

### Competitive position

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

### Selected Financial Information of Achmea Bank

The audited annual consolidated financial statements for the year ended 31 December 2022 (set forth on pages 25 up to and including 97 of the annual report 2022 in the English language) and the audited annual consolidated financial statements for the year ended 31 December 2021 (set forth on pages 24 up to and including 89 of the annual report 2021 in the English language) (the "**Achmea Bank Financial Statements**") are incorporated by reference into this Base Prospectus. Below key figures are derived from the Achmea Bank Financial Statements, except for the loans and advances to customers (nominal) and should be read in conjunction with such financial statements.

	31 Dec 2022	31 Dec 2021
<i>(amounts in millions of EUR)</i>		
<b>Key Figures of Achmea Bank</b>		
Total assets .....	13,933	12,848
Loans and advances to customers (nominal)* .....	12,432	11,080
Total own funds .....	776	779
Interest margin .....	118	138
Fees and commissions .....	1	1
Other income .....	1	1
Change in fair value of financial instruments .....	7	5
Operating income .....	127	144
Operating expenses .....	105	101
Impairment on financial instruments and other assets .....	4	-9
Profit before income taxes .....	18	52
Income tax expense .....	5	13

**31 Dec 2022****31 Dec 2021***(amounts in millions of EUR)*

Net profit.....	13	39
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\* the loans and advances to customers (nominal) are not derived from the Achmea Bank Financial Statements and are therefore unaudited.

### Rating

On 16 November 2022, S&P confirmed Achmea Bank's Issuer Credit Rating Outlook of A-/Stable and on 15 November 2022, Fitch confirmed Achmea Bank's Issuer Default Rating of A/Stable.

### Financial reports

On 25 August 2023, Achmea Bank has published a press release regarding the financial results in the first-half of 2023. The press release is available on the website <https://www.achmeabank.nl/-/media/achmea-bank/documenten/nieuws/engels/achmea-bank-halfjaar-rapport-2023-10.pdf>.

On 13 April 2023, Achmea Bank published its annual report over 2022. The annual report is available on the website <https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/annual-reports/annual-report-achmea-bank-2022.pdf>.

On 21 April 2022, Achmea Bank published its annual report over 2021. The annual report is available on the website <https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/annual-reports/jaarrekening-2021-achmea-bank.pdf>.

Achmea Bank prepares its financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. Achmea Bank's consolidated financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Executive Board on 11 March 2022. Achmea Bank's consolidated financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Executive Board on 9 March 2023.

In accordance with Section 393 of Book 2 of the Dutch Civil Code, Ernst & Young Accountants LLP has audited the financial statements and issued an unqualified auditor's report for the 2021 and 2022 financial statements.

### Outlook

Achmea Bank closely follows the geopolitical situation, the international measures and the effects thereof on the financial markets. Achmea Bank has no direct exposure to Ukraine and Russia. Managing uncertainty is an inherent part of Achmea Bank's line of business. Achmea Bank's capital and liquidity position, together with Achmea Bank's risk management system, are safeguards to possible second order effects.

### Legal proceedings

On 14 June 2022, Achmea Bank received a letter from Stichting Compensatie Zwitserse Frank Leningen (CZFL) in which the latter stated that it intends to initiate legal proceedings on behalf of several clients with regard to the mortgages provided in Swiss Francs and breach of the duty of care. According to Achmea Bank's internal assessment, there is no breach of the duty of care, Achmea Bank feels supported by previous rulings by judges and of the KiFiD. On 23 October 2023, CZFL started legal proceedings against the Issuer at the District Court of The Hague by issuing a formal summons. The Issuer will defend itself against the claim. Given Achmea Bank's assessment of the claim as stated in the formal summons, no provision has been made (also see the risk factor '*Risks regarding the Acier Loan Portfolio*').

## 6. ACHMEA GROUP

The following description provides an overview of the group of companies to which Achmea Bank belongs. Investors should be aware that the following description is for information purposes only and should not be read to imply that Achmea Bank will continue to form part of the same group of companies. Achmea Bank may in the future discontinue to be part of the Achmea Group in whatever manner.

Achmea B.V. is the parent company of Achmea Bank N.V. and the holding company of all operations of the Achmea Group (also see section 5 (*Achmea Bank N.V.*) under '*General Information*').

### General information

Achmea was incorporated by a deed of incorporation on 30 December 1991. Achmea is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated and operating under the laws of the Netherlands, including the Dutch Civil Code (*Burgerlijk Wetboek*), with its corporate seat in Zeist, the Netherlands, telephone number +31 (0)30 693 70000. The registered office of Achmea is Handelsweg 2, 3707 NH Zeist, the Netherlands. Achmea is registered with the Commercial Register of the Chamber of Commerce under number 33235189. Achmea's commercial name is Achmea. The Legal Entity Identifier (LEI) number of Achmea is 7245007QUMI1FHIQV531.

The articles of association of Achmea were most recently amended by deed of amendment dated 19 April 2013.

### Objectives

Pursuant to Article 2 of the articles of association, the objectives of Achmea are to participate in, to finance or in any other way take an interest in, and to conduct the management of, other companies and business enterprises, to acquire, own, operate and encumber movable and immovable property, to invest in other companies and enterprises, to invest in property, securities and deposits, to render services in the field of commerce and finance, to give guarantees and to bind itself for obligations of companies and business enterprises with which it is associated in a group of companies, and to do anything that is, in the widest sense of the word, connected with the aforementioned objectives or can be conducive to the attainment thereof.

### History

Achmea's history dates back to 1811. The Achmea Group was formed by the mergers and acquisitions of numerous mutual and cooperative insurance providers over a period of over two centuries. The history of Achmea begins as Onderlinge Waarborgmaatschappij "Achlum", founded by farmer Ulbe Piers Draisma in 1811.

On 18 November 2011, a legal merger took place between Eureko B.V. and its fully owned subsidiary Achmea Holding N.V. where the latter was merged into Eureko B.V. Eureko's name was subsequently changed into Achmea as of 19 November 2011.

### Business

#### Overview

Achmea is a financial services provider whose core business is insurance. Through its subsidiaries, which comprise amongst others Achmea Pensioen- en Levensverzekeringen N.V., Achmea Schadeverzekeringen N.V., N.V. Hagelunie, Achmea Zorgverzekeringen N.V., Achmea Reinsurance Company N.V., Achmea Bank N.V., Achmea Interne Diensten N.V., Achmea Services N.V., Zilveren Kruis Health Services N.V., InShared Holding B.V., Achmea Investment Management B.V., Achmea Pensioenservices N.V., Syntrus Achmea Real Estate & Finance B.V., Achmea Innovation Fund B.V., InAdmin RiskCo Group B.V., Eureko Sigorta A.S., Interamerican Hellenic Life Insurance Company SA, Union Poistovna AS, Union Zdravotna Poistovna AS and Onlia Holding INC (50 per cent.), Achmea offers a full range of insurance products and related financial products through the banking, direct and brokerage distribution channels. In the Netherlands, main products are property & casualty insurance, income protection insurance, health insurance, term life insurance, asset management and retirement services and retail annuity products. Outside the Netherlands, Achmea operates in Germany, Turkey, Greece, Cyprus, Slovakia, Australia and Canada (see the paragraph '*Business Lines - International*' below). In May 2022, Achmea announced that it reached an agreement with ABN AMRO Bank N.V. on Achmea's takeover of ABN AMRO Pensioeninstelling N.V.

Achmea Group's primary goal is to develop products and services that meet the needs of its customers - private individuals, companies and other organisations. Achmea Group employs a multi-brand, multi-channel strategy to

distribute its products among clients. It has a broad range of product offerings and a full range of distribution channels in order to position itself advantageously within different customer and pricing segments. Within the Netherlands, Achmea Group primarily uses its brands Interpolis in the banking distribution channel, FBTO, Centraal Beheer, Zilveren Kruis, Inshared in the direct distribution channel and Avéro Achmea in the broker distribution channel.

### ***Business Lines***

Achmea organises its operations according to five market-oriented chains: Non-Life, Health, Retirement Services, Pension & Life and International. These five chains are outlined below:

#### *Non-Life Netherlands*

Achmea is one of the market leaders in the Netherlands in non-life insurance, holding an estimated market share of more than 20 per cent., offering brands such as Centraal Beheer, Interpolis and FBTO<sup>1</sup>. Through the direct, banking and brokerage channels, Achmea provides its private and commercial customers with car insurance, home insurance, home contents insurance, liability insurance and travel insurance. In addition, Achmea offers various types of sickness insurance and individual and group disability insurance. For the year ended 31 December 2022, 18 per cent. of total GWP<sup>2</sup> is generated by Non-Life Netherlands.

#### *Health Netherlands*

Achmea is one of the market leaders in the Netherlands in health insurance.<sup>3</sup> Achmea provides health insurance for approximately five million people in the Netherlands. Health gross written premiums represent a significant share of total GWP, 70 per cent.<sup>4</sup> for the year ended 31 December 2022, mainly as a result of the mandatory basic health insurance. Achmea offers basic and supplementary health insurance and health services in the Netherlands.

#### *Retirement Services Netherlands*

With the strategy for Retirement Services, Achmea is focusing on the changing needs of customers, changes in society and further modifications to the pension system. These changes are resulting in new ways to save for retirement. As part of these efforts, Achmea established the Stichting Achmea Algemeen Pensioenfond, which administers multiple pension schemes under the name CB APF (*Centraal Beheer Algemeen Pensioenfond*), in 2016 as an alternative to pension insurance. Through additional products and services provided by Achmea Investment Management B.V. and Achmea Bank for the third and fourth pillars of the pension system, Achmea provides a comprehensive solution. As at 31 December 2022, Achmea Investment Management B.V. has EUR 166 billion assets under management for institutional and retail clients. Achmea has been engaged through Achmea Pensioenservices N.V. to carry out pension management activities for the CB APF. Achmea Pensioenservices N.V. also provides pension management activities to company and voluntary industry pension funds. Achmea has all the skills required within its ranks to carry out this initiative and is managing this as part of an integrated strategy.

As of 2020, SAREF forms part of the Retirement Services segment following the announcement of the bundling of the mortgage activities at the end of 2019. SAREF has EUR 41 billion of assets under management as at 31 December 2022.

#### *Pension & Life Netherlands*

With the launch of the new Retirement Services strategy and the establishment of the CB APF, Achmea has taken the strategic decision to stop offering new pension insurance products and to focus its pension strategy completely towards providing services to the CB APF. With its Retirement Services solutions Achmea keeps a competitive offer to the pension market. It has created a closed-book pension which it integrated with the existing closed-book Life. The closed book organisation focuses on further cost management and on optimising free cash flows while maintaining the current high customer satisfaction scores. When it comes to new business, Achmea is focusing exclusively on term life insurance policies and on immediately effective annuities and pensions. These insurance solutions are part of Achmea's proposition for retirement services. For the year ended 31 December 2022, GWP from Achmea's Pension & Life activities represent 4 per cent. of total GWP.

#### *International*

Achmea operates in seven markets outside the Netherlands: Greece, Turkey, Slovakia, Cyprus, Australia, Germany and Canada. In Greece, Interamerican Greece offers non-life, life and health products and services as well as an integrated

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<sup>1</sup> Internal market assessment based on publicly available figures

<sup>2</sup> Achmea Bank Annual report 2022.

<sup>3</sup> Vektis figures 2023.

<sup>4</sup> Achmea Bank Annual report 2022.

roadside assistance service. Moreover, Interamerican Greece also offers online car insurances in Cyprus. Wholly-owned Eureka Sigorta A.S. in Turkey offers a full range of non-life and health products through the banking channel. Achmea also has a minority share in the Turkish pension services provider Garanti Emeklilik. Union Poistovna AS provides a product portfolio of non-life and life products and Union Zdravonta Poistovna AS provides health insurance products. Achmea was granted a licence at the end of 2013 to sell insurances in Australia. Under the brand name 'Achmea Australia', Achmea sells non-life insurance products and services to amongst others Rabobank's agricultural customers in Australia. In 2018, Achmea expanded its activities into Canada where it launched its digital insurance company Onlia Holding INC. In 2021, online insurer InShared entered the German insurance market. Furthermore, N.V. Hagelunie is a Dutch insurance company specialising in glass horticultural insurance for growing agricultural products in Europe and the world. For the year ended 31 December 2022, GWP from Achmea's International business line represent 7 per cent. of total GWP<sup>5</sup>.

#### *Other Activities*

The Other Activities segment includes Achmea's strategic investments, the results of its Shared Service Centers, interest expenses on (subordinated) debt issued by Achmea, activities at the holding company level and Achmea Reinsurance Company N.V.

#### **Shareholder structure**

The shareholder structure of the Achmea Group is as follows as of 31 December 2022. The percentages reflect the voting rights in the general meeting of shareholders of Achmea.

	<u>Voting rights</u>	<u>Capital rights</u>
Vereniging Achmea (directly and through Stichting Administratie-Kantoor Achmea)	62.93 per cent.	66.94 per cent.
Rabobank	29.28 per cent.	31.14 per cent.
Gothaer Allgemeine Versicherung	0.52 per cent.	0.55 per cent.
Gothaer Finanz Holding	0.59 per cent.	0.63 per cent.
Schweizerische Mobiliar Holding	0.69 per cent.	0.74 per cent.
Achmea Tussenholding B.V.*	5.98 per cent.	-

\* Preference shares

On 8 November 2023, Achmea announced a proposal to withdraw all the outstanding preference shares in its capital on 31 December 2023, which proposal was approved by the general meeting on 21 December 2023. On 31 December 2023 the preference shares have been withdrawn.

Any information contained in or accessible through any website, including <https://www.achmeabank.nl/>, does not form a part of this Base Prospectus and has not been scrutinised or approved by the AFM, unless specifically stated in this Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in this Base Prospectus.

<sup>5</sup> Achmea Bank Annual report 2022.

## 7. COVERED BONDS

### FORM OF COVERED BONDS

Each Tranche of Covered Bonds will (as specified in the applicable Final Terms) be in bearer or in registered form. Bearer Covered Bonds will initially be issued in the form of a Temporary Global Covered Bond (unless otherwise indicated in the Final Terms). Each Global Covered Bond which is intended to be issued in NGN-Form, as specified in the applicable Final Terms, will be deposited on or prior to the issue date of a Tranche with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Global Covered Bond which is not intended to be issued in NGN-Form, as specified in the applicable Final Terms, will on or prior to the original issue date of the Tranche be deposited with (i) Euroclear Nederland, (ii) a common depository for Euroclear and/or Clearstream, Luxembourg or (iii) (a depository for) any other agreed clearing system. Registered Covered Bonds will be issued to each holder by a Registered Covered Bonds Deed. Registered Covered Bonds will either be issued by means of a Registered Covered Bonds Deed for all Covered Bonds issued (global) or for one or more Covered Bonds (individual). Registered Covered Bonds in global form may also be held with a common safekeeper for Euroclear and/or Clearstream, Luxembourg (and registered in the name of a nominee of the common safekeeper) and may also be registered in the name of (i) Euroclear Nederland or of (ii) a common depository for Euroclear and/or Clearstream, Luxembourg or of (iii) (a depository for) any other agreed clearing system. Registered Covered Bonds will be issued to each holder by a Registered Covered Bonds Deed.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Security Trustee, but shall not include Euroclear Nederland.

Whilst any Covered Bond is represented by a Temporary Global Covered Bond payments of principal, interest (if any) and any other amount payable in respect of the Covered Bonds due prior to the Exchange Date will be made against presentation of the Temporary Global Covered Bond only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Covered Bond are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and/or Euroclear Nederland and Euroclear and/or Clearstream, Luxembourg and/or Euroclear Nederland, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the Exchange Date which is not less than forty (40) days (nor (if the Temporary Global Covered Bond has been deposited with Euroclear Nederland) more than ninety (90) days) after the date on which the Temporary Global Covered Bond is issued (or the "restricted period" within the meaning of U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D)(7)) or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010, interests in such Temporary Global Covered Bond will be exchangeable (free of charge) upon a request as described therein for interests in a Permanent Global Covered Bond of the same Series, against certification of non-US beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Covered Bond will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Covered Bond for an interest in a Permanent Global Covered Bond is improperly withheld or refused. Payments of principal, interest (if any) and any other amounts on a Permanent Global Covered Bond will be made without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Covered Bond will only be exchangeable (free of charge), in whole but not in part, for Definitive Covered Bonds with, where applicable, receipts, interest coupons and talons attached only upon the occurrence of an Exchange Event or, in case such Permanent Global Covered Bond is deposited with Euroclear Nederland, only upon the occurrence of a Delivery Event and in a form to be then determined, subject to mandatory provisions of applicable laws and regulations. The Issuer will promptly give notice to Covered Bondholders of each Series in accordance with Condition 14 (*Notices*) if an Exchange Event or a Delivery Event occurs. In such events, Euroclear and/or Clearstream, Luxembourg and/or, if applicable, Euroclear Nederland (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) or the Security Trustee may give notice to the Principal Paying Agent requesting exchange or delivery, as the case may be, and, in the event of the occurrence of an Exchange Event as described in (iii) of the definition, the Issuer or the CBC may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than forty-five (45) days after the date of receipt of the first relevant notice by the Principal Paying Agent.

If Definitive Covered Bonds have not been duly delivered by 6.00 p.m. (CET) on the forty-fifth (45th) day after which the preconditions to such exchange are first satisfied then as from the start of the first day on which the banks in Amsterdam are open for business following such event (the "**Relevant Exchange Time**") each relevant account holder shall be able to enforce against the Issuer and the CBC all rights ("**Direct Rights**") which the relevant account holder in question would have had if, immediately before the Relevant Exchange Time, it had been the holder of Definitive Covered Bonds issued on the issue date of the Permanent Global Covered Bond in an aggregate principal amount equal to the principal amount of the relevant entry including, without limitation, the right to receive all payments due at any time in respect of such Definitive Covered Bonds other than payments corresponding to and already made under the Permanent Global Covered Bond, and the rights under the Guarantee. No further action shall be required on the part of any person in order to be able to enforce Direct Rights as contemplated herein before and for each relevant account holder to have the benefit of, and to enforce, rights corresponding to all the provisions of the terms and conditions of the relevant Definitive Covered Bonds as if they had been specifically incorporated in the Permanent Global Covered Bond other than the right to receive payments corresponding to and already made under the Permanent Global Covered Bond. As from the Relevant Exchange Time, the bearer of the Permanent Global Covered Bond shall not be entitled to receive payments or enforce any other rights hereunder (including the rights under the Guarantee).

Definitive Covered Bonds will be in the standard euromarket form (unless otherwise indicated in the applicable Final Terms). Definitive Covered Bonds and Global Covered Bonds will be in bearer form. The Global Covered Bonds are held in book-entry form.

Global Covered Bonds, Definitive Covered Bonds and Registered Covered Bonds will be issued in accordance with and subject to the terms of the Agency Agreement and the Trust Deed.

The following legend will appear on all Bearer Covered Bonds and each Registered Covered Bonds Deed relating to Registered Covered Bonds which have an original maturity of more than one (1) year and on all receipts and interest coupons relating to such Covered Bonds:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Covered Bonds, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Covered Bonds, receipts or interest coupons.

The following legend will appear on all Global Covered Bonds held through Euroclear Nederland:

"NOTICE: THIS COVERED BOND IS ISSUED FOR DEPOSIT WITH NEDERLANDS CENTRAAL INSTITUUT VOOR GIRAAL EFFECTENVERKEER B.V. ("EUROCLEAR NEDERLAND") AT AMSTERDAM, THE NETHERLANDS. ANY PERSON BEING OFFERED THIS COVERED BOND FOR TRANSFER OR ANY OTHER PURPOSE SHOULD BE AWARE THAT THEFT OR FRAUD IS ALMOST CERTAIN TO BE INVOLVED."

The Covered Bonds and the Guarantee have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States. The Covered Bonds 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), 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. Accordingly, the Covered Bonds are being offered, sold or delivered only to non-U.S. persons (as defined in Regulation S) outside the United States in reliance on Regulation S.

Covered Bonds which are represented by a Global Covered Bond and are held through Euroclear or Clearstream, Luxembourg, will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be. In case of a Global Covered Bond deposited with Euroclear Nederland, the rights of Covered Bondholders will be exercised in accordance with and are subject to the Dutch Securities Giro Transfer Act (*Wet Giraal Effectenverkeer*).

Covered Bonds will either be fungible with an existing Series (and form part thereof) or have different terms to an existing Series (in which case it will constitute a new Series). All Covered Bonds issued from time to time will rank *pari passu* with each other in all respects and will be guaranteed by the Guarantee. The obligations of the CBC under the Guarantee are unsubordinated and unguaranteed obligations of the CBC, which are secured (indirectly, through a parallel debt) as provided in the Security Documents. If an Issuer Event of Default or a CBC Event of Default occurs and results in acceleration (in respect of the CBC only in case of a CBC Event of Default), all Covered Bonds of all Series will accelerate at the same time.

Pursuant to the Agency Agreement, the Principal Paying Agent shall arrange that, where a further Tranche of Covered Bonds is issued which is intended to form a single Series with an existing Tranche of Covered Bonds, the Covered Bonds of such further Tranche shall be assigned a temporary common code and ISIN Code by Euroclear and Clearstream, Luxembourg and/or any other relevant security code which are different from the common code, ISIN Code and other relevant security code assigned to Covered Bonds of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Covered Bonds of such Tranche.

If a Series of Covered Bonds is held through Euroclear and Clearstream, Luxembourg and if such Series of Covered Bonds will be redeemed on the Maturity Date, the Issuer shall (to ensure that such Series of Covered Bonds will be redeemed on the Maturity Date) provide or procure that the Principal Paying Agent shall on its behalf provide a formal notice (in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg) at least two (2) Business Days prior to the relevant Maturity Date to Euroclear and Clearstream, Luxembourg that such Series of Covered Bonds will be redeemed on the Maturity Date, with a copy of such notice to the CBC and the Security Trustee.

No Covered Bondholder or Couponholder shall be entitled to proceed directly against the Issuer or the CBC unless the Security Trustee, having become bound so to proceed, fails to do so within a reasonable period and the failure shall be continuing.

## FORM OF FINAL TERMS

Copies of the Final Terms will be provided upon request by the Issuer. [In addition, in case of Covered Bonds listed on Euronext Amsterdam, the Final Terms will be displayed on the website of Euronext Amsterdam (\_\_\_\_\_).]

Set out below is the form of Final Terms which will be completed for each Tranche of Covered Bonds. Any material deviation of the form of Final Terms will also have to be agreed with the CBC and approved by the AFM (if such deviation is required to be approved under the Prospectus Regulation).

### Final Terms

Dated [...]

### Achmea Bank N.V.

*(incorporated under the laws of the Netherlands with limited liability and having its statutory seat in The Hague, the Netherlands)*

*Legal Entity Identifier (LEI): 724500AH42V5X8BCPE49*

### Issue of [up to] [Aggregate Nominal Amount of Tranche] [Title of Covered Bonds] (the "Covered Bonds")

Guaranteed as to payment of principal and interest by

### Achmea SB Covered Bond Company B.V.

*(incorporated under the laws of the Netherlands with limited liability and having its statutory seat in Amsterdam, the Netherlands)*

*Legal Entity Identifier (LEI): 724500WFZ1T8YADA1271*

under Achmea Bank N.V.'s EUR 10,000,000,000 Covered Bond Programme

This document constitutes the Final Terms of the issue of Covered Bonds under the EUR 10,000,000,000 Covered Bond Programme (the "**Programme**") of Achmea Bank N.V. as the Issuer guaranteed by Achmea SB Covered Bond Company B.V. as the CBC, described herein for the purposes of Article 8 of Regulation (EU) 2017/1129, including any commission delegated regulation thereunder (the "**Prospectus Regulation**"). This document must be read in conjunction with the base prospectus pertaining to the Programme, dated 22 January 2024 [as lastly [amended][supplemented] on [\*]] and any further amendments and supplements thereto (the "**Base Prospectus**"), which constitute a base prospectus for the purposes of the Prospectus Regulation. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus and the terms and conditions set forth in the Base Prospectus.

The Base Prospectus, including any supplements thereto, and the Final Terms are available for viewing at [www.achmeabank.nl/investeerders/funding/sb-covered-bond](http://www.achmeabank.nl/investeerders/funding/sb-covered-bond) and during normal business hours at the office of the Issuer at Spoorlaan 298, 5017 JZ Tilburg, the Netherlands, where copies may also be obtained (free of charge). Any supplements to the Base Prospectus will in any case be available at this office and copies thereof may be obtained (free of charge) there. Any information contained in or accessible through any website, including [www.achmeabank.nl/investeerders/funding/sb-covered-bond](http://www.achmeabank.nl/investeerders/funding/sb-covered-bond), does not form a part of the Base Prospectus and/or these Final Terms and has not been scrutinised or approved by the AFM, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in the Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as

amended, the "**EU PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**EU MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY**

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

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS:** The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the laws of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the laws of the United Kingdom by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the laws of the United Kingdom by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of the laws of the United Kingdom by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:**

Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of the laws of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Covered Bonds (a "**UK distributor**") should take into consideration the manufacturer[s/s'] target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer[s/s'] target market assessment) and determining appropriate distribution channels.]

The Covered Bonds and the Guarantee have not been and will not be registered under the U.S. Securities Act of 1933 (as amended, the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States. The securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), 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. Accordingly, the Covered Bonds are being offered, sold or delivered only to non-U.S. persons (as defined in Regulation S) outside the United States in reliance on Regulation S.

## PART A - CONTRACTUAL TERMS

These Final Terms are to be read in conjunction with the terms and conditions, as amended, supplemented and/or restated from time to time (the "**Terms and Conditions**") set forth in section 7 (*Covered Bonds*) of the Base Prospectus. The Terms and Conditions as supplemented, amended and/or disappplied by these Final Terms constitute the conditions (the "**Conditions**") of the Covered Bonds. Capitalised terms not defined herein have the same meaning as in the Terms and Conditions. Certain capitalised terms in the Conditions which are not defined therein have the meaning set forth in a master definitions agreement (the "**Master Definitions Agreement**") dated 7 June 2021 as the same may be amended, supplemented, restated or otherwise modified from time to time and signed by the Issuer, the CBC, the Security Trustee, the Transferor and certain other parties. All references to numbered Conditions and sections are to Conditions and sections of the Terms and Conditions set forth in section 7 (*Covered Bonds*) of the Base Prospectus.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

*[Consider whether a drawdown prospectus is necessary in order to issue fungible Covered Bonds where the first Tranche was issued pursuant to a previous base prospectus. This could arise in circumstances where, for example, the Final Terms for the original tranche included information which is no longer permitted to be included in Final Terms under the Prospectus Regulation or pursuant to guidance issued by ESMA.]*

- |    |        |                                                  |                                                                                                                                                                                                                                                                                                                                                                                                       |
|----|--------|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | (i)    | Issuer:                                          | Achmea Bank N.V.                                                                                                                                                                                                                                                                                                                                                                                      |
|    | (ii)   | CBC:                                             | Achmea SB Covered Bond Company B.V.                                                                                                                                                                                                                                                                                                                                                                   |
| 2. | (i)    | Series Number:                                   | [...]                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | [(ii)  | Tranche Number:                                  | [...]]                                                                                                                                                                                                                                                                                                                                                                                                |
|    | [(iii) | Date on which the Covered Bonds become fungible: | [Not Applicable/The Covered Bonds shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series] on [insert date/the Issue Date/exchange of the Temporary Global Covered Bond for interests in the Permanent Global Covered Bond, as referred to in paragraph 22 below [which is expected to occur on or about [insert date]]].] |
| 3. |        | Specified Currency or Currencies:                | [...]<br><i>(Euro or any other currency)</i>                                                                                                                                                                                                                                                                                                                                                          |
| 4. |        | Aggregate Nominal Amount:                        |                                                                                                                                                                                                                                                                                                                                                                                                       |
|    | (i)    | Series:                                          | [...]                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | [(ii)  | Tranche:                                         | [...]]                                                                                                                                                                                                                                                                                                                                                                                                |
| 5. |        | Issue Price:                                     | [...] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date and details (if any)] (in the case of fungible issues only, if applicable)]                                                                                                                                                                                                                                  |
| 6. | (i)    | Specified Denomination(s):                       | [...]                                                                                                                                                                                                                                                                                                                                                                                                 |
|    |        |                                                  | <i>(Each Covered Bond admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation must be at least EUR 100,000 (or its equivalent in another currency))</i>                                   |
|    | (ii)   | Calculation Amount:                              | [...]                                                                                                                                                                                                                                                                                                                                                                                                 |

*(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: there must be a common factor in the case of two or more Specified Denominations.)*

7. (i) Issue Date: [...]
- (ii) Interest Commencement Date: [Issue Date / specify / Not Applicable (for Zero Coupon Covered Bonds)]
- [For the period where a [Fixed Rate/Floating Rate] applies (the period from [...] until [...]) [...]]
- [For the period where a [Fixed Rate/Floating Rate] applies (the period from [...] until [...]) [...]]
8. Maturity Date: [Specify date or (for Floating Rate Covered Bonds) Interest Payment Date falling in or nearest to specify month and year]
- Extended Due for Payment Date: [Specify date or (for Floating Rate Covered Bonds) Interest Payment Date falling in or nearest to [specify month and year, which date is [1] year after the Maturity Date and in respect of Zero Coupon Covered Bonds or if otherwise applicable – specify interest basis as referred to in Condition 5(b)]]
- If the Final Redemption Amount is not paid in full on the Maturity Date, payment of the unpaid amount will be automatically deferred until the Extended Due for Payment Date, provided that any amount representing the Final Redemption Amount due and remaining unpaid on the Maturity Date may be paid by the CBC on any Specified Interest Payment Date occurring thereafter up to (and including) the Extended Due for Payment Date.
9. Interest Basis: [...]/[In respect of the period from and including [...]/[Maturity Date]] to (but excluding) [...]:[...]] per cent. Fixed Rate]
- [In respect of the period from and including [...]/to (but excluding) [...]:[...]] [[EURIBOR/Compounded Daily €STR/other reference rate] +/- [...] per cent. Floating Rate]
- [Zero Coupon][...]
- [...] / [If payment of the Guaranteed Final Redemption Amount is deferred in whole or in part, for the period from (and including) the Maturity Date to (and excluding) the Extended Due for Payment Date: [...]] per cent Fixed Rate]
- [[EURIBOR/Compounded Daily €STR/other reference rate] +/- [...] per cent. Floating Rate][...]]
10. Redemption/Payment Basis: [Redemption at par / specify other amount or percentage] (No derivatives within the meaning of the Commission Regulation (EC) 809/2004 will be issued, unless a supplemental prospectus is issued in this respect)]
11. Change of Interest Basis or Redemption/Payment Basis: [The Interest Basis will change from [...]/[...] to [...]] [per cent. Fixed Rate]/[Floating Rate] on the Maturity Date]/[Not Applicable]

[Specify details of any provision for change of Covered Bonds into another Interest Basis or Redemption/Payment Basis or refer to paragraphs 15 and 16 below and identify there]

12. Put/Call Options: [Investor Put]  
 [Issuer Call]  
 [(further particulars specified below)]  
 [Not Applicable]
13. Status of the Covered Bonds: Unsubordinated, unsecured, guaranteed
14. Status of the Guarantee: Unsubordinated, secured (indirectly, through a parallel debt), unguaranteed

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. **Fixed Rate Covered Bond Provisions:** [[Applicable/Applicable from (and including) the [Issue Date]/[Maturity Date/[...]] to (but excluding) the [Maturity Date]/[Extended Due for Payment Date/[...]] [(to the extent any amount representing the Final Redemption Amount remains unpaid on the [Maturity Date/[...]]/Not Applicable]

*(Also applicable for each Floating Rate Covered Bond which switches to a Fixed Rate Covered Bond)*

*(If "Not Applicable", delete the remaining sub-paragraphs of this paragraph)*

- (i) Rate(s) of Interest: [...] per cent. per annum [payable [annually/ semi-annually/ quarterly] in arrear]
- (ii) Interest Payment Date(s): [[Specify one date or more dates] in each year]/[...] in each month] up to and including the [Maturity Date / Extended Due for Payment Date], if applicable subject to the Business Day Convention [[and] [after the Maturity Date [...]]  
*(This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [...] per [Calculation Amount]
- (iv) Broken Amount(s): [[...] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [...] / Not Applicable]
- (v) Business Day Convention:
  - Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/No Adjustment/Preceding Business Day Convention]
  - Adjustment or Unadjustment for Interest Period: [Adjusted] or [Unadjusted]
- (vi) Fixed Day Count Fraction: [30/360 or Actual/Actual (ICMA)]

16. **Floating Rate Covered Bond Provisions:** [Applicable/Applicable from (and including) the [Issue Date]/[Maturity Date/[...]] to (but excluding) the [Maturity

Date)/[Extended Due for Payment Date/[...]] [(to the extent any amount representing the Final Redemption Amount remains unpaid on the [Maturity Date/[...]]/Not Applicable]

*(Also applicable for each Fixed Rate Covered Bond which switches to a Floating Rate Covered Bond)*

*(If "Not Applicable", delete the remaining sub-paragraphs of this paragraph)*

- (i) Specified Period(s)/ Specified Interest Payment Dates: [...] *(Specified Interest Payment Dates and Specified Period are alternatives)*
- (ii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment]
- (iii) Adjustment or Unadjustment for Interest Period: [Adjusted] or [Unadjusted]
- (iv) Additional Business Centre(s): [Not Applicable / *give details*]
- (v) Manner in which the Rate(s) of Interest and Floating Interest Amount is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate(s) of Interest and/or interest Amount(s) (if not the Principal Paying Agent): *[[Name] shall be the Calculation Agent (No need to specify if the Principal Paying Agent is to perform this function)]*
- (vii) Screen Rate Determination: [Applicable/Not Applicable]

*(If "Not Applicable", delete the remaining sub-paragraphs of this paragraph)*

- Reference Rate: [...] *(For example, EURIBOR, Compounded Daily €STR or other reference rate)*

- Interest Determination Date(s): [...] *(Second day on which the T2 is open prior to the start of each Interest Period if EURIBOR, Compounded Daily €STR or any other inter-bank offered rate prevailing in a country in which the T2 does not apply)  
(specify up to and including the Maturity Date)*

- Observation Method: [Not Applicable/Lag/Lock-out/Shift][, where Lock-out date means the date 5 London Banking Days prior to the applicable Interest Payment Date]

*(Insert only if Reference Rate is Compounded Daily €STR)*

- Observation Look-back Period: [specify number]/[TARGET Settlement Days] *(being no less than 5 TARGET Settlement Days)*

*(Insert only if Reference Rate is Compounded Daily €STR)*

- Relevant Screen Page: [...]
 

*(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions contained in Condition 5(B)(ii)(b)(Screen Rate Determination for Floating Rate Covered Bonds not referencing Compounded Daily €STR))*
- Relevant Time: [...]
 

*(For example, 11.00 a.m. London time/Brussels time)*
- Relevant Financial Centre: [...]
 

*(For example, London/Euro-zone (where Euro zone means the region comprised of the countries whose lawful currency is the euro))*
- (viii) ISDA Determination: [Applicable/Not Applicable]
 

*(If "Not Applicable", delete the remaining sub-paragraphs of this paragraph)*
- ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]
- Floating Rate Option: [...]
 

*(If "2021 ISDA Definitions" is selected, ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions))*
- Designated Maturity: [...]
 

*(A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk free rate)*
- Reset Date: [...]
 

*(In the case of a EURIBOR based option, the first day of the interest period)*
- Compounding: [Applicable/Not Applicable]
 

*(If "Not Applicable", delete the sub-paragraph 'Compounding Method' of this paragraph)*
- Compounding Method: [Compounding with Lookback
 

Compounding with Lookback Period: [[...] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

[Compounding with Observation Period Shift

Compounding with Observation Shift Period: [[...] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

[Compounding with Lockout

Compounding with Lockout Period: [[...] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

- Averaging:	[Applicable/Not Applicable] <i>(If "Not Applicable", delete the sub-paragraph 'Averaging Method' of this paragraph)</i>
- Averaging Method:	[Averaging with Lookback  Averaging with Lookback Period: [...] Applicable Business Days/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]  [Averaging with Observation Period Shift  Averaging with Observation Shift Period: [...] Observation Period Shift Business Days/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]  [Averaging with Lockout  Averaging with Lockout Period: [...] Lockout Period Business Days/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]
- Index Provisions:	[Applicable/Not Applicable]
- [Index Method:	Compounded Index Method with Observation Period Shift  Observation Period Shift: [...] Observation Period Shift Business Days  Observation Period Shift Additional Business Days: [...]/[Not Applicable]
(ix) Margin(s):	[+/-] [...] per cent. per annum
(x) Minimum Rate of Interest:	[...] per cent. per annum
(xi) Maximum Rate of Interest:	[...] per cent. per annum
(xii) Floating Day Count Fraction:	[[Actual/365 Actual/365 (Fixed) Actual/360 or 30/360, 360/360 or Bond Basis 30E/360 or Eurobond Basis 30E/360 (ISDA)] [(See Condition 5 (Interest) for alternatives)]
<b>17. Zero Coupon Covered Bonds:</b>	[Applicable/Not Applicable]  <i>(If "Not Applicable", delete the remaining sub-paragraphs of this paragraph)</i>
(i) Accrual Yield:	[...] per cent. per annum
(ii) Reference Price:	[...]
(iii) Day Count Fraction in relation to Early Redemption Amounts and late payments:	[[Actual/Actual (ICMA/ ISDA)]]

## PROVISIONS RELATING TO REDEMPTION

18. **Issuer Call:** [Applicable/Not Applicable]  
*(If "Not Applicable", delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [...]
  - (ii) Optional Redemption Amount(s): [...] per Calculation Amount
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [...] per Calculation Amount
    - (b) Maximum Redemption Amount: [...] per Calculation Amount
  - (iv) Extended Due for Payment Date in case of exercise of the Issuer Call: [Not Applicable/one (1) year after the Optional Redemption Date]
19. **Investor Put:** [Applicable/Not Applicable]  
*(If "Not Applicable", delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [...]
  - (ii) Optional Redemption Amount(s): [...] per Calculation Amount
20. **Final Redemption Amount:** [...] per Calculation Amount
21. Early Redemption Amount(s) per Calculation Amount of each Covered Bond payable on redemption for taxation reasons, or on acceleration following an Issuer Event of Default as against the Issuer or a CBC Event of Default or other early redemption: [[...] per Calculation Amount / as specified in Condition 7(e) (*Early Redemption Amounts*)]

## GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

22. Form of Covered Bonds: [Bearer form/Registered form]
- [Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Definitive Covered Bonds only upon the occurrence of an Exchange Event/a Delivery Event]
- [Permanent Global Covered Bond exchangeable for Definitive Covered Bonds only upon the occurrence of an Exchange Event/a Delivery Event]
- [Permanent Global Covered Bond not exchangeable for Definitive Covered Bonds]

- [Registered Covered Bonds, issued to each holder by way of Registered Covered Bonds Deed]
- [Specified office of Issuer for notification of transfers of Registered Covered Bonds: [[\*] office, [address]/other] [*Delete as appropriate*]]
23. New Global Note form: [Applicable/Not Applicable (see also Part B - item 7(vii))]
- (If "Not Applicable" is specified here and the Covered Bonds are held through Euroclear and/or Clearstream, Luxembourg ensure that "Not Applicable" is specified for Eurosystem eligibility in Part B – item 7(vii) of the Final Terms and if "Applicable" is specified here ensure that the appropriate specification is made in respect of Eurosystem eligibility in that same sub-paragraph)*
24. a) Exclusion of set-off: [Applicable/Not Applicable]
- [See Condition 6(G) (Set-off)]
- b) German Insurers: [Applicable/Not Applicable]
25. Additional Financial Centre(s) or other special provisions relating to payment Dates: [Not Applicable/give details]
- (Note that this item relates to the date and place of payment and not Interest Period end dates to which item 16 (iii) relates)*
26. Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature): [Yes/No] (*If yes, give details*)
- (If the Covered Bonds have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made)*
27. Consolidation Provisions: [The provisions of Condition 18 (*Further Issues*) apply]/[Not Applicable]
- (Only "Not Applicable" if it is intended that there be no future fungible issues to this Series)*
28. Redenomination: [Redenomination [not] applicable]
- (If Redenomination is applicable, include (i) either the applicable Fixed Day Count Fraction or any provisions necessary to deal with floating rate interest (including alternative reference rates) and (ii) the New Currency)]*

### Responsibility

The Issuer and the CBC declare that the information contained herein is, to the best of its knowledge, in accordance with the facts and makes no omission likely to affect its import. The Issuer and the CBC [(only as far as it relates to the CBC)] accept responsibility for the information contained in these Final Terms. [...] has been extracted from [...]. The Issuer and the CBC confirm that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [...], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

Signed on behalf of the CBC:

By:  
Duly authorised

By:  
Duly authorised

By:  
Duly authorised

By:  
Duly authorised

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Euronext Amsterdam/other (specify)/ None]
- (ii) Admission to trading: [Application has been made for the Covered Bonds to be admitted to trading on the regulated market on the official list of [Euronext Amsterdam] /*[specify other regulated market]* with effect from [...]]/[Not Applicable]  
*(Where documenting a fungible issue, indicate that original covered bonds are already admitted to trading)*
- (iii) Estimate of total expenses related to admission to trading: [...]

### 2. RATINGS

- Ratings: The Covered Bonds to be issued [have been/are expected to be] rated [at the request of the Issuer / with the cooperation of the Issuer]:
- [S&P\*: AAA]  
[Other\*]: [...]  
*(\*The exact legal name of the rating agency entity providing the rating should be specified)*
- [...]  
*(Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider or reference to the relevant section in the Base Prospectus)*
- [Registration of Rating Agency: [...]
- (The above disclosure should reflect the rating allocated to the Covered Bonds of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating)*
- [Insert one (or more) of the following options, as applicable:]*
- [Insert legal name of particular credit rating agency entity providing rating] is established in the EU and registered under Regulation (EC) No 1060/2009 (as amended, the "CRA Regulation").*
- [Insert legal name of particular credit rating agency entity providing rating] is established in the EU and has applied for registration under Regulation (EC) No 1060/2009 (as amended, the "CRA Regulation") although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority] / [European Securities and Markets Authority].*

*[Insert legal name of particular credit rating agency entity providing rating]* is established in the EU and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009 (as amended, the "**CRA Regulation**").

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EU but the rating it has given to the Covered Bonds is endorsed by *[insert legal name of credit rating agency]*, which is established in the EU and registered under Regulation (EC) No 1060/2009 (as amended, the "**CRA Regulation**").

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EU but is certified under Regulation (EC) No 1060/2009 (as amended, the "**CRA Regulation**").

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EU and is not certified under Regulation (EC) No 1060/2009, (as amended, the "**CRA Regulation**") and the rating it has given to the Covered Bonds is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.

*[Insert legal name of particular credit rating agency entity providing rating]* is established in the EU.

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the United Kingdom, but is part of a group in respect of which one of its undertakings is (i) established in the United Kingdom and (ii) is registered in accordance with Regulation (EC) No 1060/2009 as it forms part of the laws of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").

[In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EU and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EU before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EU but is endorsed by a credit rating agency established in the EU and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EU which is certified under the CRA Regulation.]

3. [Notification / Not Applicable]

The Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) ("**AFM**") [has been requested to provide/has provided – include first alternative for an issue which is contemporaneous with

the [establishment/update] of the Programme and the second alternative for subsequent issues] the [names of competent authorities of host Member States] with a notification that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation.]

#### 4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

*(Need to include a description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:)*

["Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the issue of the Covered Bonds has an interest material to the offer." *(Amend as appropriate if there are other interests)*]

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)]*

#### 5. USE AND ESTIMATED NET PROCEEDS

(i) Estimated net proceeds: [...]

(ii) Use: [...]

*(See "Use of Proceeds" wording in the Base Prospectus – if reasons for the offer are different from general corporate purposes or making profit and/or hedging certain risks, will need to include those reasons here. If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds are insufficient to fund all proposed uses state amount and sources of other funding. If in respect of a particular issuance there is a particular identified use of proceeds, further specify here.)*

#### 6. [YIELD (Fixed Rate Covered Bonds only)

Indication of yield: [...]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

#### 7. OPERATIONAL INFORMATION

(i) ISIN: [...]

(ii) Common Code: [...]

(iii) WKN Code: [...] [Not Applicable]

(iv) CFI: [...] [Not Applicable]

(v) FISN: [...] [Not Applicable]

(vi) [Other relevant code:] [...] [Not Applicable] [give name(s) and numbers(s)]

- (vii) New Global Note intended to be held in a manner which would allow Eurosystem eligibility: [Yes/No/Not Applicable]

[Yes. Note that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] [*include this text for registered Covered Bonds*] and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] (*Include this text if "Yes" selected in which case the Covered Bonds must be issued in NGN-Form*)

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Covered Bonds are capable of meeting them the Covered Bonds may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] [*include this text for registered Covered Bonds*]. Note that this does not necessarily mean that the Covered Bonds will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]] (*Include this text only if held through or on behalf of Euroclear or Clearstream, Luxembourg*)

[Not Applicable, means that the Covered Bond will not be held through the system of Euroclear or Clearstream, Luxembourg]

- (viii) Delivery: Delivery [against/free of] payment
- (ix) Clearing System: [Euroclear/Clearstream, Luxembourg/Euroclear Nederland/*other agreed clearing system*] [*insert address of relevant clearing system*]
- (x) Additional paying agent (if any): [Name: [...]][Address: [...]] / Not Applicable]
- (xi) Listing Application: [These Final Terms comprise the final terms required to list and have admitted to trading on [*specify the relevant regulated market*] the issue of Covered Bonds described herein pursuant to the Programme for the issuance of Covered Bonds of Achmea Bank N.V./ Not Applicable]
- (xii) Statement on Benchmarks: [Amounts payable under the Covered Bonds may be calculated by reference to [*specify benchmark*],

which is provided by [legal name of administrator(s)][repeat as necessary]. As at the date hereof, [legal name of administrator(s)][appears]/[does not appear] [repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. As far as the Issuer is aware, [[legal name of administrator(s)] as administrator of [specify benchmark(s)] [repeat as necessary] [is/are] not required to be registered by virtue of Article 2 of the Benchmarks Regulation] / [the transitional provisions in Article 51 of the Benchmarks Regulation apply], such that [legal name of administrator(s)], as administrator of [specify benchmark][repeat as necessary] [is/are] currently not required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).] / [ ] / [Not Applicable]

## 8. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated/other]
- (ii) (a) If syndicated, names of Managers: [Not Applicable/give names/ give legal names]  
*(Please note that the process for notification to potential investors of the amount allotted and an indication whether dealing may begin before notification is made will be provided for by the Manager(s) and notified by the Manager(s) to potential investors)*
- (b) Stabilising Manager (if any): [Not Applicable/give legal name]
- (iii) If non-syndicated, name and address of relevant Dealer: [specify name of Dealer/Not applicable. The Covered Bonds are not being underwritten by the Dealer]
- (iv) U.S. Selling Restrictions: [Reg S Compliance [category [...]]/TEFRA D/TEFRA C/ TEFRA rules not applicable]
- (v) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]  
*(Advice should be taken from Belgian counsel before disapplying this selling restriction)*

## TERMS AND CONDITIONS OF COVERED BONDS

*The following are the Terms and Conditions to be issued by the Issuer which will be incorporated by reference into each Global Covered Bond, Registered Covered Bonds Deed and each Definitive Covered Bond in the standard euomarket form. The applicable Final Terms in relation to any Tranche of Covered Bonds may specify other terms and conditions which shall to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Covered Bonds. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each Global Covered Bond, Registered Covered Bonds Deed and Definitive Covered Bond in the standard euomarket form. Reference should be made to "Form of Final Terms" above for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions. Any amendments to the terms and conditions of the Covered Bonds will be made by way of, and in accordance with the applicable requirements for, amendments to the Trust Deed. Any amendment to the Terms and Conditions of the Covered Bonds will apply to all new and outstanding Covered Bonds equally, unless otherwise specifically provided for in the Terms and Conditions.*

This Covered Bond is one of a Series (as defined below) of Covered Bonds issued by Achmea Bank N.V. (the "**Issuer**" which expression shall include any Substituted Debtor pursuant to Condition 17 (*Substitution of the Issuer*)) pursuant to a trust deed (as amended, restated or otherwise modified from time to time, the "**Trust Deed**") originally dated 7 June 2021 (such date, and in respect of the Programme Agreement 7 June 2021, the "**Programme Date**") made between the Issuer, Achmea SB Covered Bond Company B.V. (the "**CBC**") and Stichting Security Trustee Achmea SB Covered Bond Company (the "**Security Trustee**") and Stichting Holding Achmea SB Covered Bond Company (the "**Stichting Holding**").

Save as provided for in Conditions 10 (*Events of Default and Enforcement*) and 15 (*Meetings of Covered Bondholders, Modification and Waiver*) or where the context otherwise requires, references herein to the Covered Bonds shall be references to the Covered Bonds of this Series and shall mean:

- (i) in relation to any Covered Bonds represented by a Global Covered Bond, units of the lowest Specified Denomination in the Specified Currency;
- (ii) any Temporary Global Covered Bond, any Permanent Global Covered Bond and any Registered Covered Bond, as the case may be; and
- (iii) any Definitive Covered Bonds issued in exchange for a Permanent Global Covered Bond upon the occurrence of an Exchange Event or, in case a Global Covered Bond is deposited with Euroclear Nederland, upon the occurrence of a Delivery Event.

The Covered Bonds and the Coupons (as defined below) have the benefit of an agency agreement (such agency agreement as amended, supplemented, restated or otherwise modified from time to time, the "**Agency Agreement**") entered into on the Programme Date between the Issuer, the CBC, the Security Trustee, Citibank N.A., London Branch as issuing and principal paying agent (the "**Principal Paying Agent**") and as registrar (the "**Registrar**"), and the other paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agent).

Interest bearing Definitive Covered Bonds in the standard euomarket form (unless otherwise indicated in the applicable Final Terms) have Coupons and, if indicated in the applicable Final Terms, Talons attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

The Final Terms for this Covered Bond (or the relevant provisions thereof) are (i) in the case of a Bearer Covered Bond, attached to or endorsed on this Covered Bond or (ii) in the case of a Registered Covered Bond, attached to the relevant Registered Covered Bonds Deed, and supplement these Terms and Conditions (together in respect of the relevant Covered Bond the "**Conditions**") and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Covered Bond. References to the applicable Final Terms are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Covered Bond or the relevant Registered Covered Bonds Deed.

The Security Trustee acts for the benefit of the holders for the time being of the Covered Bonds (the "**Covered Bondholders**" or "**Bondholders**", which expression shall, in relation to (i) any Bearer Covered Bonds represented by a

Temporary Global Covered Bond or a Permanent Global Covered Bond, and (ii) any Registered Covered Bond, be construed as provided below) and the holders of the Coupons (the "**Couponholders**", which expression shall, unless the context otherwise requires, include the holders of the Talons) and for holders of each other Series in accordance with the provisions of the Trust Deed. Any holders mentioned above include those having a credit balance in the collective depots held by Euroclear Nederland or one of its participants.

As used herein, "**Tranche**" means Covered Bonds which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

These Terms and Conditions include summaries of, and are subject to, the provisions of the Trust Deed, the Parallel Debt Agreement, the Pledge Agreements and the Agency Agreement.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Terms and Conditions shall bear the meaning given to them in the applicable Final Terms and/or the master definitions agreement dated the Programme Date, as amended, supplemented, restated, novated or otherwise modified from time to time (the "**Master Definitions Agreement**"), a copy of each of which may be obtained as described above.

Copies of the Trust Deed, the Pledge Agreements, the Master Definitions Agreement, the Parallel Debt Agreement and the Agency Agreement are available for inspection during normal business hours at the registered office of the Security Trustee for the time being at Amsterdam, the Netherlands and at the specified office of each of the Paying Agents. Copies of the applicable Final Terms for all Covered Bonds of each Series (including in relation to unlisted Covered Bonds of any Series) are obtainable during normal business hours at the specified office of each of the Paying Agents and any Covered Bondholder must produce evidence satisfactory to the Issuer and the Security Trustee or, as the case may be, the relevant Paying Agent as to its holding of Covered Bonds and identity. The Covered Bondholders and the Couponholders are deemed to have notice of, are bound by, and are entitled to the benefit of, all the provisions of, and definitions contained in, the Trust Deed, the Pledge Agreements, the Master Definitions Agreement, the Agency Agreement, each of the other Transaction Documents and the applicable Final Terms which are applicable to them and to have notice of each Final Terms relating to each other Series.

## **1. FORM, DENOMINATION AND TITLE**

The Covered Bonds are either Bearer Covered Bonds or Registered Covered Bonds issued pursuant to the terms and conditions of a Registered Covered Bonds Deed, as set out in the applicable Final Terms, and, in the case of Definitive Covered Bonds, serially numbered, and in the case of Definitive Covered Bonds or Registered Covered Bonds in the Specified Currency and the Specified Denomination(s). Covered Bonds of one Specified Denomination may not be exchanged for Covered Bonds of another Specified Denomination.

This Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond, a Zero Coupon Covered Bond or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Covered Bonds are issued with Coupons attached, unless they are Zero Coupon Covered Bonds in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable. Under Dutch law, the valid transfer of Covered Bonds requires, amongst other things, delivery (*levering*) thereof.

For Bearer Covered Bonds held by Euroclear Nederland deliveries will be made in accordance with the Wge.

The Issuer, the CBC, the Paying Agents and the Security Trustee may (except as otherwise required by law) deem and treat the holder of any Bearer Covered Bond or Coupon as the absolute owner thereof, whether or not any payment is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof and no person shall be liable for so treating such bearer for all purposes but, in the case of any Global Covered Bond, without prejudice to the provisions set out in the first succeeding paragraph. The signatures on this Covered Bond or the relevant Registered Covered Bonds Deed, as applicable, are manual and/or in facsimile.

For so long as any of the Covered Bonds are represented by a Global Covered Bond held on behalf of Euroclear and/or Clearstream, Luxembourg by a common safekeeper, each person (other than Euroclear or Clearstream,

Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Covered Bonds (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to such nominal amount of such Covered Bonds standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the CBC, the Paying Agents and the Security Trustee as the holder of such nominal amount of such Covered Bonds for all purposes other than with respect to the payment of principal or interest or other amounts on such nominal amount of such Covered Bonds, for which purpose the bearer of the relevant Global Covered Bond shall be treated by the Issuer, the CBC, any Paying Agent and the Security Trustee as the holder of such nominal amount of such Covered Bonds in accordance with and subject to the terms of the relevant Global Covered Bond and the expressions "Covered Bondholder" and "holder of Covered Bonds" and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular nominal amount of Covered Bonds as aforesaid, the Security Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error or an error established as such to the satisfaction of the Security Trustee, be conclusive and binding on all concerned. Covered Bonds which are represented by a Global Covered Bond will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, and/or Euroclear Nederland, as the case may be.

Where Covered Bonds represented by a Permanent Global Covered Bond are deposited with Euroclear Nederland, a Covered Bondholder shall not have the right to request delivery (*uitlevering*) of his Covered Bonds under the Wge other than as set out in accordance with the rules and procedures of Euroclear Nederland and the Wge and not in bearer form.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Security Trustee but shall not include Euroclear Nederland.

## **2. STATUS OF THE COVERED BONDS**

The Covered Bonds and any relative Coupons constitute unsubordinated and unsecured obligations of the Issuer, guaranteed by the Guarantee and rank *pari passu* without any preference amongst themselves and at least *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, present and future, other than any obligations preferred by mandatory provisions of applicable law.

## **3. THE GUARANTEE**

Pursuant to the Guarantee, the CBC has as an independent obligation irrevocably undertaken to pay the Guaranteed Amounts when the same shall become Due for Payment. However, the CBC shall have no such obligation under the Guarantee until (i) the occurrence of an Issuer Event of Default, the service by the Security Trustee on the Issuer of an Issuer Acceleration Notice and the service by the Security Trustee on the CBC of a Notice to Pay or (ii) the occurrence of a CBC Event of Default and the service by the Security Trustee of a CBC Acceleration Notice on the Issuer and the CBC. In addition, in respect of each Series of Covered Bonds, if the CBC is obliged to pay the Guaranteed Final Redemption Amount, then:

- (a) the obligation of the CBC to pay the Guaranteed Final Redemption Amount shall be deferred to, and shall under the Guarantee be due on, the Extended Due for Payment Date, unless on the date when the Guaranteed Final Redemption Amount is Due for Payment (the "**Extension Date**") or any subsequent Interest Payment Date which applies pursuant to paragraph (b) below and which falls prior to the Extended Due for Payment Date, any moneys are available to the CBC to be paid (or reserved for payment of principal on any Series of Covered Bonds), after the CBC shall under the relevant Priority of Payments have paid or provided for (1) all higher ranking amounts and (2) all Guaranteed Final Redemption Amounts pertaining to any Series with an Extended Due for Payment Date falling prior to the Extended Due for Payment Date for this Series, in which case the CBC shall (a) give notice thereof to the relevant Covered Bondholders (in accordance with Condition 14 (*Notices*)), the Rating Agency, the Security Trustee, the Principal Paying Agent and the Registrar (in the case of Registered Covered Bonds) as soon as reasonably practicable and in any event on the Extension Date (whereby such notice

shall be deemed to have been given on the first Business Day following the date on which such notice was given by the CBC to the relevant clearing system) or at least two (2) Business Days prior to such Interest Payment Date, respectively, and (b) apply such remaining available moneys in payment, in whole or in part, of the Guaranteed Final Redemption Amount pertaining to a Series of Covered Bonds with an Extended Due for Payment Date falling in the same CBC Payment Period in which the Extended Due for Payment Date for this Series falls, if applicable *pro rata* by reference to the Principal Amount Outstanding of such Covered Bonds (and to such extent the Guaranteed Final Redemption Amount shall for the purpose of the relevant Priority of Payments and all other purposes be due) on such Extension Date and/or such Interest Payment Date, respectively; and

- (b) the CBC shall under the Guarantee owe interest over the unpaid portion of the Guaranteed Final Redemption Amount, which shall accrue and be payable on the basis set out in the applicable Final Terms or, if not set out therein, Condition 5 (*Interest*), provided that for this purpose all references in Condition 5 (*Interest*) to the Maturity Date are deemed to be references to the Extended Due for Payment Date, *mutatis mutandis*,

all without prejudice to the CBC's obligation to pay any other Guaranteed Amount (i.e. other than the Guaranteed Final Redemption Amount) when Due for Payment.

The rights under the Guarantee (a) form an integral part of the Covered Bonds, (b) are of interest to a Covered Bondholder only if, to the extent that, and for so long as, it holds Covered Bonds and (c) can only be transferred together with all other rights under the relevant Covered Bond. The obligations of the CBC under the Guarantee are unsubordinated and unguaranteed obligations of the CBC, which are secured (indirectly, through a parallel debt) as set out below.

As security for a parallel debt corresponding to the CBC's obligations under the Guarantee and the other Transaction Documents to which it is a party, the CBC has granted the following security rights to the Security Trustee:

- (i) a first ranking right of pledge (or such other security right as may be applicable) over the Transferred Assets; and
- (ii) a first ranking right of pledge over the CBC's rights under or in connection with the CBC Transaction Documents, the CBC Transaction Accounts and the CBC Back-Up Account.

The Covered Bondholders of each Series will, through the Security Trustee, benefit from the security rights and are deemed to have acknowledged, and are bound by the Parallel Debt Agreement and Trust Deed.

For the purpose of these Terms and Conditions:

**"Extended Due for Payment Date"** means, subject to Condition 7(c) (*Redemption at the option of the Issuer (Issuer Call)*), the date falling one (1) year after the Maturity Date, as specified as such in the applicable Final Terms; and

**"Guaranteed Final Redemption Amount"** means the Guaranteed Amount relating to Scheduled Principal payable on the Maturity Date.

#### 4. REDENOMINATION

The Issuer may, without the consent of the Covered Bondholders and the Couponholders, on giving prior notice to the Principal Paying Agent, Euroclear, Clearstream, Luxembourg and, if applicable, Euroclear Nederland and at least thirty (30) days' prior notice to the Covered Bondholders in accordance with Condition 14 (*Notices*), elect that, with effect from the Redenomination Date (as defined below) specified in the notice, the Covered Bonds and the Coupons denominated in the Specified Currency (or Specified Currencies) (each for the purpose of this Condition the "**Old Currency**") shall be redenominated in another currency (for the purpose of this Condition the "**New Currency**") being either euro, or, in the event of redenomination upon the occurrence of a Convertibility Event, a currency other than euro, as the case may be.

The election will have effect as follows:

- (i) the Covered Bonds and the Coupons shall be deemed to be redenominated into the New Currency in the denomination of the equivalent of euro 0.01, or its equivalent in another currency, with a principal amount for each Covered Bond equal to the principal amount of that Covered Bond in the Specified Currency, converted into the New Currency at the rate for the conversion of the Old Currency into the New Currency as fixed by the government of the Netherlands, provided that, if the Issuer determines, with the agreement of the Security Trustee, that the market practice at the time of redenomination in respect of the redenomination into the New Currency of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Covered Bondholders, the stock exchange (if any) on which the Covered Bonds may be listed and the Paying Agents of such deemed amendments;
- (ii) save to the extent that an Exchange Notice (as defined below) has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Covered Bonds will be calculated by reference to the aggregate principal amount of Covered Bonds presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest equivalent of euro 0.01 or its equivalent in another currency;
- (iii) if Definitive Covered Bonds are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 100,000 or such other amount as may be allowed or required pursuant to the relevant laws which are applicable to (the offering of) such Covered Bonds and notified to the Covered Bondholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Covered Bonds) will become void with effect from the date on which the Issuer gives notice (for the purpose of this Condition the "**Exchange Notice**") to the Covered Bondholders in accordance with Condition 14 (*Notices*) that replacement of Old Currency denominated Covered Bonds and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Covered Bonds and Coupons so issued will also become void on that date although those Covered Bonds and Coupons will continue to constitute valid exchange obligations of the Issuer. New Currency denominated Covered Bonds and Coupons will be issued in exchange for Covered Bonds and Coupons denominated in the Specified Currency in such manner as the Issuer may specify and as shall be notified to the Covered Bondholders in the Exchange Notice. No Exchange Notice may be given less than fifteen (15) days prior to any date for payment of principal or interest on the Covered Bonds;
- (v) on or after the Redenomination Date, all payments in respect of the Covered Bonds and the Coupons, with a possible exception of payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in the New Currency as though references in the Covered Bonds to the Specified Currency were to the New Currency. Payments will be made in the New Currency by credit or transfer to a New Currency account (or any other account to which the New Currency may be credited or transferred) specified by the payee or, at the option of the payee, by a New Currency cheque;
- (vi) if the Covered Bonds are Fixed Rate Covered Bonds and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Calculation Amount, multiplying such sum by the applicable Fixed Day Count Fraction (as defined in Condition 5(a) (*Interest on Fixed Rate Covered Bonds*)), and rounding the resultant figure to the nearest sub-unit of the relevant New Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. The amount of interest payable in respect of such Fixed Rate Covered Bonds shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding;
- (vii) if the Covered Bonds are Floating Rate Covered Bonds, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and
- (viii) the applicable Final Terms will specify the exact date on which the redenomination will occur in case the Covered Bonds were issued in a currency other than euro and in a country in which T2 does not apply.

For the purpose of this Condition "**Redenomination Date**" means (i) in the case of Fixed Rate Covered Bonds and Floating Rate Covered Bonds any date for payment of interest or redemption under such Covered Bonds, and (ii) in the case of Zero Coupon Covered Bonds any date specified by the Issuer in the notice given to the Covered Bondholders pursuant to paragraph (a) above and which in case of (x) the New Currency being euro, falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union and in case of (y) the New Currency being a currency other than euro, shall be the date the relevant government of the New Currency accepts payment in the New Currency as legal tender.

## 5. INTEREST

Each Fixed Rate Covered Bond and Floating Rate Covered Bond will bear the interest as set out in the applicable Final Terms. If after the Maturity Date the interest on a Series is switched from a fixed rate to a floating rate or vice versa, such Covered Bonds will become Floating Rate Covered Bonds or Fixed Rate Covered Bonds, as applicable.

### A. Interest on Fixed Rate Covered Bonds

Each Fixed Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the interest commencement date as specified in the applicable Final Terms (or, if not specified in the applicable Final Terms, the Issue Date) (an "**Interest Commencement Date**") at the rate(s) per annum equal to the Fixed Rate(s) of Interest. Interest will be payable in arrears on the Interest Payment Date(s) in each year up to (and including) the date as specified in the applicable Final Terms.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) the Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (2) the Modified Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day; or
- (3) the Preceding Business Day Convention, such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day; or
- (4) No Adjustment, such Interest Payment Date (or other date) shall not be adjusted in accordance with any Business Day Convention.

If "**Unadjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If "**Adjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date is subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If interest is required to be calculated for a period starting or ending other than on an Interest Payment Date (the "**Interest Calculation Period**"), such interest shall be calculated by applying the Fixed Rate of Interest to

the Calculation Amount, multiplying such sum by the applicable Fixed Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention and multiplying such rounded up figure by a fraction equal to the Specified Denomination of such Covered Bond divided by the Calculation Amount.

For the purpose of these Terms and Conditions (unless defined otherwise in the relevant section or subsection);

**"Fixed Day Count Fraction"** means:

if "Actual/Actual (ICMA)" is specified in the applicable Final Terms for the relevant period, it means:

(a) where the Interest Calculation Period is equal to or shorter than the Determination Period during which it falls, the actual number of days in the Interest Calculation Period divided by the product of (1) the actual number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(b) where the Interest Calculation Period is longer than one Determination Period, the sum of:

(A) the actual number of days in such Interest Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the actual number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(B) the actual number of days in such Interest Calculation Period falling in the next Determination Period divided by the product of (1) the actual number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;

where:

**"Determination Period"** means the period from and including an Interest Payment Date in any year up to but excluding the next Interest Payment Date;

if **"30/360"** is specified in the applicable Final Terms for the relevant period, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) (unless (i) the last day of the Fixed Interest Period is the 31st day of a month but the first day of the Fixed Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month or (ii) the last day of the Fixed Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month) divided by 360;

**"sub-unit"** means one cent;

**"Calculation Amount"** has the meaning ascribed to it in the applicable Final Terms or if no such amount is specified in the applicable Final Terms, the Specified Denomination;

**"Fixed Interest Period"** means the period from and including an Interest Payment Date (or in the case of a first interest period, the Interest Commencement Date, or if such is not specified in the applicable Final Terms, the Issue Date) to but excluding the next or first Interest Payment Date;

**"Maturity Date"** means, subject to Condition 7(c) (*Redemption at the option of the Issuer (Issuer Call)*) and Condition 7(d) (*Redemption at the option of the Covered Bondholders (Investor Put)*), in respect of a Series of Covered Bonds, the relevant Interest Payment Date which falls no more than forty-seven (47) years after the Issue Date of such Series and on which the Covered Bonds of such Series are expected to be redeemed at their Principal Amount Outstanding in accordance with these Conditions, as specified in the relevant Final Terms; and

**"Principal Amount Outstanding"** means, on any date, the principal amount of a Covered Bond on the relevant Issue Date, less the aggregate amount of any principal payments in respect of such Covered Bond which have been paid to the relevant Covered Bondholder on or prior to that date.

The applicable Final Terms shall contain provisions (if necessary) relating to the calculation of interest in respect of Interest Payment Dates that fall in the interval between the Issue Date and the First Interest Payment Date or the interval between the Maturity Date and the immediately preceding Interest Payment Date.

## **B. Interest on Floating Rate Covered Bonds**

### *(i) Interest Payment Dates*

Each Floating Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the interest commencement date (or, if not specified in the applicable Final Terms, the Issue Date) (an "**Interest Commencement Date**") at the rate equal to the Rate of Interest payable in arrear, with a floor of zero per cent., on either:

- (a) the Specified Interest Payment Date(s) in each year; or
- (b) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. "**Interest Period**" shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention is specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5 (B)(i)(b) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other date) shall be brought forward to the immediate preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date (or other date) shall be brought forward to the immediate preceding Business Day; or
- (5) No Adjustment, such Interest Payment Date (or other date) shall not be adjusted in accordance with any Business Day Convention.

If "**Unadjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If "**Adjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date is subject to adjustment in accordance with the Business Day

Convention specified in the applicable Final Terms.

In this Condition 5 (*Interest*), "**Business Day**" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and
- (b) a day on which the T2 is open. In these Terms and Conditions, "T2" means the real time gross settlement system operated by the Eurosystem or any successor or replacement of that system.

(ii) *Rate of Interest*

The Rate of Interest will be determined in the manner specified below and as determined in the applicable Final Terms.

(a) *ISDA Determination for Floating Rate Covered Bonds*

Subject to the provisions of Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*), where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (a), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating (i) if '2006 ISDA Definitions' is specified in the applicable Final Terms, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds or (ii) if '2021 ISDA Definitions' is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, as published by ISDA as at the Issue Date of the first Tranche of the Covered Bonds (each, as applicable, the "**ISDA Definitions**") and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms (as defined in the ISDA Definitions);
- (2) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is the period specified in the applicable Final Terms;
- (3) the relevant Reset Date (as defined in the ISDA Definitions) is either (i) if the applicable Floating Rate Option is based on EURIBOR, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms;
- (4) if the Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Compounding is specified to be applicable in the relevant Final Terms and:
  - (i) Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms;
  - (ii) Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or
  - (iii) Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;
- (5) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA

Definitions), Averaging is specified to be applicable in the relevant Final Terms and:

- (i) Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) as specified in relevant Final Terms;
  - (ii) Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or
  - (iii) Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;
- (6) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms;
- (7) references in the ISDA Definitions to:
- (i) "Confirmation" shall be references to the relevant Final Terms;
  - (ii) "Calculation Period" shall be references to the relevant Interest Period;
  - (iii) "Termination Date" shall be references to the Maturity Date; and
  - (iv) "Effective Date" shall be references to the Interest Commencement Date; and
- (8) if the Final Terms specify "2021 ISDA Definitions" as the applicable ISDA Definitions:
- (i) "Administrator/Benchmark Event" shall be disappplied; and
  - (ii) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

When this sub-paragraph (a) applies, in respect of each relevant Interest Period the Principal Paying Agent will be deemed to have discharged its obligations under Condition 5(B)(iv) (*Determination of Rate of Interest and Calculation of Floating Interest Amounts*) in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this subparagraph (a).

(b) *Screen Rate Determination for Floating Rate Covered Bonds not referencing Compounded Daily €STR*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and unless the Reference Rate in respect of the Relevant Series of Floating Rate Covered Bonds is specified in the applicable Final Terms as being "Compounded Daily €STR" the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards or, if the relevant Screen Rate is EURIBOR, to the third decimal place, with 0.0005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent.

If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations,

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this subparagraph (b) in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Relevant Screen Page is not available or if, in the case of (1) above, no offered quotation appears on the relevant Screen Page or, in the case of (2) above, fewer than three offered quotations appear, in each case as at the relevant time and notwithstanding any fallback provisions in the ISDA Definitions and subject to the provisions of Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*):

- i. the Principal Paying Agent shall request each of the Reference Banks to provide the Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the relevant time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent; or
- ii. if on any Interest Determination Date fewer than two Reference Banks provide the Principal Paying Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent by two or more Reference Banks, at which such rates were offered, at approximately the relevant time on the relevant Interest Determination Date, deposits in euro for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR, as applicable) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent with offered rates, the offered rate for deposits in euro for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in euro for a period equal to that which would have been used for the Reference Rate, at which, at approximately the relevant time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Principal Paying Agent it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(c) *Replacement Reference Rate Determination for Discontinued Reference Rate*

Notwithstanding the provisions above in this Condition 5(B)(ii) (*Rate of Interest*) (including, for the avoidance of doubt, any fallback provisions in the ISDA Definitions, as applicable), if the Issuer determines at any time prior to, on or following any Interest Determination Date, that a Benchmark Event has occurred, the Issuer will notify the

Principal Paying Agent thereof. If prior to the determination of the occurrence of a Benchmark Event by the Issuer, the Principal Paying Agent becomes aware of the occurrence of a Benchmark Event, it will notify the Issuer thereof. The Issuer or the CBC if an Issuer Acceleration Notice and a Notice to Pay are served, will, as soon as reasonably practicable (and in any event prior to the next relevant Interest Determination Date), appoint an agent ("**Rate Determination Agent**"), which may, after using reasonable endeavours to appoint and consult with an Independent Adviser, determine in its sole discretion, acting in good faith and in a commercially reasonable manner, a substitute, alternative or successor rate for purposes of determining the relevant Reference Rate (as specified in the applicable Final Terms) on each Interest Determination Date falling on such date or thereafter that is substantially comparable to the Reference Rate or that has been recommended or selected by the monetary authority or similar authority (or working group thereof) in the jurisdiction of the applicable currency. If the Rate Determination Agent has determined a substitute, alternative or successor rate in accordance with the foregoing (such rate, the "**Replacement Reference Rate**") for purposes of determining the Reference Rate on the relevant Interest Determination Date falling on or after such determination, (A) the Rate Determination Agent will, following consultation with the Independent Adviser (if appointed), also determine changes (if any) to the business day convention, the definition of business day, the interest determination date, the day count fraction and any method for calculating the Replacement Reference Rate, including any Adjustment Spread, in each case in a manner that is consistent with any industry-accepted practices for such Replacement Reference Rate; (B) references to the Reference Rate in these Conditions applicable to the relevant Floating Rate Covered Bonds will be deemed to be references to the relevant Replacement Reference Rate, including any alternative method for determining such rate as described in (A) above (including the Adjustment Spread); and (C) the Rate Determination Agent will give notice of the foregoing as soon as reasonably practicable to the Covered Bondholders (in accordance with Condition 13 (*Notices*)), the Issuer, the Security Trustee, the CBC and the Principal Paying Agent specifying the Replacement Reference Rate, as well as the details described in (A) above. The party responsible for calculating the Interest Rate pursuant to Condition 5(B) will remain the party responsible for calculating the Interest Rate by making use of the Replacement Reference Rate and the other matters referred to above.

The determination of the Replacement Reference Rate and the other matters referred to above by the Rate Determination Agent will be final and binding on the Issuer, the Security Trustee, the Principal Paying Agent and the Covered Bondholders.

If the Rate Determination Agent is unable to or otherwise does not determine a Replacement Reference Rate or any of the other matters referred to above, then the Reference Rate will not be changed pursuant to this Condition 5(B)(ii)(c). This is without prejudice to the applicability of Condition 5(B)(ii)(a) and (b).

As used in this Condition 5(B)(ii)(c):

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Rate Determination Agent, following consultation with the Independent Adviser (if appointed) and acting in good faith, determines is required to be applied to the Replacement Reference Rate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to the Covered Bondholders as a result of the replacement of the Reference Rate with the Replacement Reference Rate and is the spread, formula or methodology which:

- (a) is formally recommended in relation to the replacement of the Reference Rate with the Replacement Reference Rate by any competent authority; or (if no such recommendation has been made);
- (b) the Rate Determination Agent determines, following consultation with the Independent Adviser (if appointed) and acting in good faith, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Replacement Reference Rate; or (if the Rate Determination Agent determines that no such industry accepted standard is recognised or acknowledged);
- (c) the Rate Determination Agent, in its discretion, following consultation with the Independent Adviser (if appointed) and acting in good faith, determines to be appropriate.

"**Benchmark Event**" means:

- (a) a public statement or publication or information is made by the administrator of the Reference Rate, other than Compounded Daily €STR, or the competent authority supervising the relevant administrator that the Reference Rate, other than Compounded Daily €STR, has ceased to be a representative or an industry accepted rate for debt market instruments (as determined by the Rate Determination Agent, acting in good

faith) such as, or comparable to, the Covered Bonds; or

- (b) it has become unlawful or otherwise prohibited pursuant to any law, regulation or instruction from a competent authority, to calculate any payments due to be made to any Covered Bondholder using the Reference Rate, other than Compounded Daily €STR, or otherwise make use of the Reference Rate, other than Compounded Daily €STR, with respect to the Covered Bonds; or
- (c) the Reference Rate, other than Compounded Daily €STR, has changed materially, ceased to be published for a period of at least five (5) Business Days or ceased to exist; or
- (d) a public statement or publication or information by or on behalf of the administrator of the Reference Rate, other than Compounded Daily €STR, or the competent authority supervising the relevant administrator of the Reference Rate, other than Compounded Daily €STR, or its supervisor that, by a specified date within the following six (6) months, the Reference Rate, other than Compounded Daily €STR, will be materially changed, no longer be representative, cease to be published, cease to exist, be discontinued or be prohibited from being used or that its use will be subject to restrictions or adverse consequences,

provided that (i) in the case of sub-paragraphs (b),(c) and (d), the Benchmark Event shall occur on the date of the cessation of publication of the Reference Rate, the discontinuation of the Reference Rate, or the prohibition of use of the Reference Rate, as the case may be, and not the date of the relevant public statement and (ii) in the case of sub-paragraph (a) above, on the date with effect from which the Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) a representative or an industry accepted rate for debt market instruments (as determined by the Rate Determination Agent, acting in good faith) such as, or comparable to, the Covered Bonds and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement and;

provided further that:

- (i) in respect of ISDA Determination as the manner in which the Rate of Interest is to be determined, if any event above qualifies as or otherwise occurs simultaneously with an Index Cessation Event as defined in the ISDA Definitions, such event is not to be deemed a Benchmark Event, unless the Rate of Interest cannot be determined in accordance with Condition 5(B)(ii)(a) (*ISDA Determination for Floating Rate Covered Bonds*), in which case such event shall be deemed a Benchmark Event; and
  - (ii) in respect of Compounded Daily €STR or ECB Recommended Rate, as applicable, if any event above qualifies as or otherwise occurs simultaneously with an €STR Index Cessation Event or an ECB Recommended Rate Index Cessation Event, as applicable, such event is not to be deemed a Benchmark Event, unless the Rate of Interest cannot be determined in accordance with Condition 5(B)(ii)(d) (*Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR*), in which case such event shall be deemed a Benchmark Event.
- (d) *Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Covered Bonds is specified in the applicable Final Terms as being "Compounded Daily €STR", the Rate of Interest for an Interest Accrual Period will be Compounded Daily €STR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

"**Compounded Daily €STR**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily euro short-term rate as the reference rate of the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_{i-\text{pTBD}} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Accrual Period;

"**do**" is the number of TARGET Settlement Days in the relevant Interest Accrual Period;

"**ECB**" means the European Central Bank or any successor or substituting authority thereto;

"**i**" is a series of whole numbers from one to "**do**", each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Interest Accrual Period to, and including, the last TARGET Settlement Day in the relevant Interest Accrual Period;

"**ni**", for any TARGET Settlement Day "**i**", means the number of calendar days from and including such TARGET Settlement Day "**i**" up to but excluding the following TARGET Settlement Day;

"**Observation Period**" means, in respect of each Interest Accrual Period, the period from and including the date falling "**p**" TARGET Settlement Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling "**p**" TARGET Settlement Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling "**p**" TARGET Settlement Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

"**p**" means for any Interest Accrual Period, the whole number of TARGET Settlement Days included in the Observation Look-back Period, as specified in the applicable Final Terms, being no less than five TARGET Settlement Days;

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in Euro;

"**€STR Reference Rate**" means, in respect of any TARGET Settlement Day, a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as published by the ECB, as administrator of such rate (or any successor administrator of such rate), on the website of the ECB initially at <http://www.ecb.europa.eu>, or any successor website officially designated by the ECB (the "**ECB's Website**") (in each case, on or before 9:00 a.m., Central European Time, on the TARGET Settlement Day immediately following such TARGET Settlement Day); and

"**€STR<sub>i-pTBD</sub>**" means, in respect of any TARGET Settlement Day "**i**" falling in the relevant Interest Accrual Period, the €STR Reference Rate for the TARGET Settlement Day falling "**p**" TARGET Settlement Days prior to the relevant TARGET Settlement Day "**i**".

Notwithstanding any fallback provisions in the ISDA Definitions, as applicable, the following provisions apply in case the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above or if the Rate of Interest cannot otherwise be determined in accordance with the provisions set forth herein, respectively.

If the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above, and unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date (each, as defined below) have occurred, the €STR Reference Rate shall be a rate equal to €STR for the last TARGET Settlement Day for which such rate was published on the ECB's Website.

If the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the ECB (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the ECB (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the ECB or another administrator) (the "**ECB Recommended Rate**"), provided that, if no such rate has been recommended before the end of the first TARGET Settlement Day following the date on which the €STR Index Cessation Effective Date occurs, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including such €STR Index Cessation Effective Date will be determined as if references

to "€STR" were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, as published on the ECB's Website (the "EDFR") on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the €STR Index Cessation Event occurs (the "EDFR Spread").

Provided further that, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to "€STR" were references to the EDFR on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

Provided that a Benchmark Event has not occurred in respect of the Compounded Daily €STR or the ECB Recommended Rate, as applicable, if the Rate of Interest cannot be determined in accordance with the foregoing provisions the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (through substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the last preceding Interest Accrual Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first Interest Accrual Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first interest Accrual Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period). For the avoidance of doubt, if the Rate of Interest cannot be determined in accordance with the foregoing provisions where a Benchmark Event has occurred in respect of the Compounded Daily €STR, the provisions in Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) shall apply.

As used herein, an "Interest Accrual Period" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 10 (*Events of Default and Enforcement*), shall be the date on which such Covered Bonds become due and payable).

If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 10 (*Events of Default and Enforcement*), the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4(c).

For the purpose of these Terms and Conditions:

"€STR Index Cessation Event" means the occurrence of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the ECB (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

"€STR Index Cessation Effective Date" means, in respect of an €STR Index Cessation Event, the first date for which €STR is no longer provided by the ECB (or any successor administrator of €STR);

**"ECB Recommended Rate Index Cessation Event"** means the occurrence of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; and

**"ECB Recommended Rate Index Cessation Effective Date"** means, in respect of an ECB Recommended Rate Index Cessation Event, the first date for which the ECB Recommended Rate is no longer provided by the administrator thereof.

(iii) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and Calculation of Floating Interest Amounts*

The Principal Paying Agent, in the case of Floating Rate Covered Bonds will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the **"Floating Interest Amount"**) payable on the Floating Rate Covered Bonds, in respect of each Calculation Amount for the relevant Interest Period. Each Floating Interest Amount shall be calculated by applying the Rate of Interest to each Calculation Amount, multiplying such sum by the applicable Floating Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Covered Bond in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Floating Rate Covered Bond shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

In this Condition **"Floating Day Count Fraction"** means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if **"Actual/365"** or **"Actual/Actual ISDA"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if **"Actual/365 (Fixed)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

- (iii) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (v) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30;

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30; and

- (vi) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(v) *Notification of Rate of Interest and Floating Interest Amounts*

The Principal Paying Agent will cause the Rate of Interest and each Floating Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Covered Bonds are for the time being listed and notice thereof to be published in accordance with Condition 14 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Floating Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly

notified to each stock exchange on which the relevant Floating Rate Covered Bonds are for the time being listed and to the Covered Bondholders in accordance with Condition 14 (*Notices*). If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Floating Interest Amount but instead may publish only the Calculation Amount and the Floating Interest Amount in respect of the Covered Bond having the minimum Specified Denomination. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(B) (*Interest on Floating Rate Covered Bonds*), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Principal Paying Agent, the Calculation Agent, if applicable, the other Paying Agents and all Covered Bondholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the CBC, the Covered Bondholders or the Couponholders shall attach to the Principal Paying Agent or the Calculation Agent, if applicable, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

**C. Accrual of interest**

Each Covered Bond (or in the case of the redemption of part only of a Covered Bond, that part only of such Covered Bond) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

**6. PAYMENTS**

A. *Method of payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro and U.S. Dollars will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively);
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in U.S. Dollars will be made by transfer to a U.S. Dollar account maintained by the payee with a bank outside of the United States (which expression, as used in this Condition 6, means the United States of America, including the State and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction), or by cheque drawn on a United States bank.

In no event will payment be made by a cheque mailed to an address in the United States. Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment in these Terms and Conditions, the Trust Deed, the Agency Agreement and the Final Terms, but without prejudice to the provisions of Condition 8 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the US IR Code or otherwise imposed pursuant to sections 1471 through 1474 of the US IR Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental agreement thereto. References to Specified Currency will include any successor currency under the applicable law.

B. *Presentation of Definitive Covered Bonds and Coupons*

Payments of principal in respect of Definitive Covered Bonds will (subject as provided below) be made in the manner provided in paragraph (A) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Covered Bonds, and payments of interest in respect of

Definitive Covered Bonds will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States.

Fixed Rate Covered Bonds in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five (5) years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9 (*Prescription*)) or, if later, five (5) years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Covered Bond in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Covered Bond in definitive form becomes due and repayable in whole, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. Where any such Covered Bond is presented for redemption without all unmatured Coupons or Talons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

If the due date for redemption of any Definitive Covered Bond is not an Interest Payment Date, interest (if any) accrued in respect of such Covered Bond from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Covered Bond.

C. *Payments in respect of Global Covered Bonds*

Payments of principal and interest (if any) in respect of Covered Bonds represented by any Global Covered Bond will (subject as provided below) be made in the manner specified above in relation to Definitive Covered Bonds and otherwise in the manner specified in the relevant Global Covered Bond against presentation or surrender (as the case may be) of such Global Covered Bond at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Covered Bond, distinguishing between any payment of principal and any payment of interest, will be made on such Global Covered Bond by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made and in respect of a Global Covered Bond in NGN-Form the payment is entered *pro rata* in the record of Euroclear and Clearstream, Luxembourg.

D. *General provisions applicable to payments*

The holder of a Global Covered Bond shall be the only person entitled to receive payments in respect of Covered Bonds represented by such Global Covered Bond and the Issuer or the CBC and the Security Trustee will be discharged by payment to, or to the order of, the holder of such Global Covered Bond in respect of each amount so paid.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or Euroclear Nederland as the beneficial holder of a particular nominal amount of Covered Bonds represented by a Global Covered Bond must look solely to Euroclear, Clearstream, Luxembourg or Euroclear Nederland, as the case may be, for his share of each payment so made by the Issuer or the CBC or the Security Trustee to, or to the order of, the holder of such Global Covered Bond.

E. *Payment Day*

If the date for payment of any amount in respect of any Covered Bond or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and

shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means: any day which (subject to Condition 9 (*Prescription*)) is:

- (A) a day on which banks in Amsterdam, the Netherlands and the relevant place of presentation are open for presentation and payment of bearer securities and for dealing in foreign currencies; and
- (B) in the case of payment by transfer to an account, a day on which T2 is open for the settlement of payments in euro and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre.

F. *Interpretation of principal and interest*

Any reference in these Terms and Conditions to principal in respect of the Covered Bonds shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Covered Bonds;
- (iii) the Early Redemption Amount of the Covered Bonds;
- (iv) the Optional Redemption Amount;
- (v) in relation to Zero Coupon Covered Bonds, the Amortised Face Amount (as defined in Condition 7(e) (*Early Redemption Amounts*));
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Covered Bonds; and
- (vii) any Excess Proceeds which may be payable by the Security Trustee to either the CBC or the Covered Bondholders under or in respect of the Covered Bond.

Any reference in these Terms and Conditions to interest in respect of the Covered Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

G. *Set-off*

- (i) Any payments under or pursuant to the Covered Bonds shall be made by the Issuer free of set-off and withholding if and to the extent so specified in the applicable Final Terms.
- (ii) If in the Final Terms "German Insurers" are indicated Applicable, each of the Issuer and the CBC hereby waives, for the benefit of all present and future holders of the Registered Covered Bonds issued in such Final Terms, any right to set-off (*verrekenen*, in German: *aufrechnen*) any amount against, any right to retain (*inhouden*, in German: *zurückbehalten*) any amount from, and any right of pledge (*pandrecht*, in German: *Pfandrecht*), including but not limited to any right of pledge created under the Issuer's general banking conditions with regard to, any amount it owes under or in respect of the Registered Covered Bonds and any similar right which may adversely affect the rights under or in respect of Registered Covered Bonds.

If this waiver under (G)(ii) is applicable it (i) applies as far as and as long as the Registered Covered Bonds are part of the committed assets (*Sicherungsvermögen*) of an insurer within the meaning of section 125 of the German Insurance Supervisory Act (*Versicherungsaufsichtsgesetz*) as amended from time to time also in case of an insolvency and (ii) prevails over any present or future agreement with a conflicting content, save in the case of future agreements only, where such future agreement has a conflicting content which explicitly refers to this specific waiver.

## 7. REDEMPTION AND PURCHASE

(a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below and subject to Condition 3 (*The Guarantee*), each Covered Bond will be redeemed by the Issuer at its Final Redemption Amount specified in,

or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date (the "**Final Redemption Amount**").

(b) *Redemption for tax reasons*

The Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Covered Bond is not a Floating Rate Covered Bond) or on any Interest Payment Date (if this Covered Bond is a Floating Rate Covered Bond), on giving not less than thirty (30) nor more than sixty (60) days' notice to the Security Trustee and the Principal Paying Agent and, in accordance with Condition 14 (*Notices*), the Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Security Trustee immediately before the giving of such notice that:

- (i) on the occasion of the next payment due under the Covered Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8 (*Taxation*)) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Covered Bonds of this Series; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than sixty (60) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Covered Bonds then due.

Prior to the publication of any notice of redemption pursuant to this Condition 7(b) (*Redemption for tax reasons*), the Issuer shall deliver to the Security Trustee a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and the Security Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Covered Bondholders and the Couponholders. Covered Bonds redeemed pursuant to this Condition 7(b) (*Redemption for tax reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 7(e) (*Early Redemption Amounts*) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) *Redemption at the option of the Issuer (Issuer Call)*

If the Issuer is specified as having the option to redeem the Covered Bonds in the applicable Final Terms, the Issuer may, subject as provided in paragraph (e) below and having given:

- (i) not less than fifteen (15) nor more than thirty (30) days' notice to the Covered Bondholders in accordance with Condition 14 (*Notices*); and
- (ii) not less than fifteen (15) days before the giving of the notice referred to in (i), notice to the Security Trustee, the Principal Paying Agent, the CBC and the Registrar;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Covered Bonds then outstanding on any optional redemption date as specified in the applicable Final Terms ("**Optional Redemption Date**") and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date, provided that no Issuer Event of Default has occurred and is continuing.

If the Issuer is specified as having the option to redeem the Covered Bonds in the applicable Final Terms and it cannot exercise its option because an Issuer Event of Default has occurred and is continuing, then the CBC may declare with:

- (i) not less than five (5) (or if the notice period of the Issuer has been shortened to five (5) days or less, the notice period will be one (1) day less than the minimum notice period for the Issuer) nor more than thirty (30) days' notice to the Covered Bondholders in accordance with Condition 14 (*Notices*); and
- (ii) not less than five (5) days (or if the notice period of the Issuer has been shortened to five (5) days or

less, the notice period will be one (1) day less than the minimum notice period for the Issuer) before the giving of the notice referred to in (i), notice to the Security Trustee, the Principal Paying Agent, the Issuer and the Registrar;

that all of the Covered Bonds then outstanding of such Series will mature on the Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms, and that the Maturity Date will be such Optional Redemption Date.

Any redemption pursuant to this Condition 7(c) (*Redemption at the option of the Issuer (Issuer Call)*) must be of a nominal amount not less than the minimum redemption amount ("**Minimum Redemption Amount**") and not more than the maximum redemption amount ("**Maximum Redemption Amount**"), in each case as may be specified in the applicable Final Terms (and subject to Condition 3 (*The Guarantee*)). In the case of a partial redemption of Covered Bonds, the Covered Bonds to be redeemed (the "**Redeemed Covered Bonds**") will be selected individually by lot, in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, and where applicable in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or Euroclear Nederland, in the case of Redeemed Covered Bonds represented by a Global Covered Bond, in each case, not more than thirty (30) days prior to the date fixed for redemption (such date of selection being hereinafter called for the purposes of this paragraph the "Selection Date"). In the case of Redeemed Covered Bonds (i) represented by Definitive Covered Bonds, a list of the serial numbers and (ii) in the case of Registered Covered Bonds, the nominal amount drawn and the holders thereof, of such Redeemed Covered Bonds will be published in accordance with Condition 14 (*Notices*) not less than fifteen (15) days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Covered Bonds represented by Definitive Covered Bonds shall bear the same proportion to the aggregate nominal amount of all Redeemed Covered Bonds as the aggregate nominal amount of Definitive Covered Bonds outstanding bears to the aggregate nominal amount of the Covered Bonds outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Covered Bonds represented by a Global Covered Bond shall be equal to the balance of the Redeemed Covered Bonds. No exchange of the relevant Global Covered Bond will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Covered Bondholders in accordance with Condition 14 (*Notices*) at least five (5) days prior to the Selection Date.

If the option to redeem the Covered Bonds is exercised by the Issuer or the CBC has given a declaration that the Covered Bonds will mature on the Optional Redemption Date (each in accordance with this Condition 7(c) (*Redemption at the option of the Issuer (Issuer Call)*)), then the Optional Redemption Date will for all purposes in all Transaction Documents be deemed to be the Maturity Date in respect of the Covered Bonds to which it applies instead of the Maturity Date specified as such in the applicable Final Terms to the extent of the amount redeemed or to be redeemed, as the case may be, on such date. The Extended Due for Payment Date in respect of such Covered Bonds will for all purposes in all Transaction Documents be deemed to be one (1) year after such new Maturity Date instead of the date included in the applicable Final Terms (unless in the section Issuer Call in the applicable Final Terms a specific date is included, in which case such date will apply).

If in the applicable Final Terms it is specified that the manner of determining the interest on some or all Covered Bonds of a Series switches to another manner of determining the interest as of the Maturity Date, such switch will occur on the Maturity Date as determined pursuant to the previous paragraph to the extent of the amount redeemed or to be redeemed, as the case may be, on such date.

(d) *Redemption at the option of the Covered Bondholders (Investor Put)*

Subject as provided in paragraph (e) below, if the Covered Bondholders are specified in the applicable Final Terms as having an option to redeem, upon the holder of any Covered Bond giving to the Issuer in accordance with Condition 14 (*Notices*) not less than fifteen (15) nor more than thirty (30) days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Covered Bond on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

If this Covered Bond is in definitive form, to exercise the right to require redemption of this Covered Bond its holder must deliver such Covered Bond at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition.

If the option to redeem the Covered Bonds is exercised by any Covered Bondholder, then the Optional Redemption Date will for all purposes in all Transaction Documents be deemed to be the Maturity Date in respect of the Covered Bonds to which it applies instead of the Maturity Date specified as such in the applicable Final Terms to the extent of the amount redeemed or to be redeemed, as the case may be, on such date. The Extended Due for Payment Date in respect of such Covered Bonds will for all purposes in all Transaction Documents be deemed to be one (1) year after such new Maturity Date instead of the date included in the applicable Final Terms (unless in the section Issuer Call in the applicable Final Terms a specific date is included, in which case such date will apply).

If in the applicable Final Terms it is specified that the manner of determining the interest on some or all Covered Bonds of a Series switches to another manner of determining the interest as of the Maturity Date, such switch will occur on the Maturity Date as determined pursuant to the previous paragraph to the extent of the amount redeemed or to be redeemed, as the case may be, on such date.

(e) *Early Redemption Amounts*

For the purpose of paragraph (b) and (d) above and Condition 10 (*Events of Default and Enforcement*), each Covered Bond will be redeemed at its Early Redemption Amount calculated as follows (each, the relevant "**Early Redemption Amount**"):

- (i) in the case of a Covered Bond with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of a Covered Bond (other than a Zero Coupon Covered Bond) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Covered Bond is denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (iii) in the case of a Zero Coupon Covered Bond, at an amount (the "**Amortised Face Amount**") equal to the product of:
  - a. the Reference Price; and
  - b. the sum of the figure "1" and the Accrual Yield, raised to the power of x, where "x" is a fraction the numerator of which is equal to the number of days calculated on the basis of, if "Actual/Actual ISDA" is specified in the applicable Final Terms, the actual number of days in the relevant period and a year of 365 days (or, if any portion of that period falls in a leap year, the sum of (A) the actual number of days in that portion of the period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the period falling in a non-leap year divided by 365) from (and including) the Issue Date of the first Tranche of the Covered Bonds to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Covered Bonds become due and repayable and the denominator of which is, if "Actual/Actual ISDA" is specified in the applicable Final Terms, 365 days (or, if any portion of the period falls in a leap year, the sum of (A) the actual number of days in that portion of the period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the period falling in a non-leap year divided by 365).

(f) *Purchases*

The Issuer, the CBC and/or any member of the Achmea Group may at any time purchase Covered Bonds (provided that, in the case of Definitive Covered Bonds, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Covered Bondholders alike. Covered Bonds purchased in accordance with this Condition 7(f) (*Purchases*) may be held, reissued, resold or, at the option of the Issuer or the CBC and/or such member of the Achmea Group, surrendered to any Paying Agent for cancellation.

(g) *Cancellation*

All Bearer Covered Bonds which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption).

(h) *Late payment on Zero Coupon Covered Bonds*

If the amount payable in respect of any Zero Coupon Covered Bond upon redemption of such Zero Coupon Covered Bond pursuant to paragraph (a), (b) or (c) above or upon its becoming due and repayable as provided in Condition 10 (*Events of Default and Enforcement*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Covered Bond shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Covered Bond becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Covered Bond have been paid; and
- (ii) five (5) days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Covered Bonds has been received by the Principal Paying Agent or the Security Trustee and notice to that effect has been given to the Covered Bondholders in accordance with Condition 14 (*Notices*).

(i) *Redemption due to illegality*

The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than thirty (30) nor more than sixty (60) days' notice to the Security Trustee and the Principal Paying Agent and, in accordance with Condition 14 (*Notices*), all Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Security Trustee immediately before the giving of such notice that it has, or will, before the next Interest Payment Date of any Covered Bond of any Series, become unlawful for the Issuer to make any payments under the Covered Bonds as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date.

Covered Bonds redeemed pursuant to this Condition 7(h) (*Redemption due to illegality*) will be redeemed at their Early Redemption Amount referred to in Condition 7(e) (*Early Redemption Amounts*) above together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(j) *Certificate*

Prior to the publication of any notice of redemption pursuant to this Condition 7 (*Redemption and Purchase*), the Issuer shall deliver to the Security Trustee a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and the Security Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on all Covered Bondholders.

## 8. TAXATION

(a) *General*

All payments of principal and interest in respect of the Covered Bonds and Coupons made by the Issuer will be made without withholding or deduction of any present or future taxes or duties, assessments or governmental charges of whatever nature (collectively "**Taxes**"), unless such withholding or deduction is required by law. In the event the withholding or deduction of such Taxes is imposed or levied by or on behalf of any Tax Jurisdiction, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Covered Bondholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Covered Bonds or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Covered Bond or Coupon presented for payment:

- (i) outside the Netherlands;
- (ii) by, or by a third party on behalf of, a holder of a Bearer Covered Bond who is liable for such Taxes in respect of such Covered Bond or Coupon by reason of having some connection with a Tax Jurisdiction other than the mere holding of such Bearer Covered Bond or Coupon;
- (iii) more than thirty (30) days after the Relevant Date, except to the extent that the relevant holder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of thirty (30) days; or
- (iv) by, or by a third party on behalf of, a holder of a Covered Bond who is subject to such Taxes pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

Payments by the CBC under the Guarantee will be made without withholding or deduction of any Taxes, unless such withholding or deduction is required by law. In such event, the CBC shall make the required withholding or deduction of such Taxes for the account of the holder of Covered Bonds. Any amounts withheld or deducted by the CBC will be treated as paid for all purposes under the Guarantee and the CBC shall not pay any additional amounts to the holder of the Covered Bonds in respect of any Taxes withheld or deducted.

As used herein:

"**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the monies payable has not been duly received by the Security Trustee or the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such monies having been so received, notice to that effect is duly given to the Covered Bondholders in accordance with Condition 14 (*Notices*); and

"**Tax Jurisdiction**" means the European part of the Kingdom of the Netherlands or any political subdivision or any authority thereof or therein having power to tax.

(b) *FATCA Withholding*

Payments in respect of the Covered Bonds may be subject to FATCA Withholding. Any such FATCA Withholding will be treated as paid for all purposes under the Covered Bonds, and no additional amounts will be paid by the Issuer or the CBC on the Covered Bonds with respect to any such withholding or deduction.

**9. PRESCRIPTION**

The Covered Bonds and Coupons will become void unless presented for payment within a period of five (5) years after the Relevant Date therefore.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 9 (*Prescription*) or Condition 6(B) (*Presentation of Definitive Covered Bonds and Coupons*) or any Talon which would be void pursuant to Condition 6(B) (*Presentation of Definitive Covered Bonds and Coupons*).

**10. EVENTS OF DEFAULT AND ENFORCEMENT**

(a) *Issuer Events of Default*

Pursuant to the Trust Deed the Security Trustee at its discretion may, and in relation to the defaults set out in subparagraphs (i) and (v) below, or if so directed by a Programme Resolution of the Covered Bonds shall, give an Issuer Acceleration Notice (subject in each case to being indemnified and/or secured to its satisfaction), if any of the following events (each an "**Issuer Event of Default**") shall occur and be continuing:

- (i) a default is made by the Issuer for a period of seven (7) calendar days or more in the payment of any principal or redemption amount of the Covered Bonds of any Series when due, or for a period of fourteen (14) calendar days or more in the payment of any interest of the Covered Bonds of any Series when due;

or

- (ii) a default is made in the performance by the Issuer of any material obligation (other than any obligation for the payment of principal, redemption amount or interest in respect of the Covered Bonds of any Series) under the provisions of the Covered Bonds of any Series or the Trust Deed or any other Transaction Document to which the Issuer is a party which (unless certified by the Security Trustee, in its opinion, to be incapable of remedy) shall continue for more than thirty (30) calendar days after written notification requiring such default to be remedied and indicating that this provision may be invoked if it is not so remedied, shall have been given to the Issuer by the Security Trustee in accordance with the Trust Deed; or
- (iii) an order is made or an effective resolution passed for the dissolution or winding up of the Issuer (except a dissolution or winding up for the purpose of a reconstruction, amalgamation, merger or following the transfer of all or substantially all of the assets of the Issuer, the terms of which have previously been approved by an Extraordinary Resolution (as defined below) of the Covered Bondholders or which has been effected in compliance with the terms of Condition 15 (*Meetings of Covered Bondholders, Modification and Waiver*)); or
- (iv) a liquidator, receiver or other similar officer is appointed in relation to the Issuer or in relation to the whole of its assets; or the Issuer initiates or consents to judicial proceedings relating to its bankruptcy (*faillissement*) or equivalent or analogous proceedings under any applicable law, or shall make a conveyance, assignment or assignment for the benefit of, or shall enter into any composition (*akkoord*) with, its creditors generally; or
- (v) the Issuer is adjudged or found bankrupt (*failliet*) in the interest of all creditors, or equivalent or analogous judgments or measures under any applicable law, are imposed on the Issuer,

provided that in case an event described in paragraph (ii) above shall occur, the Security Trustee shall only deliver an Issuer Acceleration Notice if it shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series.

Upon delivery of an Issuer Acceleration Notice pursuant to this Condition 10(a) (*Issuer Events of Default*), the Security Trustee shall forthwith serve a Notice to Pay on the CBC pursuant to the Guarantee and the CBC shall be required to make payments of Guaranteed Amounts when the same shall become Due for Payment in accordance with the terms of the Guarantee.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Security Trustee may or shall take such proceedings against the Issuer in accordance with the first paragraph of Condition 10(c) (*Enforcement*).

The Trust Deed provides that the Excess Proceeds may be paid by the Security Trustee to the CBC and shall be held by the CBC in the CBC Account and/or the CBC Back-Up Account, as the case may be, and shall be used by the CBC in the same manner as all other moneys from time to time standing to the credit of the CBC Account and/or the CBC Back-Up Account, as the case may be. Any Excess Proceeds received by the Security Trustee shall discharge the obligations of the Issuer in respect of the Covered Bonds and Coupons for an amount equal to such Excess Proceeds. The Security Trustee shall not be required to pay such amounts to the CBC. However, the receipt by the Security Trustee of any Excess Proceeds shall not reduce or discharge any of the obligations of the CBC under the Guarantee.

(b) *CBC Events of Default*

The Security Trustee at its discretion may, and, if so directed by a Programme Resolution, shall give a CBC Acceleration Notice (subject in each case to being indemnified and/or secured to its satisfaction), if any of the following events (each a "**CBC Event of Default**") shall occur and be continuing:

- (i) a default is made by the CBC under the Guarantee for a period of seven (7) calendar days or more in the payment of any principal or redemption amount, or for a period of fourteen (14) calendar days or more in the payment of any interest when due; or
- (ii) a default is made in the performance or observance by the CBC of any material obligation binding upon

it (other than any obligation for the payment of Guaranteed Amounts in respect of the Covered Bonds of any Series) under the Trust Deed, the Pledge Agreements or any other Transaction Document to which the CBC is a party which (unless certified by the Security Trustee, in its opinion, to be incapable of remedy) shall continue for more than thirty (30) calendar days after written notification requiring such default to be remedied and indicating that this provision may be invoked if it is not so remedied shall have been given to the CBC by the Security Trustee in accordance with the Trust Deed; or

- (iii) an order is made or an effective resolution passed for the dissolution or winding up of the CBC; or
- (iv) the CBC ceases to carry on its business or substantially all its business; or
- (v) a liquidator, receiver or other similar officer is appointed in relation to the CBC or in relation to the whole or any major part of its assets or a conservatory attachment (*conservatoir beslag*) or an executory attachment (*executoriaal beslag*) or other process is levied or enforced upon or sued out against the whole or any major part of its assets or the CBC initiates or consents to judicial proceedings relating to its bankruptcy (*faillissement*) or suspension of payments (*surseance van betaling*), or equivalent or analogous proceedings under any applicable law, or makes a conveyance, assignment or equivalent or assignation for the benefit of, or shall enter into any composition (*akkoord*) with, its creditors generally; or
- (vi) the CBC is adjudged or found bankrupt (*failliet*) or equivalent or analogous judgments or measures under any applicable law are imposed on the CBC; or
- (vii) the Guarantee is not, or is claimed by the CBC not to be, in full force and effect; or
- (viii) the Amortisation Test as set out in the Asset Monitoring Agreement is not satisfied on any Calculation Date following the service of a Notice to Pay,

provided that in case an event described in paragraph (ii) above shall occur, the Security Trustee shall only deliver a CBC Acceleration Notice if it shall have certified in writing to the CBC that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series.

Following the occurrence of a CBC Event of Default which is continuing and service of a CBC Acceleration Notice, the Security shall become enforceable and the Security Trustee may or shall take proceedings or steps against the Issuer and the CBC in accordance with Condition 10(c) (*Enforcement*) and the Covered Bondholders shall have a claim against the CBC, under the Guarantee, for the Early Redemption Amount together with accrued interest as provided in the Trust Deed in respect of each Covered Bond.

For the purpose of these Terms and Conditions:

**"Calculation Date"** means the date falling two (2) Business Days before each CBC Payment Date. The "relevant" Calculation Date in respect of any Calculation Period will be the first Calculation Date falling after the end of that period and the "relevant" Calculation Date in respect of any CBC Payment Date will be the last Calculation Date prior to that CBC Payment Date.

**"Calculation Period"** means the period from the Programme Date to the last day of June 2021 and thereafter, each period from (and including) the first day of each month to the last day of that same month.

**"CBC Payment Date"** means the 28th calendar day of each calendar month, or, if such day is not a Business Day, the next following Business Day unless it would thereby fall into the next month, in which event such CBC Payment Date shall be brought forward to the immediately preceding Business Day.

**"Distribution Compliance Period"** has the meaning given to that term in Regulation S under the Securities Act.

(c) *Enforcement*

The Security Trustee may at any time after service of an Issuer Acceleration Notice (in the case of the Issuer) or a CBC Acceleration Notice (in the case of both the Issuer and the CBC), at its discretion and without further notice, take such proceedings in accordance with the relevant provisions under Dutch law against the Issuer

and/or the CBC, as the case may be, to enforce the Security, but it shall not be bound to take any such enforcement proceedings in relation to the Trust Deed, the Covered Bonds or the Coupons, the Security or any other Transaction Document unless (i) it shall have been so directed by a Programme Resolution and (ii) it shall have been indemnified and/or secured to its satisfaction.

(d) *No action by Covered Bondholders or Couponholders*

Subject to the provisions of the Trust Deed, only the Security Trustee may enforce the provisions of the Covered Bonds and the Transaction Documents. Neither the Covered Bondholders nor any other person shall be entitled to proceed directly against the Issuer or the CBC to enforce any provision of the Covered Bonds and/or the Transaction Documents, unless the Security Trustee fails to take any steps to enforce the Security in accordance with the Trust Deed within a reasonable time and such failure is continuing. All limitations and restrictions imposed under or by virtue of the Trust Deed, the Covered Bonds or any other Transaction Document on the Security Trustee in relation to the enforcement of rights and the availability of remedies, shall *mutatis mutandis* also fully apply to such Secured Creditors.

Neither the Covered Bondholders nor the Security Trustee may institute against, or join any person in instituting any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding against the CBC until the expiry of a period of at least one (1) year after the latest maturing Covered Bond is paid in full. The only remedy of the Security Trustee against the CBC after a CBC Acceleration Notice has been given pursuant to this Condition 10 (*Events of Default and Enforcement*) is to enforce the Security.

(e) *Limited Recourse*

The recourse of the Covered Bondholders and the Couponholders against the CBC pursuant to the Guarantee is limited. Covered Bondholder will have a right of recourse (*verhaalsrecht*) only in respect of the Security and will not have any claim, by operation of law or otherwise, against, or recourse to any of the CBC's other assets.

No amounts under the Covered Bonds and the Transaction Documents shall be due and payable by the CBC or, as the case may be, the Security Trustee, except (i) in accordance with the Trust Deed and (ii) unless and until all amounts thereby required to be paid in priority thereto have been paid or discharged in full.

In the event that the Security has been fully enforced and the proceeds of such enforcement and any other amounts received by the Security Trustee, after payment of all claims ranking in priority to any Covered Bonds or Coupons of any Series in accordance with the Trust Deed, are insufficient to pay in full all amounts outstanding in respect of the Covered Bonds or Coupons, then the Covered Bondholders or Couponholders shall have no further claim against the CBC or the Security Trustee in respect of such unpaid amount.

## 11. REPLACEMENT OF COVERED BONDS, COUPONS AND TALONS

Should any Covered Bond, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Covered Bonds, Coupons or Talons must be surrendered before replacements will be issued.

## 12. PAYING AGENTS AND REGISTRAR

The names of the initial Paying Agents and the Registrar and their initial specified offices are set out in the Base Prospectus.

The Issuer or the CBC, as the case may be, is entitled, with the prior written approval of the Security Trustee (such approval not to be unreasonably withheld or delayed), to vary or terminate the appointment of any Paying Agent and the Registrar and/or appoint additional or other Paying Agents or Registrars and/or approve any change in the specified office through which any Paying Agent or Registrar acts, provided that:

- (a) there will at all times be a Principal Paying Agent;
- (b) as long as any Registered Covered Bonds are outstanding, there will at all times be a Registrar; and

- (c) so long as the Covered Bonds are listed, quoted and/or traded on or by any competent listing authority, on any stock exchange or quotation system, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant competent authority or stock exchange.

Any variation, termination, appointment or change shall only take effect (other than in the case of a bankruptcy, an insolvency or any equivalent or analogous proceeding, when it shall be of immediate effect) after not less than thirty (30) nor more than forty-five (45) days' prior notice thereof shall have been given to the Covered Bondholders in accordance with Condition 14 (*Notices*).

In acting under the Agency Agreement, the Paying Agents and the Registrar act solely as agents of the Issuer and the CBC and, in certain circumstances specified therein, of the Security Trustee and do not assume any obligation to, or relationship of agency with, any Covered Bondholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent or the Registrar is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent or registrar.

### **13. EXCHANGE OF TALONS**

On and after the Interest Payment Date or the Specified Interest Payment Date or the Specified Period, as the case may be, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 9 (*Prescription*). Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date or the Specified Interest Payment Date or for the Specified Period (as the case may be) on which the final Coupon comprised in the relative Coupon sheet matures.

### **14. NOTICES**

All notices regarding the Covered Bonds will be deemed to be validly given if published in a daily newspaper of wide circulation in a leading English language newspaper of general circulation (which is expected to be the Financial Times). As long as the Covered Bonds are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system, such notice shall be published in such place as may be required by the rules and regulations of such competent authority, stock exchange and/or quotation system.

Until any Definitive Covered Bonds are issued and as long as the Global Covered Bond(s) is or are held in its or their entirety with a depository or a common depository or a common safekeeper on behalf of Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system or with Euroclear Nederland, the requirements of publishing any notices set out in the previous paragraph may be substituted for publication of any notice via such depository or such common depository or such common safekeeper on behalf of Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system and/or with Euroclear Nederland (provided that, in the case of any publication required by a stock exchange, the rules of the stock exchange so permit). Any such notice shall be deemed to have been given to the Covered Bondholders on the second day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg and/or Euroclear Nederland and/or any other relevant clearing system.

Notices to be given by any Covered Bondholder shall be in writing and given by lodging the same, together (in the case of any Definitive Covered Bonds or Registered Covered Bonds) with the relative Covered Bond or Covered Bonds, with the Principal Paying Agent and/or Registrar. Whilst any of the Covered Bonds are represented by a Global Covered Bond, such notice may be given by any Covered Bondholder to the Principal Paying Agent through Euroclear, Clearstream, Luxembourg and/or Euroclear Nederland, as the case may be, in such manner as the Principal Paying Agent and Euroclear, Clearstream, Luxembourg and/or Euroclear Nederland, as the case may be, may approve for this purpose.

## 15. MEETINGS OF COVERED BONDHOLDERS, MODIFICATION AND WAIVER

The Trust Deed contains provisions for convening meetings of the Covered Bondholders of any Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Covered Bonds of such Series or the related Coupons or of any of the Transaction Documents (subject as provided below and in the Trust Deed). Such a meeting may be convened by the Issuer, the CBC or the Security Trustee and shall be convened by the Issuer if required in writing by Covered Bondholders of a Series holding not less than fifteen (15) per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being remaining outstanding. The quorum at any such meeting in respect of any Series for passing an Extraordinary Resolution (other than a Programme Resolution to be taken by an Extraordinary Resolution) is: one or more persons holding or representing not less than seventy-five (75) per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing Covered Bondholders of such Series whatever the Principal Amount Outstanding of the Covered Bonds of such Series so held or represented.

Any modification of the Covered Bonds of a Series, which the Security Trustee deems to be materially prejudicial to the interest of Covered Bondholders of other Series or any of the other Secured Creditors, may not become effective, unless the Covered Bondholders of such other Series of Covered Bonds have agreed thereto.

An Extraordinary Resolution passed at any meeting of the Covered Bondholders of a Series shall, subject as provided below, be binding on all the Covered Bondholders of such Series, whether or not they are present at the meeting, and on all Couponholders in respect of such Series. Pursuant to the Trust Deed, the Security Trustee may convene a single meeting of the Covered Bondholders of more than one Series if in the opinion of the Security Trustee there is no conflict between the holders of such Covered Bonds, in which event the provisions of this paragraph shall apply thereto *mutatis mutandis*.

Any such meeting of Covered Bondholders may be convened as a physical meeting or as a hybrid meeting, being a combination of a physical and a virtual meeting, pursuant to the provisions in the Trust Deed.

Notwithstanding the preceding paragraphs of this Condition 15 (*Meetings of Covered Bondholders, Modification and Waiver*), any resolution to direct the Security Trustee (i) to accelerate the Covered Bonds pursuant to Condition 10 (*Events of Default and Enforcement*); (ii) to take any enforcement action, or (iii) to remove or replace the Security Trustee's Director shall only be capable of being passed by a Programme Resolution. Any such meeting to consider a Programme Resolution may be convened by the Issuer, the CBC or the Security Trustee or by Covered Bondholders of any Series. The quorum at any such meeting for passing a Programme Resolution (including by means of an Extraordinary Resolution) is one or more persons holding or representing more than fifty (50) per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing Covered Bonds whatever the Principal Amount Outstanding of the Covered Bonds of any Series so held or represented. A Programme Resolution passed at any meeting of the Covered Bondholders of all Series shall be binding on all Covered Bondholders of all Series, whether or not they are present at the meeting, and on all related Couponholders in respect of such Series.

In connection with any meeting of the Covered Bondholders of more than one Series where such Covered Bonds are not denominated in euro, the aggregate Principal Amount Outstanding of the Covered Bonds of any Series not denominated in euro shall be converted into euro at the relevant Structured Swap Rate. In case a *pro rata* allocation of amounts to one or more Series is required, or for determining the maximum amount outstanding under the Programme, any Series not denominated in euro shall also be converted into euro at the relevant Structured Swap Rate.

The Security Trustee, the Issuer and the CBC may also agree, without the consent of the Covered Bondholders or Couponholders of any Series, to:

- (i) any modification of the Covered Bonds of one or more Series, the related Coupons or any Transaction Document and/or designate further creditors as Secured Creditors, provided that (i) in the opinion of the Security Trustee such modification or designation is not materially prejudicial to the interests of any of the Covered Bondholders of any Series or any of the other Secured Creditors (in which respect the Security Trustee may rely upon the consent in writing of any other Secured Creditor as to the absence

of material prejudice to the interests of such Secured Creditor), (ii) it has not been informed in writing by any Secured Creditor (other than any Covered Bondholder(s)) that such Secured Creditor will be materially prejudiced thereby (other than a Secured Creditor who has given its written consent as aforesaid) and (iii) it has notified the Rating Agency in respect of such modification;

- (ii) any modification of the Covered Bonds of any one or more Series, the related Coupons or any Transaction Document which is of a formal, minor or technical nature or is made to correct a manifest error or an error established as such to the satisfaction of the Security Trustee or to comply with mandatory provisions of law or in connection with a Benchmark Event in accordance with the procedures set forth in Condition 5(B)(ii)(c) (*Replacement Reference Rate Determination for Discontinued Reference Rate*) or in connection with an €STR Index Cessation Event in accordance with the procedures set forth in Condition 5(B)(ii)(d) (*Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR*);
- (iii) any modification of the Covered Bonds of one or more Series, the related Coupons, and or any Transaction Documents, required or necessary in connection with any change, after the relevant Issue Date, of mandatory provisions of law or any laws or regulation (including but not limited to the laws and regulations of the Netherlands and the European Union) applicable or relevant with respect to covered bonds (*gedekte obligaties*) to ensure that the Issuer, the CBC and/or Covered Bondholders enjoy the full benefits of such legislation, provided that in the sole opinion of the Security Trustee such modification is not materially prejudicial to interest of any of the Covered Bondholders or any of the other Secured Creditors;
- (iv) any modification of the Covered Bonds of one or more Series, the related Coupons, and or any Transaction Documents, required or necessary to comply with its EMIR obligations;
- (v) any modification to the Transaction Documents which are in the opinion of the Issuer and the Security Trustee necessary in order to transfer title (and if applicable obligations) in respect of Eligible Assets to the CBC and/or to create security in respect thereof in favour of the Security Trustee, provided that (i) in the opinion of the Security Trustee such modification is not materially prejudicial to the interests of any of the Covered Bondholders of any Series or any of the other Secured Creditors (in which respect the Security Trustee may rely upon the consent in writing of any other Secured Creditor as to the absence of material prejudice to the interests of such Secured Creditor), (ii) it has not been informed in writing by any Secured Creditor (other than any Covered Bondholder(s)) that such Secured Creditor will be materially prejudiced thereby (other than a Secured Creditor who has given its written consent as aforesaid) and (iii) the Security Trustee has received Rating Agency Confirmation in respect of such modification;
- (vi) any modification to the Eligibility Criteria which is in the opinion of the Security Trustee not materially prejudicial to the existing Covered Bondholders of any Series and after having notified the Rating Agencies;
- (vii) the replacement of the Rating Agency by another internationally recognised Rating Agency; or
- (viii) the accession of any New Transferor or any New Originator, provided that the conditions for such accession as set out in the Programme Agreement have been met.

The Security Trustee may also agree, without the consent of the Covered Bondholders of any Series, and/or Couponholders or any other Secured Creditor, to the waiver or authorisation of any breach or proposed breach of any of the provisions of the Covered Bonds of any Series or the Transaction Documents, or determine, without any such consent as aforesaid, that any Issuer Event of Default or CBC Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Security Trustee, materially prejudicial to the interests of any of the Secured Creditors (in which respect the Security Trustee may (without further enquiry) rely upon the consent in writing of any other Secured Creditor as to the absence of material prejudice to the interests of such Secured Creditor) provided that (i) the Security Trustee has not been informed by any Secured Creditor (other than any Covered Bondholder(s)) that such Secured Creditor will be materially prejudiced thereby (other than a Secured Creditor who has given its written consent as aforesaid) and (ii) the Security Trustee has received a Rating Agency Confirmation in respect of such waiver, authorisation or determination.

Any such modification, waiver, authorisation or determination shall be binding on all Covered Bondholders of all

Series for the time being outstanding, the related Couponholders and the other Secured Creditors, and unless the Security Trustee otherwise agrees, any such modification, waiver, authorisation or determination will be notified by the Issuer to the Covered Bondholders of all Series for the time being outstanding, the other Secured Creditors and the Rating Agencies in accordance with the relevant terms and conditions as soon as practicable thereafter (which may include uploading the amended Transaction Documents on the website of the Issuer).

The Security Trustee shall not waive, modify or amend, or consent to any waiver, modification or amendment of, any Condition of any Covered Bonds of any Series or any Transaction Documents which (a) would have the effect of altering the amount, timing or the priority of any payments due to or from a Swap Counterparty, or (b) otherwise materially affects the position of a Swap Counterparty under its Swap Agreement, unless such Swap Counterparty has agreed thereto.

In connection with the exercise by it of any of its powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Security Trustee shall have regard to the general interests of the Covered Bondholders of each Series as a class (but shall not have regard to any interests arising from circumstances particular to individual Covered Bondholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Covered Bondholders, the related Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Security Trustee shall not be entitled to require, nor shall any Covered Bondholder or Couponholder be entitled to claim, from the Issuer, the CBC, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Covered Bondholders or Couponholders, except to the extent already provided for in Condition 8 (*Taxation*) and/or in any undertaking or covenant given in addition to, or in substitution for, Condition 8 (*Taxation*) pursuant to the Trust Deed.

The Security Trustee shall, as regards all the powers, authorities, duties and discretions vested in it by the Covered Bonds or the other Transaction Documents or, except where expressly provided otherwise, have regard to the interests of both the Covered Bondholders and the other Secured Creditors, but if, in the Security Trustee's sole opinion, there is a conflict between their interests, it will have regard solely to the interests of each Secured Creditor, including, but not limited to, the Covered Bondholders, in accordance with the relevant Priority of Payments.

The Issuer may, without the consent of the Covered Bondholders of any Series or any Coupons relating thereto, or any other Secured Creditor consolidate with, merge or amalgamate into or transfer their respective assets substantially as an entirety to, any corporation organised under Dutch law, or any political subdivision thereof, provided that (i) a certificate of two authorised signatories of the Issuer and the CBC is delivered to the Security Trustee to the effect that immediately after giving effect to such transaction no Issuer Event of Default and no CBC Event of Default, respectively, will have happened and be continuing and (ii) unless the Issuer is the surviving entity, the Issuer shall procure that the surviving or transferee company assumes its obligations as Issuer under the Trust Deed, each other Transaction Document and all of the outstanding Covered Bonds of all Series, in place of the Issuer and (iii) in the case of an assumption of the obligations of the Issuer by a successor or transferee company, the Guarantee of the CBC is fully effective on the same basis in relation to the obligations of such successor or transferee company and (iv) certain other conditions set out in the Trust Deed are met. Upon the assumption of the obligations of the Issuer by such surviving or transferee company, the predecessor Issuer shall (subject to the provisions of the Trust Deed) have no further liabilities under or in respect of the Trust Deed or the outstanding Covered Bonds of each Series then outstanding or any Coupons appertaining thereto and the other Transaction Documents. Any such assumption shall be subject to the relevant provisions of the Trust Deed. The Trust Deed provides that any such assumption shall be notified to the holders of all Series in accordance with the relevant terms and conditions of such Covered Bonds and the other Secured Creditors.

For the purpose of these Terms and Conditions:

**"Extraordinary Resolution"** means a resolution adopted at a meeting duly convened and held in accordance with the provisions for meetings or a written resolution of Covered Bondholders as set out in the Trust Deed, by not less than two-thirds of the votes cast.

**"Programme Resolution"** means either:

- (a) a written resolution of the holders of not less than fifty (50) per cent. of the euro equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding as if they were a single Series; or
- (b) an Extraordinary Resolution (with the Covered Bonds of all Series taken together as a single Series).

## 16. SECURITY TRUSTEE

The Trust Deed contains provisions for the indemnification of the Security Trustee and for the Security Trustee's relief from responsibility, including provisions relieving it from taking any action unless indemnified and/or secured to its satisfaction.

The Security Trustee will not be responsible for any loss, expense or liability, which may be suffered as a result of any Transferred Assets, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Security Trustee. The Security Trustee will not be responsible for (i) supervising the performance by the Issuer or any other party to the Transaction Documents of their respective obligations under the Transaction Documents and will be entitled to assume, until it has written notice to the contrary, that all such persons are properly performing their duties; (ii) considering the basis on which approvals or consents are granted by the Issuer or any other party to the Transaction Documents under the Transaction Documents; (iii) monitoring the Transferred Assets, including, without limitation, whether the Transferred Assets are in compliance with the Asset Cover Test or the Amortisation Test; or (iv) monitoring whether Mortgage Receivables (and any other Transferred Assets) satisfy the applicable Eligibility Criteria or such other criteria as may be agreed with the CBC and subject to Rating Agency Confirmation in relation to other Transferred Assets. The Security Trustee will not be liable to any Covered Bondholder or other Secured Creditor for any failure to make or to cause to be made on their behalf the searches, investigations and enquiries which would normally be made by a prudent chargee in relation to the security rights and have no responsibility in relation to the legality, validity, sufficiency and enforceability of the security rights it holds and the Transaction Documents.

## 17. SUBSTITUTION OF THE ISSUER

- (a) The Issuer may, without the consent of the Covered Bondholders or Couponholders in respect of each Series of Covered Bonds on which no payment of principal of or interest on any of the Covered Bonds is in default and after written approval of DNB, be replaced and substituted by any Substituted Debtor as principal debtor in respect of the Covered Bonds and the relative Coupons provided that:
  - (i) such documents shall be executed by the Substituted Debtor and the Issuer as may be necessary to give full effect to the substitution (for the purposes of this Condition the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Covered Bondholder and Couponholder to be bound by the Terms and Conditions of the Covered Bonds and the provisions of the Transaction Documents as fully as if the Substituted Debtor had been named in the Covered Bonds, and the relative Coupons and the Transaction Documents as the principal debtor in respect of the Covered Bonds and the relative Coupons in place of the Issuer and pursuant to which the Issuer shall guarantee, which guarantee shall be unconditional and irrevocable, (for the purposes of this Condition the "**Substituted Debtors Guarantee**") in favour of each Covered Bondholder and each holder of the relative Coupons the payment of all sums (including any additional amounts payable pursuant to Condition 8 (*Taxation*)) payable in respect of the Covered Bonds and the relative Coupons;
  - (ii) where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Netherlands, the Documents shall contain a covenant and/or such other provisions as may be necessary to ensure that each Covered Bondholder has the benefit of a covenant in terms corresponding to the provisions of Condition 8 (*Taxation*) with the substitution for the references to the Netherlands of references to the territory in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Debtor and the Issuer to indemnify and hold harmless each Covered Bondholder and Couponholder against all liabilities, costs, charges and expenses, which may be incurred by or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, such

liabilities, costs, charges and expenses shall include any and all taxes or duties which are imposed on any such Covered Bondholder or Couponholder by any political sub-division or taxing authority of any country in which such Covered Bondholder or Couponholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);

- (iii) the Documents shall contain a warranty and representation by the Substituted Debtor and the Issuer (a) that each of the Substituted Debtor and the Issuer has obtained all necessary governmental and regulatory approvals and consents for such substitution (including as required under the CB Regulations) and the performance of its obligations under the Documents, and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by each of the Substituted Debtor and the Issuer under the Documents are all valid and binding in accordance with their respective terms and enforceable by each Covered Bondholder;
  - (iv) each stock exchange which has Covered Bonds listed thereon shall have confirmed that following the proposed substitution of the Substituted Debtor such Covered Bonds would continue to be listed on such stock exchange;
  - (v) the Substituted Debtor shall have delivered to the Security Trustee or procured the delivery to the Security Trustee of a legal opinion from a leading law firm in the jurisdiction in which the Substituted Debtor is situated to the effect that the Documents and the Substituted Debtor's obligations under the Covered Bonds and Coupons will constitute legal, valid and binding obligations of the Substituted Debtor, such opinion to be dated not more than three (3) days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Covered Bondholders and Couponholders at the specified office of the Principal Paying Agent; and
  - (vi) the Issuer shall have delivered to the Security Trustee or procured the delivery to the Security Trustee of a legal opinion from a leading law firm in the Netherlands to the effect that the Documents (including the Substituted Debtors Guarantee) will constitute legal, valid and binding obligations of the Substituted Debtor and the Issuer, as the case may be, such opinion to be dated not more than three (3) days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Covered Bondholders and Couponholders at the specified office of the Principal Paying Agent.
- (b) In connection with any substitution effected pursuant to this Condition, neither the Issuer nor the Substituted Debtor need have any regard to the consequences of any such substitution for individual Covered Bondholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no Covered Bondholder or Couponholder, except as provided in Condition 17(a)(ii), shall be entitled to claim from the Issuer or any Substituted Debtor under the Covered Bonds and the relative Coupons any indemnification or payment in respect of any tax or other consequences arising from such substitution.
- (c) Upon the execution of the Documents as referred to in paragraph (a) above, the Substituted Debtor shall be deemed to be named in the Covered Bonds and the relative Coupons as the principal debtor in place of the Issuer and the Covered Bonds and the relative Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the Covered Bonds and the relative Coupons save that prior to such release the Issuer shall be liable for any claims under the Covered Bonds and the relative Coupons for the benefit of Covered Bondholders and Couponholders.
- (d) The Documents shall be deposited with and held by the Principal Paying Agent for so long as any Covered Bonds or Coupons remain outstanding and for so long as any claim made against the Substituted Debtor by any Covered Bondholder or Couponholder in relation to the Covered Bonds or the relative Coupons or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and the Issuer shall acknowledge in the Documents the right of every Covered Bondholder and Couponholder to the production of the Documents for the enforcement of any of the Covered Bonds or the relative Coupons or the Documents.
- (e) As soon as reasonably practicable and not later than fifteen (15) Business Days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Covered Bondholders in accordance with Condition 14 (*Notices*).

## 18. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Covered Bondholders or the Couponholders to create and issue further bonds having terms and conditions the same as the Covered Bonds of any Series or the same in all respects save for the amount and date of the first payment of interest thereon, issue date and/or purchase price and so that the same shall be consolidated and form a single Series with the outstanding Covered Bonds of such Series.

## 19. GOVERNING LAW AND SUBMISSION TO JURISDICTION

The Covered Bonds and the Transaction Documents (except for the Swap Agreements) are governed by, and shall be construed in accordance with, Dutch law.

Any disputes arising out of or in connection with the Covered Bonds, including any disputes relating to any non-contractual obligations arising out of or in connection with the Covered Bonds shall be submitted to the exclusive jurisdiction of the competent courts of Amsterdam, the Netherlands.

## 20. TERMS AND CONDITIONS OF REGISTERED COVERED BONDS

- 20.1 If the applicable Final Terms specify that Registered Covered Bonds are issued, then the following terms and conditions shall apply in addition to the terms and conditions set out in Conditions 1 to and including 19 above. In the event of any inconsistency between Conditions 1 to and including 19 and this Condition 20 (*Terms and Conditions of Registered Covered Bonds*), this Condition 20 (*Terms and Conditions of Registered Covered Bonds*) will prevail with regard to Registered Covered Bonds.
- 20.2 Registered Covered Bonds are registered claims (*vorderingen op naam*) which will be issued to each holder by a Registered Covered Bonds Deed. The holder of a Registered Covered Bond is the creditor of the relevant registered claim and "**Covered Bondholder**" shall be construed accordingly, provided that if the provision at the end of Condition 20.3 applies, the transferee shall, from the moment the transfer takes effect be treated as a Covered Bondholder for all purposes, without prejudice to any entitlement of the transferor pursuant to Condition 20.5.
- 20.3 Under Dutch law, the valid transfer of Covered Bonds requires, amongst other things, delivery (*levering*) thereof, which in the case of Registered Covered Bonds is effected by assignment (*cessie*) of both the rights under the Registered Covered Bonds and the corresponding rights under the Guarantee by execution of a deed of assignment (*akte*) between the transferor and the transferee and notification (*mededeling*) thereof to the Issuer, the CBC and the Registrar. A form of deed of assignment and notification is attached to each Registered Covered Bonds Deed. Registered Covered Bonds may be transferred in whole, but not in part, provided that the transferor and transferee may otherwise agree in the relevant assignment deed in respect of amounts that have accrued but not yet been paid in respect of the period up to the relevant transfer.
- 20.4 The Issuer shall procure that a register be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). The Registrar shall register details of any holder of Registered Covered Bonds in the Register and amend the Register to reflect any transfer and/or redemption of Registered Covered Bonds.
- 20.5 Payments of principal, interest (if any) and any other amounts in respect of Registered Covered Bonds will be made to the person shown on the Register as being entitled to the relevant amount of principal or interest or other amount at the close of business of the Business Day prior to the due date of such payments (the "**Record Date**"). If any Registered Covered Bondholder transfers any Registered Covered Bonds in accordance with Condition 20.3 and the Trust Deed and such transfer is notified to the Issuer, the CBC, the Registrar and the Principal Paying Agent three (3) Business Days prior to the Record Date, the Issuer, the CBC and the Security Trustee will in respect of the Registered Covered Bond so transferred, be discharged from their respective payment obligations only by payment to or to the order of the transferee. If the notification of transfer of the relevant Registered Covered Bond is made after the Record Date, (i) the risk that the transfer is not timely recorded in the Register is borne by the transferee and (ii) the Issuer, the CBC, the Security Trustee, the Registrar and the relevant Paying Agent shall not be liable as a result of any payment being made to the person shown in the Register in accordance with this Condition.

- 20.6 Notices to holders of Registered Covered Bonds shall be mailed, e-mailed or faxed to them at their respective addresses as recorded in the Register and shall be deemed to have been given on the fourth Business Day (being a day other than a Saturday or a Sunday) following the date of mailing, e-mailing or faxing in case the actual receipt of the mail, e-mail or fax has not occurred by then.

## **USE OF PROCEEDS**

The net proceeds from each issue of Covered Bonds will be used by the Issuer for (i) its general corporate purposes, which include making a profit and/or hedging certain risks or (ii) such other purposes as further specified in the Final Terms. If in respect of any particular issue there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## COVERED BOND REGULATIONS

### *Description of the Dutch Covered Bond Regulations*

The new Dutch covered bonds legislation effective as of 8 July 2022 is based on and implements the Covered Bond Directive in the Netherlands and replaces the former Dutch covered bonds regulations which were applicable as of 1 January 2015. The new Dutch covered bonds legislation which implements the Covered Bond Directive is set out in the CB Regulations. The impact of the differences between the CB Regulations and the former Dutch covered bonds legislation is considered to be relatively limited for Dutch banks issuing covered bonds and their related covered bond programmes.

The CB Regulations apply to covered bonds which are issued by a licensed bank in the Netherlands and are secured by cover assets within the meaning of the CB Regulations. Dutch banks cannot issue covered bonds without the approval of DNB. DNB has published on its website a list including all Dutch banks which may issue covered bonds under their covered bond programme(s) and a list including all covered bonds with the 'European Covered Bond (Premium)' label. The issuance of a covered bond and the legal transfer of cover assets, like any other issuance of debt instruments and legal transfer of assets, are further subject to the provisions of the Dutch Civil Code and the Dutch Bankruptcy Code (*Faillissementswet*).

The CB Regulations include various requirements relating to issuers, dual recourse, asset segregation, owners of the asset pool, pool monitoring, eligible assets and the contractual arrangements made in respect of such assets. The CB Regulations also require sufficient cover assets to be available for holders of covered bonds and prescribe that the payment obligations under the covered bonds are not subject to automatic acceleration upon the insolvency of the issuer.

Certain aspects of the CB Regulations are further summarised below.

### *Asset segregation*

The CB Regulations require an issuer of covered bonds to ensure that cover assets forming part of the relevant covered bonds programme are segregated from the issuer whereby principal and interest proceeds deriving from such cover assets will be available in priority to holders of covered bonds and other creditors under the relevant covered bonds programme (Article 40e of the Decree). Under the Programme, the Issuer has and will from time to time transfer Eligible Assets to the CBC enabling the CBC to issue the Guarantee in respect of the Covered Bonds issued by the Issuer under the Programme. The CBC will make payments to the Covered Bondholders and its other creditors in accordance with the CBC Priority of Payments as described in more detail in section 18 (*Cash Flows*).

### *Eligible assets*

Under the CB Regulations covered bonds may only be secured by assets that are eligible pursuant to Article 129 CRR to secure covered bonds. Other assets that on the basis of the Covered Bond Directive may be eligible to secure covered bonds, are currently not allowed under the CB Regulations.

Article 40f of the Decree requires that at least 80 per cent. of the cover pool shall include one of the cover assets set out in Article 129(1)(a)-(g) CRR as primary assets. Up to 20 per cent. of the cover pool may include one or more of the other cover assets set out in Article 129(1)(a)-(g) CRR. The value of the cover assets is calculated at nominal value, taking into account the restrictions set out in Article 129(1)-(3) CRR. The Eligibility Criteria require that the Issuer only includes loans secured by residential property as primary assets and the definition of Substitution Assets complies with the CB Regulations.

Article 40h of the Decree requires that, if an issuer uses tangible assets to collateralise eligible cover assets as set out in Article 129(1)(d)-(g) CRR, it shall ensure compliance with Article 208 CRR and that these tangible assets are valued at or below market or mortgage value as set out in Article 4(1)(76) or (74) CRR and the valuation thereof has been done by a valuation agent which complies with Article 6(5)(b) and (c) of the Covered Bond Directive (whereby some further context on these requirements has been set out in the explanatory notes accompanying the CB Regulations).

### *Coverage requirements*

Article 40g of the Decree requires that the nominal value of the claims for payment attached to the cover assets transferred to the CBC is at least equal to the nominal value of the liabilities under the covered bonds, which liabilities include at least the interest and principal payment obligations under outstanding covered bonds, any payment obligations attached to derivative contracts and the expected costs related to maintenance and administration for the winding-down of the covered bond programme. A lump sum calculation is allowed for the calculation of the expected costs for an amount equal to the higher of (a) 4 basis points of the aggregate nominal value of the outstanding covered bonds and

(b) EUR 400,000.

In addition, the nominal value of the eligible cover assets must be at least equal to the nominal value of the outstanding covered bonds with a minimum level of overcollateralisation of 5 per cent. This means that the nominal value of the eligible cover assets must be 105 per cent. of the aggregate nominal value of the outstanding covered bonds under the relevant covered bond programme. The cover assets that contribute to the 5 per cent. overcollateralisation are subject to the restrictions set out in Article 129(1)-(3) CRR like other eligible cover assets (provided that with respect to the cover assets contributing to the 5 per cent. overcollateralisation the limitations on the size of the exposures as set out in Article 129(1a) of the CRR do not apply, see Article 40g subsection 6 of the Decree).

As part of the Programme, the Issuer undertakes that as part of the Asset Cover Test it will meet the requirements pursuant to the CB Regulations in respect of the collateralisation (and overcollateralisation) of the Covered Bonds, including, that (i) the First Regulatory Current Balance Amount is at least equal to 105 per cent. (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 immediately preceding calendar month, as applicable, all as calculated on the immediately succeeding Calculation Date and (ii) the Second Regulatory Current Balance Amount is at least equal to 100 per cent. (or such other percentage as may be required from time to time under the CB Regulations) of the nominal value of the obligations under the Covered Bonds, which include repayment of principal, payment of interest, payment obligations under derivative contracts and expected costs related to maintenance and administration for the winding-down of the Programme, at the end of such calendar month or immediately preceding calendar month, as applicable, all as calculated on the immediately succeeding Calculation Date (see section 16 (*Asset Monitoring*)).

#### *Liquidity buffer*

Article 40k of the Decree requires the issuer of covered bonds to ensure that the cover pool at all times includes a liquidity buffer to cover the net liquidity outflow of the relevant covered bond programme. The liquidity buffer shall cover a maximum cumulative net liquidity outflow over the next 180 day-period and shall take into account all payment outflows falling due on a day, including principal and interest payments and payments under derivative contracts of the covered bond programme (if any), net of all payment inflows falling due on the same day for claims related to the cover assets.

In case the maturity of covered bonds can be extended under the covered bond programme (see below), for the calculation of the net liquidity outflow it shall be assumed that the principal amount of the covered bonds is to be repaid on the extended maturity date.

The Issuer will comply with this requirement by ensuring that the Mandatory Liquidity Required Amount will be deposited on the Reserve Account.

Uncollateralised claims where a default is considered to have occurred pursuant to Article 178 of the CRR are not included in the legislative coverage tests and cannot contribute to the liquidity buffer. Mortgage receivables are not uncollateralised claims as long as these are secured by mortgage rights on assets and defaulted claims under mortgage receivables will therefore normally be collateralised and continue to contribute to the coverage tests as included in Article 40g of the Decree regardless of such default.

#### *Derivative contracts*

The CB Regulations allow for derivative contracts to form part of a covered bond programme to the extent it contributes to manage the risk for covered bondholders, is properly documented, cannot be terminated when the issuer becomes insolvent or, subject to resolution measures, is entered into with a financial counterparty that is subject to supervision, and is subject to collateralisation or counterparty replacement requirements upon loss of certain ratings of the counterparty (Article 40j of the Decree).

#### *Cover pool monitor*

Article 40n of the Decree requires an issuer of covered bonds to appoint either:

- a cover pool monitor which shall be separate and independent from the issuer and from that issuer's external auditor; or
- an internal cover pool monitor, which may include the issuer's external auditor, which is independent from the credit approval processes of the issuer, cannot be removed without the prior approval of the supervisory board of the issuer and such internal cover pool monitor has direct access to such supervisory board.

Pursuant to Article 40n, the cover pool monitor shall at least on an annual basis monitor whether the covered bond

programme and/or the issuer complies with the CB Regulations. If an internal cover pool monitor is appointed (which may be the external auditor of the issuer or an internal department of the issuer), then the issuer's external auditor, or another external auditor appointed by the issuer, shall at least monitor the coverage ratio and the liquidity buffer requirements as set out in Articles 40g and 40k of the Decree. Pursuant to subsection 5 of Article 40n of the Decree, the issuer of covered bonds shall report annually to DNB on the results of the audit with regard to Articles 40g and 40k of the Decree.

In the explanatory notes accompanying the CB Regulations it is clarified that the option to appoint an internal cover pool monitor is also intended to allow for the continuation of the existing contractual and practical arrangements which have been set up by the Dutch covered bond issuers in this respect prior to the CB Regulations entering into force.

#### *Extendable maturity structures*

Pursuant to Article 40m of the Decree, an issuer of covered bonds may issue covered bonds with an extendable maturity date in case such extension is included in the contractual arrangements of the covered bond programme prior to the first issue of covered bonds thereunder and provided such extension may not be at the discretion of the issuer of covered bonds and may only occur in one or more of the following events under (a) and one or more of the events under (b):

- (a) the issuer defaults in its obligations, including its payment obligations, or is subject to a bankruptcy, liquidation, a dissolution, a restructuring of its debts, any composition with its creditors or any special resolution measures; and
- (b) the covered bond company which owns the cover assets does not have sufficient funds to repay the principal sum outstanding under the covered bonds on their maturity date or the covered bond company does not meet the legal or any other contractual requirements in relation to safeguarding of the coverage.

The CB Regulations provide that in case of an insolvency or resolution of the issuer, the maturity extensions must not affect the ranking of covered bondholders or their dual recourse rights or invert the sequencing of the covered bond programme's original maturity schedule.

In the explanatory notes accompanying the CB Regulations it is clarified that if the issuer of covered bonds extends the maturity of a covered bond, DNB has no supervisory role in this regard. However, DNB must be informed in a timely manner if the issuer of covered bonds intends to extend the maturity of a covered bond.

#### *Investor information*

Article 14 of the Covered Bond Directive (as implemented in article 3:33ba subsection 1 of the Wft) requires issuers of covered bonds to provide investors at least on a quarterly basis with information that is sufficiently detailed to allow investors to assess the profile and risks of that covered bond programme and to carry out their due diligence. The Issuer shall make this information available on <https://www.achmeabank.nl/en/investors/funding/soft-bullet-covered-bond> (see also section 20 (*General Information*) under '*Post-issuance information*').

Also, Article 40p of the Decree provides for ongoing reporting obligations towards DNB.

#### *Implementation of member state options in the Netherlands*

The below table lists whether and how member state options included in the Covered Bond Directive have been implemented in the Netherlands by means of the CB Regulations:

<b>Covered Bond Directive</b>	<b>CB Regulations</b>
Article 4(3) ( <i>Different ranking of claims for specialised mortgage credit institutions</i> ) →	Not implemented
Article 7 ( <i>Collateral assets outside the European Union</i> ) →	Physical cover assets must be located within the European Union or EEA
Article 8 ( <i>Intragroup pooled covered bond structures</i> ) →	Not implemented
Article 9(3) ( <i>Assets that are originated by an</i> ) →	Not implemented

*undertaking other than a bank)*

Article 13 ( <i>Cover pool monitor</i> )	→	Cover pool monitor must be appointed
Article 15 ( <i>Coverage requirements</i> )	→	Valuation and calculation principles based on nominal values
Article 15 ( <i>Overcollateralisation requirement</i> )	→	Yes, 5 per cent.
Article 15(6)-(7) ( <i>Coverage requirements calculations based on other principles than the nominal principle</i> )	→	Not implemented
Article 16(3) ( <i>Further restrictions for the types of liquid assets</i> )	→	No restriction;  Calculation of the principal for extendable maturity structures to be based on the extended due for payment date
Article 16(6) ( <i>Exemption for match funding requirements</i> )	→	Not implemented
Article 17 ( <i>Conditions for extendable maturity structures</i> )	→	Issue of covered bonds with extendable maturity date permitted subject to conditions
Article 20(2)-(3) ( <i>Appointment of a special administrator</i> )	→	Not implemented, no appointment of special administrator

*Compliance with the CB Regulations and the 'European Covered Bond (Premium)' label*

As of the date of this Base Prospectus, the Programme complies with the CB Regulations and as of 8 July 2022 the Issuer is required to comply with the rules of the CB Regulations with respect to Covered Bonds issued after such date. As the Issuer has elected to amend the Programme to comply with the CB Regulations as a whole from the date of this Base Prospectus, the CB Regulations also apply with respect to Covered Bonds issued before 8 July 2022. As a result, the Issuer is also required to comply with the rules of the CB Regulations as of the date of this Base Prospectus with respect to Covered Bonds issued prior thereto and transitional measures based on Article III of the Decree and Article 30 of the Covered Bond Directive apply as of the date of this Base Prospectus. Therefore, as of the date of this Base Prospectus, all Covered Bonds issued prior to and after this date must comply with the CB Regulations and shall therefore have the 'European Covered Bond (Premium)' label. With respect to Covered Bonds, the Covered Bondholder can, subject to satisfaction of the other requirements for such benefits, enjoy the benefits of the CRR.

In the Trust Deed the Issuer has undertaken to use its best efforts to procure that the Covered Bonds that have obtained the Regulated Status, will keep the Regulated Status until their Maturity Date or any earlier date on which such Covered Bonds have been redeemed in full.

The "best efforts" undertakings set out in this section will no longer apply if, as a result of a change of law or regulations, Dutch residential mortgage receivables are insufficient for collateralisation of the Covered Bonds to keep the Regulated Status or are no longer eligible to collateralise covered bonds under the CRR.

## TAXATION IN THE NETHERLANDS

### TAX WARNING

Potential investors and sellers of Covered Bonds should be aware that they may be required to pay documentation taxes (commonly referred to as stamp duties) or fiscal duties or charges in accordance with the laws and practices of the country or other jurisdiction where the Covered Bonds are transferred or other jurisdictions. In addition, payments of interest on the Covered Bonds, or income derived from the Covered Bonds, may become subject to taxation, including withholding taxes, in the jurisdiction of the Issuer, in the jurisdiction of the holder of Covered Bonds, or in other jurisdictions in which the holder of Covered Bonds is required to pay taxes. Any such tax consequences may have an impact on the net income received from the Covered Bonds.

**Prospective investors should carefully consider the tax consequences of investing in the Covered Bonds and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.**

### MATERIAL DUTCH TAX CONSIDERATIONS

#### *General*

The following summary describes certain material Dutch tax consequences of the acquisition, holding, redemption and disposal of Covered Bonds, which term, for the purpose of this summary, includes Coupons and Talons. This summary does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant to a Covered Bondholder or prospective Covered Bondholder and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, this general summary should be treated with corresponding caution.

This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date of this Base Prospectus, including, for the avoidance of doubt, the tax rates applicable on the date hereof, and all of which are subject to change, possibly with retroactive effect. Any such change may invalidate the contents of this section, which will not be updated to reflect such change. Where this summary refers to "the Netherlands" or "Dutch" it refers only to the part of the Kingdom of the Netherlands located in Europe.

This summary is for general information purposes only and is not Dutch tax advice or a complete description of all Dutch tax consequences relating to the acquisition, holding, redemption and disposal of the Covered Bonds. Covered Bondholders or prospective Covered Bondholders should consult their own tax advisers regarding the tax consequences relating to the acquisition, holding, redemption and disposal of the Covered Bonds in light of their particular circumstances.

#### **Withholding Tax**

All payments made by or on behalf of the Issuer under the Covered Bonds may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, except that Dutch withholding tax at a rate of 25.8 per cent. (rate for 2024) may apply with respect to payments of interest made or deemed to be made by or on behalf of the Issuer, if the interest payments are made or deemed to be made to an entity related (*gelieerd*) to the Issuer (within the meaning of the Dutch Withholding Tax Act 2021; *Wet bronbelasting 2021*) (see below), if such related entity:

- (i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*) (a "**Listed Jurisdiction**"); or
- (ii) has a permanent establishment located in a Listed Jurisdiction to which the interest payment is attributable; or
- (iii) is entitled to the interest payment with the main purpose or one of the main purposes of avoiding taxation for another person or entity and there is an artificial arrangement or transaction or a series of artificial arrangements or transactions; or

- (iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another entity as the recipient of the interest (a hybrid mismatch); or
- (v) is not resident in any jurisdiction (also a hybrid mismatch); or
- (vi) is a reverse hybrid (within the meaning of Article 2(12) of the Dutch Corporate Income Tax Act; *Wet op de vennootschapsbelasting 1969*), if and to the extent (x) there is a participant in the reverse hybrid holding a Qualifying Interest in the reverse hybrid, (y) the jurisdiction of residence of the participant holding the Qualifying Interest in the reverse hybrid treats the reverse hybrid as transparent for tax purposes and (z) such participant would have been subject to Dutch withholding tax in respect of the payments of interest without the interposition of the reverse hybrid, all within the meaning of the Dutch Withholding Tax Act 2021.

#### *Related entity*

For purposes of the Dutch Withholding Tax Act 2021, an entity is considered an entity related to the Issuer if:

- (i) such entity has a Qualifying Interest (as defined below) in the Issuer;
- (ii) the Issuer has a Qualifying Interest in such entity; or
- (iii) a third party has a Qualifying Interest in both the Issuer and such entity.

The term "**Qualifying Interest**" means a directly or indirectly held interest – either by an entity individually or jointly if an entity is part of a collaborating group (*samenwerkende groep*) – that enables such entity or such collaborating group to exercise a definite influence over another entity's decisions and allows it to determine the other entity's activities (within the meaning of case law of the European Court of Justice on the right of freedom of establishment (*vrijheid van vestiging*)).

#### **Taxes on income and capital gains**

Please note that the summary in this section does not describe the Dutch tax consequences for:

- (i) a holder of Covered Bonds if such holder has a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer under the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of an individual, together with such holder's partner (for Dutch income tax purposes), or any relatives by blood or marriage in the direct line (including foster children), directly or indirectly, holds (i) an interest of 5 per cent. or more of the total issued and outstanding capital of that company or of 5 per cent. or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5 per cent. or more of the company's annual profits or to 5 per cent. or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), tax exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (each as defined in the Dutch Corporate Income Tax Act 1969) and other entities that are, in whole or in part, not subject to or exempt from Dutch corporate income tax; and
- (iii) Covered Bondholders who are individuals for whom the Covered Bonds or any benefit derived from the Covered Bonds are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Dutch Income Tax Act 2001).

#### *Dutch Resident Entities*

Generally speaking, if the Covered Bondholder is an entity that is a resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes (a "**Dutch Resident Entity**"), any income derived or deemed to be derived from the Covered Bonds or any capital gains realised on the disposal or deemed disposal of the Covered Bonds is subject to Dutch corporate income tax at a rate of 19 (nineteen) per cent. with respect to taxable profits up to EUR 200,000 and 25.8 per cent. with respect to taxable profits in excess of that amount (rates and brackets for 2024).

### *Dutch Resident Individuals*

If a Covered Bondholder is an individual, resident or deemed to be resident of the Netherlands for Dutch personal income tax purposes (a "**Dutch Resident Individual**"), any income derived or deemed to be derived from the Covered Bonds or any capital gains realised on the disposal or deemed disposal of the Covered Bonds is subject to the Dutch personal income tax at progressive rates (with a maximum of 49.5 per cent. in 2024), if:

- (a) the Covered Bonds are attributable to an enterprise from which the Covered Bondholder derives a share of the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise without being a shareholder (as defined in the Dutch Income Tax Act 2001); or
- (b) the Covered Bondholder is considered to perform activities with respect to the Covered Bonds that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or otherwise derives benefits from the Covered Bonds that are taxable as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*).

### *Income from savings and investments*

If the abovementioned conditions (i) and (ii) do not apply to the Dutch Resident Individual, the Covered Bonds will be subject to an annual Dutch income tax under the regime for savings and investments (*inkomen uit sparen en beleggen*). Taxation only occurs insofar the Dutch Resident Individual's net investment assets for the year exceed a statutory threshold (*heffingvrij vermogen*). The net investment assets for the year are the fair market value of the investment assets less the fair market value of the liabilities on 1 January of the relevant calendar year (reference date; *peildatum*). Actual income or capital gains realized in respect of the Covered Bonds are as such not subject to Dutch income tax.

The Dutch Resident Individual's assets and liabilities taxed under this regime, including the Covered Bonds, are allocated over the following three categories: (a) bank savings (*banktegoeden*), (b) other investments (*overige bezittingen*), including the Covered Bonds, and (c) liabilities (*schulden*). The taxable benefit for the year (*voordeel uit sparen en beleggen*) is equal to the product of (x) the total deemed return divided by the sum of bank savings, other investments and liabilities and (y) the sum of bank savings, other investments and liabilities minus the statutory threshold, and is taxed at a flat rate of 36 per cent. (rate for 2024).

The deemed return applicable to other investments, including the Covered Bonds, is set at 6.04 per cent. for the calendar year 2024. Transactions in the three-month period before and after 1 January of the relevant calendar year implemented to arbitrate between the deemed return percentages applicable to bank savings, other investments and liabilities will for this purpose be ignored if the holder of Covered Bonds cannot sufficiently demonstrate that such transactions are implemented for other than tax reasons.

### *Non-residents of the Netherlands*

A Covered Bondholder that is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch (corporate) income tax in respect of any income derived from or deemed to be derived from the Covered Bonds or in respect of any capital gains realised on the disposal or deemed disposal of the Covered Bonds, provided that:

- (a) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Dutch Income Tax Act 2001 and the Dutch Corporate Income Tax Act 1969, as applicable) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Covered Bonds are attributable; and
- (b) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Covered Bonds that go beyond ordinary asset management and does not otherwise derive benefits from the Covered Bonds that are taxable as benefits from miscellaneous activities in the Netherlands.

### **Gift and inheritance taxes**

#### *Residents of the Netherlands*

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Covered Bonds by way of a gift by, or on the death of, a holder of such Covered Bonds who is resident or deemed resident of the Netherlands at the time of the gift or such holder's death.

#### *Non-residents of the Netherlands*

No gift or inheritance taxes will arise in the Netherlands with respect to the transfer of Covered Bonds by way of a gift by, or on the death of, a Covered Bondholder who is neither resident nor deemed to be resident of the Netherlands, unless:

- (a) in the case of a gift of a Covered Bond by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 calendar days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (b) in the case of a gift of a Covered Bond is made under a condition precedent, the holder of the Covered Bonds is resident or is deemed to be resident of the Netherlands at the time the condition is fulfilled; or
- (c) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Dutch gift and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten (10) years preceding the date of the gift or such person's death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve (12) months preceding the date of the gift. Applicable tax treaties may override deemed residency.

#### **Value added tax (VAT)**

No Dutch VAT will be payable by a holder of Covered Bonds on (i) any payment in consideration for the issue of the Covered Bonds or (ii) the payment of interest or principal by the Issuer under the Covered Bonds.

#### **Stamp duties**

No Dutch documentation taxes (commonly referred to as stamp duties) will be payable by a holder of Covered Bonds in respect of (i) the issue of the Covered Bonds or (ii) the payment of interest or principal by the Issuer under the Covered Bonds.

## SUBSCRIPTION AND SALE

The Dealers have, in a Programme Agreement, agreed with the Issuer and the CBC a basis upon which such Dealers or any of them may from time to time agree to purchase Covered Bonds. Any such agreement will extend to those matters stated in the Terms and Conditions and under Form of Covered Bonds. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Covered Bonds under the Programme.

### Prohibition of sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or
  - (ii) a customer within the meaning of IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

### United Kingdom

#### *Prohibition of sales to UK Retail Investors*

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the laws of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the laws of the United Kingdom by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the laws of the United Kingdom by virtue of the EUWA; and
- (b) the expression an offer includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

#### *Other UK selling restrictions*

Each Dealer has represented and agreed and each further Dealer appointed will be required to represent and agree that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which section 21(1) of the FSMA does not or, would not, if the Issuer was not an authorised person, apply to the Issuer or the CBC; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom.

## France

Each of the Dealers has represented and agreed that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Covered Bonds and the distribution in France of the Base Prospectus or any other offering material relating to the Covered Bonds.

## Republic of Italy

The offering of the Covered Bonds has not been registered with the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, the Dealers have represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, save as set out below, it has not offered or sold, and will not offer or sell, any Covered Bonds in the Republic of Italy in an offer to the public and that sales of the Covered Bonds in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver any Covered Bond or distribute copies of this Base Prospectus and any other document relating to the Covered Bonds in the Republic of Italy except:

- (1) to "qualified investors", as defined in the Prospectus Regulation and any application provision of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Italian CONSOB regulations; or
- (2) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any such offer, sale or delivery of the Covered Bonds or distribution of copies of this Base Prospectus or any other document relating to the Covered Bonds in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

### *Provisions relating to the secondary market in the Republic of Italy*

Investors should also note that, in any subsequent distribution of the Covered Bonds in the Republic of Italy, the Prospectus Regulation and Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, Article 100-bis of Decree No. 58 provides that where the Covered Bonds are placed solely with "qualified investors" and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Covered Bonds who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Covered Bonds were purchased, unless an exemption provided for under the Prospectus Regulation or Decree No. 58 applies.

## United States

The Covered Bonds and the Guarantee have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States. The Covered Bonds may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, 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. Accordingly, the Covered Bonds are being offered and sold only to non-U.S. persons outside the United States in reliance on Regulation S. Terms in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Covered Bonds that are in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to, or for the account or benefit of, a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the US IR Code and U.S. Treasury regulations promulgated thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed will be required to represent and agree, that it will offer, sell or deliver the Covered Bonds (i) as part of its distribution at any time and (ii) otherwise until forty (40) days after the later of the commencement of the offering and the closing date within the United States or to, or from the account or benefit of, U.S. persons only in accordance with Rule 903 of the Securities Act. Each Dealer has also represented and agreed that it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Covered Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Covered Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Covered Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### **Japan**

The Covered Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (as amended, Act No. 25 of 1948; the "FIEA") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Covered Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (as amended, Act No. 228 of 1949)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### **Belgium**

Other than in respect of Covered Bonds for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Covered Bonds may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article 1.1 of the Belgian Code of Economic Law, as amended from time to time (a Belgian Consumer) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Covered Bonds, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Covered Bonds, directly or indirectly, to any Belgian Consumer.

### **The Netherlands/All issues**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that as long as it does not have the benefit of a licence or exemption as an investment firm of the relevant type pursuant to the Wft, it shall not offer any Covered Bonds or distribute this Base Prospectus or any circulars, offer documents or information relating to the Issuer or the Covered Bonds in the Netherlands.

### **Zero Coupon Covered Bonds**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that Zero Coupon Covered Bonds (as defined below) in definitive form of the Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member firm of Euronext Amsterdam in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations, provided that no such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Covered Bond in global form, or (b) in respect of the initial issue of Zero Coupon Covered Bonds in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Covered Bonds in definitive form between individuals not acting in the conduct of a business or profession or (d) in respect of the transfer and acceptance of such Zero Coupon Covered Bonds within, from or into the Netherlands if all Zero Coupon Covered Bonds (either in definitive form or as rights representing an interest in a Zero Coupon Covered Bond in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter. As used herein "**Zero Coupon Covered Bonds**" are Bearer Covered Bonds that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

### **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that it has

complied with and will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any country or jurisdiction in or from which it purchases, offers or sells Covered Bonds or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Covered Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the CBC, the Security Trustee nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any Dealer shall represent, nor any further Dealer appointed will be required to represent, that Covered Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions set out in the applicable Final Terms.

## CREDIT RATINGS

It is a condition precedent for the first issue of Covered Bonds under the Programme that the Covered Bonds on issue be assigned the highest rating by one or more Rating Agencies (currently S&P). Each further issue of a Series of Covered Bonds will have ratings equal to the then current rating assigned to the outstanding Series of Covered Bonds.

### S&P Credit Rating Definitions

*The following text is an extract from S&P Global Rating as published by S&P on 9 June 2023*

#### Long-Term Issue Credit Ratings

Long-Term Issue Credit Ratings*	
Category	Definition
AAA	An obligation rated 'AAA' has the highest rating assigned by S&P Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitments on the obligation is very strong.
A	An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong.
BBB	An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.
BB, B, CCC, CC, and C	Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions.
BB	An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments on the obligation.
B	An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.
CCC	An obligation rated 'CCC' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to

have the capacity to meet its financial commitments on the obligation.

**CC** An obligation rated 'CC' is currently highly vulnerable to nonpayment. The 'CC' rating is used when a default has not yet occurred but S&P Global Ratings expects default to be a virtual certainty, regardless of the anticipated time to default.

**C** An obligation rated 'C' is currently highly vulnerable to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared with obligations that are rated higher.

**D** An obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within the next five business days in the absence of a stated grace period or within the earlier of the stated grace period or the next 30 calendar days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

**\*Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.**

### Short-Term Issue Credit Ratings

#### Short-Term Issue Credit Ratings

Category	Definition
A-1	A short-term obligation rated 'A-1' is rated in the highest category by S&P Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments on these obligations is extremely strong.
A-2	A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitments on the obligation is satisfactory.
A-3	A short-term obligation rated 'A-3' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken an obligor's capacity to meet its financial commitments on the obligation.
B	A short-term obligation rated 'B' is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitments.

C A short-term obligation rated 'C' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation.

D A short-term obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within any stated grace period. However, any stated grace period longer than five business days will be treated as five business days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

### Long-Term Issuer Credit Ratings

Long-Term Issuer Credit Ratings*	
Category	Definition
AAA	An obligor rated 'AAA' has extremely strong capacity to meet its financial commitments. 'AAA' is the highest issuer credit rating assigned by S&P Global Ratings.
AA	An obligor rated 'AA' has very strong capacity to meet its financial commitments. It differs from the highest-rated obligors only to a small degree.
A	An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.
BBB	An obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments.
BB, B, CCC, and CC	Obligors rated 'BB', 'B', 'CCC', and 'CC' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'CC' the highest. While such obligors will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions.
BB	An obligor rated 'BB' is less vulnerable in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments.
B	An obligor rated 'B' is more vulnerable than the obligors rated 'BB', but the obligor currently has the capacity to meet its financial commitments. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments.

CCC	An obligor rated 'CCC' is currently vulnerable and is dependent upon favorable business, financial, and economic conditions to meet its financial commitments.
CC	An obligor rated 'CC' is currently highly vulnerable. The 'CC' rating is used when a default has not yet occurred but S&P Global Ratings expects default to be a virtual certainty, regardless of the anticipated time to default.
SD and D	An obligor is rated 'SD' (selective default) or 'D' if S&P Global Ratings considers there to be a default on one or more of its financial obligations, whether long- or short-term, including rated and unrated obligations but excluding hybrid instruments classified as regulatory capital or in nonpayment according to terms. A 'D' rating is assigned when S&P Global Ratings believes that the default will be a general default and that the obligor will fail to pay all or substantially all of its obligations as they come due. An 'SD' rating is assigned when S&P Global Ratings believes that the obligor has selectively defaulted on a specific issue or class of obligations but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner. A rating on an obligor is lowered to 'D' or 'SD' if it is conducting a distressed debt restructuring.
<b>*Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.</b>	

### Short-Term Issuer Credit Ratings

Short-Term Issuer Credit Ratings	
Category	Definition
A-1	An obligor rated 'A-1' has strong capacity to meet its financial commitments. It is rated in the highest category by S&P Global Ratings. Within this category, certain obligors are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments is extremely strong.
A-2	An obligor rated 'A-2' has satisfactory capacity to meet its financial commitments. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the highest rating category.
A-3	An obligor rated 'A-3' has adequate capacity to meet its financial obligations. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments.
B	An obligor rated 'B' is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitments.
C	An obligor rated 'C' is currently vulnerable to nonpayment that would result in an 'SD' or 'D' issuer rating and is dependent upon favorable business, financial, and economic conditions to meet its financial

commitments.

SD and D

An obligor is rated 'SD' (selective default) or 'D' if S&P Global Ratings considers there to be a default on one or more of its financial obligations, whether long- or short-term, including rated and unrated obligations but excluding hybrid instruments classified as regulatory capital or in nonpayment according to terms. A 'D' rating is assigned when S&P Global Ratings believes that the default will be a general default and that the obligor will fail to pay all or substantially all of its obligations as they come due. An 'SD' rating is assigned when S&P Global Ratings believes that the obligor has selectively defaulted on a specific issue or class of obligations but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner. A rating on an obligor is lowered to 'D' or 'SD' if it is conducting a distressed debt restructuring.

## **CREDITWATCH, RATING OUTLOOKS, LOCAL CURRENCY AND FOREIGN CURRENCY RATINGS**

The following section explains CreditWatch and rating outlooks and how they are used. Additionally, this section explains local currency and foreign currency ratings.

### **A. CreditWatch**

CreditWatch highlights S&P's opinion regarding the potential direction of a short-term or long-term rating. It focuses on identifiable events and short-term trends that cause ratings to be placed under special surveillance by S&P Global Ratings' analytical staff. Ratings may be placed on CreditWatch under the following circumstances:

- When an event has occurred or, in S&P's view, a deviation from an expected trend has occurred or is expected and when additional information is necessary to evaluate the current rating. Events and short-term trends may include mergers, recapitalizations, voter referendums, regulatory actions, performance deterioration of securitized assets, or anticipated operating developments.
- When S&P believes there has been a material change in performance of an issue or issuer, but the magnitude of the rating impact has not been fully determined, and S&P believes that a rating change is likely in the short-term. For example, a group of transactions may be placed under such surveillance as the result of identified performance deterioration until S&P complete its analysis of the magnitude of the rating impact, normally within 90 days.
- A change in criteria has been adopted that necessitates a review of an entire sector or multiple transactions and S&P believes that a rating change is likely in the short-term.

A CreditWatch listing, however, does not mean a rating change is inevitable, and when appropriate, a range of potential alternative ratings will be shown. CreditWatch is not intended to include all ratings under review. A CreditWatch carries one of the following designations to indicate the potential direction of a rating:

- Positive: a rating may be raised.
- Negative: a rating may be lowered.
- Developing: a rating may be raised, lowered, or affirmed.

### **B. Rating Outlooks**

An S&P Global Ratings outlook assesses the potential direction of a long-term credit rating over the intermediate term, which is generally up to two years for investment grade and generally up to one year for speculative grade. In determining a rating outlook, consideration is given to any changes in economic and/or fundamental business conditions. An outlook can be one of the following:

- Positive: a rating may be raised.
- Negative: a rating may be lowered.
- Stable: a rating is not likely to change.
- Developing: a rating may be raised, lowered, or affirmed.

**ESG**

On 7 April 2022, S&P published environmental, social and governance ("**ESG**") credit indicators for covered bond programs. ESG credit indicators do not affect existing credit ratings. Rather, they reflect how influential ESG factors are to S&P's credit analysis.<sup>6</sup>

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<sup>6</sup> S&P Global Ratings: "ESG Credit Indicator Report Card: Covered Bonds".

## 8. ASSET BACKED GUARANTEE

### GUARANTEE

Pursuant to the Guarantee, if (i) an Issuer Acceleration Notice and a Notice to Pay are served or (ii) a CBC Acceleration Notice is served, the CBC will be obliged to pay Guaranteed Amounts when the same become Due for Payment. Following the service of an Issuer Acceleration Notice on the Issuer, the Security Trustee shall serve a Notice to Pay on the CBC.

All payments of Guaranteed Amounts by or on behalf of the CBC will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature, unless such withholding or deduction is required by law. In such event, the CBC will pay the Guaranteed Amounts net of such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted. The CBC will not be obliged to pay any additional amount to the Security Trustee or any Covered Bondholder in respect of the amount of such withholding or deduction.

Payments in respect of the Covered Bonds might be subject to FATCA Withholding. Any FATCA Withholding will be treated as paid for all purposes under the Covered Bonds, and no additional amounts will be paid on the Covered Bonds with respect to any FATCA Withholding.

An Extended Due for Payment Date will apply to each Series of Covered Bonds to be issued under the Programme.

In respect of each Series of Covered Bonds, if the CBC is obliged under the Guarantee to pay a Guaranteed Final Redemption Amount, then:

- (a) the obligation of the CBC to pay the Guaranteed Final Redemption Amount shall be deferred to, and shall under the Guarantee be due on, the Extended Due for Payment Date, unless on the Extension Date or any subsequent Interest Payment Date which applies pursuant to paragraph (b) below and which falls prior to the Extended Due for Payment Date, any moneys are available to the CBC to be paid (or reserved for payment of principal on any Series of Covered Bonds), after the CBC shall under the relevant Priority of Payments have paid or provided for (1) all higher ranking amounts and (2) all Guaranteed Final Redemption Amounts pertaining to any Series with an Extended Due for Payment Date falling prior to the Extended Due for Payment Date for this Series, in which case the CBC shall (a) give notice thereof to the relevant holders of the Covered Bonds (in accordance with Condition 14 (*Notices*)), the Rating Agency, the Security Trustee, the Principal Paying Agent and the Registrar (in the case of Registered Covered Bonds) as soon as reasonably practicable and in any event on the Extension Date (whereby such notice shall be deemed to have been given on the first Business Day following the date on which the notice was given by the CBC to the relevant clearing system) or at least two (2) Business Days prior to such Interest Payment Date, respectively, and (b) apply such remaining available moneys in payment, in whole or in part, of the Guaranteed Final Redemption Amount pertaining to a Series of Covered Bonds with an Extended Due for Payment Date falling in the same CBC Payment Period in which the Extended Due for Payment Date for this Series falls, if applicable *pro rata* by reference to the Principal Amount Outstanding of such Covered Bonds (and to such extent the Guaranteed Final Redemption Amount shall for the purpose of the relevant Priority of Payments and all other purposes be due) on such Extension Date and/or such Interest Payment Date, respectively; and
- (b) the CBC shall under the Guarantee owe interest over the unpaid portion of the Guaranteed Final Redemption Amount, which shall accrue and be payable on the basis set out in the applicable Final Terms or, if not set out therein, Condition 5 (*Interest*), provided that for this purpose all references in Condition 5 (*Interest*) to the Maturity Date are deemed to be references to the Extended Due for Payment Date, *mutatis mutandis*,

all without prejudice to the CBC's obligation to pay any other Guaranteed Amount (i.e. other than the Guaranteed Final Redemption Amount) when Due for Payment.

Failure by the CBC to pay Guaranteed Final Redemption Amounts or the balance thereof, as the case may be, on the Extended Due for Payment Date and/or pay the other Guaranteed Amounts on any Scheduled Payment Date or the Extended Due for Payment Date will (subject to any applicable grace period) be a CBC Event of Default.

Under Dutch law an independent guarantee like the Guarantee is normally regarded as an independent claim and not an accessory right (*afhankelijk recht*) and is unlikely to be an ancillary right (*nevenrecht*) that by operation of law follows the receivables it secures upon transfer thereof. The Issuer and the CBC have been advised that, in the case of Bearer Covered Bonds, such a transfer of the Guarantee can be accomplished by ensuring that the Guarantee forms an integral

part of the Covered Bonds. For this reason the Guarantee and the Covered Bonds will provide that the rights under the Guarantee (a) form an integral part of the Covered Bonds, (b) are of interest to a Covered Bondholder only if, to the extent that, and for so long as, it holds Covered Bonds and (c) can only be transferred together with all other rights under the relevant Covered Bond. The Issuer and the CBC have been advised that as a result, in case of a transfer of a Covered Bond to a transferee by way of book-entry transfer (*girale overboeking*) or physical transfer of a Bearer Covered Bond, such transfer includes the corresponding rights under the Guarantee. For Registered Covered Bonds, the rights under the Guarantee are to be separately assigned, together with the corresponding rights under the relevant Registered Covered Bonds.

## SECURITY

### Parallel Debt

In the Parallel Debt Agreement the CBC has irrevocably and unconditionally undertaken to pay to the Security Trustee (the "**Parallel Debt**") an amount equal to the aggregate amount due (*verschuldigd*) by it (i) to the Covered Bondholders under the Covered Bonds, (ii) as fees, costs or other remuneration to the Directors under the Management Agreements, (iii) as fees, costs and expenses to the Servicer under the Servicing Agreement, (iv) as fees, costs and expenses to the Administrator under the Administration Agreement, (v) as fees and expenses to the Paying Agents and the Registrar under the Agency Agreement, (vi) as fees and expenses to the Calculation Agent under the Calculation Agency Agreement, (vii) to the Swap Counterparties under the Swap Agreements (if any), (viii) as fees, costs and expenses to the Asset Monitor under the Asset Monitor Appointment Agreement, (ix) to the CBC Account Bank under the CBC Account Agreement, (x) to the CBC Back-Up Account Bank and the CBC Back-Up Account Agent under the CBC Back-Up Account Agreement, (xi) to the Transferor under the Transaction Documents, (xii) to the Insurance Savings Participant under the Insurance Savings Participation Agreement, (xiii) to the Bank Savings Participant under the Bank Savings Participation Agreement, (xiv) to any custodian appointed in accordance with the Transaction Documents and (xv) to the Back-Up Administrator under the Back-Up Administration Agreement, (xvi) as fees and costs to Achmea Hypotheken under the CBC Master Purchase Agreement and (xvii) to such other party designated by the Security Trustee to become a secured creditor. The Parallel Debt constitutes a separate and independent obligation of the CBC and constitutes the Security Trustee's own separate and independent claims (*eigen en zelfstandige vordering*) to receive payment of the Parallel Debt from the CBC. Upon receipt by the Security Trustee of any amount in payment of the Parallel Debt, the payment obligations of the CBC to the Secured Creditors shall be reduced by an amount equal to the amount so received.

### Security Documents - distribution of proceeds

The Parallel Debt is secured by the first ranking security rights created under the Security Documents.

To the extent that the Security Trustee irrevocably and unconditionally receives any amount in payment of the Parallel Debt, the Security Trustee shall distribute such amount amongst the Secured Creditors in accordance with the Post CBC Acceleration Notice Priority of Payments, save for amounts due to the Insurance Savings Participant and the Bank Savings Participant in connection with, in respect of each Savings Mortgage Receivable and Life Mortgage Receivable with a Savings Element, the Insurance Savings Participation and in respect of each Bank Savings Mortgage Receivable, the Bank Savings Participation. The amounts due to the Secured Creditors, other than the Insurance Savings Participant and the Bank Savings Participant, will, broadly, be equal to amounts recovered (*verhaald*) by the Security Trustee (i) on the Mortgage Receivables (other than the Savings Mortgage Receivables, the Life Mortgage Receivables with a Savings Element and the Bank Savings Mortgage Receivables) and other assets pledged to the Security Trustee under any Security Trustee Receivables Pledge Agreement, any Security Trustee Rights Pledge Agreement and any other Pledge Agreements and (ii) (A) on each of the Savings Mortgage Receivables or on each of the Life Mortgage Receivables with a Savings Element which are subject to an Insurance Savings Participation to the extent the amount recovered exceeds the Insurance Savings Participation in the relevant Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element, respectively, and (B) on each of the Bank Savings Mortgage Receivables which is subject to a Bank Savings Participation to the extent the amount recovered exceeds the Bank Savings Participation in the relevant Bank Savings Mortgage Receivables.

The amounts due to the Insurance Savings Participant will be equal to the Insurance Savings Participation in each of the Savings Mortgage Receivables or Life Mortgage Receivables with a Savings Element or, if the amount recovered is less than the Insurance Savings Participation in such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element, an amount equal to the amount actually recovered. The amounts due to the Bank Savings Participant will be equal to the Bank Savings Participation in each of the Bank Savings Mortgage Receivables or, if the amount recovered is less than the Bank Savings Participation in such Bank Savings Mortgage Receivable, an amount equal to the amount actually recovered.

### Security in favour of the Security Trustee in respect of the Mortgage Receivables

Pursuant to the Security Trustee Receivables Pledge Agreement the CBC has undertaken to grant a right of pledge in favour of the Security Trustee on the Mortgage Receivables and the Beneficiary Rights immediately following the transfer thereof to the CBC, which will secure the payment obligations of the CBC to the Security Trustee under the Parallel Debt Agreement and any other Transaction Documents. The pledge on the Mortgage Receivables will not be notified to the Borrowers and the Insurance Companies, respectively, except in the event that certain notification events occur relating to the CBC, including the occurrence of a CBC Event of Default, by the Security Trustee. Prior to notification of the pledge to the Borrowers or the Insurance Companies, the pledge will be an "undisclosed" right of pledge (*stil pandrecht*) within

the meaning of section 3:239 of the Dutch Civil Code.

**Security in favour of the Security Trustee over other Transferred Assets**

The CBC has also undertaken to vest a first ranking right of pledge or such other appropriate first ranking security interest in favour of the Security Trustee on any other Transferred Assets transferred to the CBC on the relevant Transfer Date.

**Security in favour of the Security Trustee over CBC Transaction Documents**

In addition, under the Security Trustee Rights Pledge Agreement a first ranking right of pledge was vested by the CBC in favour of the Security Trustee on the Programme Date over all rights of the CBC under or in connection with the CBC Transaction Documents and in respect of the CBC Transaction Accounts and the CBC Back-Up Account. This right of pledge has been notified to the relevant obligors and will, therefore, be a disclosed right of pledge (*openbaar pandrecht*).

In addition, a first ranking right of pledge was vested by the CBC in favour of the Security Trustee over all rights of the CBC under or in connection with the Achmea Hypotheken Collection Foundation Documents.

**Security in favour of the CBC and the Security Trustee over the Achmea Bank Collection Foundation Accounts and the Achmea Hypotheken Collection Foundation Accounts**

The Achmea Bank Collection Foundation has granted (i) a first ranking right of pledge on the balances standing to the credit of the Achmea Bank Collection Foundation Accounts in favour of the Security Trustee and the Previous Outstanding Transaction Security Trustees jointly and (ii) a second ranking right of pledge to the CBC and the Previous Outstanding Transaction SPVs jointly, in each case under the condition that future issuers (and any security trustees) in subsequent securitisation transactions or covered bonds transactions and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by the Transferor will also have the benefit of such first ranking right of pledge, or second ranking right of pledge, respectively.

The Achmea Hypotheken Collection Foundation has granted a first ranking right of pledge on the balances standing to the credit of the Achmea Hypotheken Collection Foundation Accounts in favour of the beneficiaries acceded to the Achmea Hypotheken Collection Foundation, including Achmea Bank and the CBC, jointly, and under the condition that new beneficiaries will also have the benefit of such first ranking right of pledge. Such rights of pledge have been notified to the Achmea Hypotheken Foundation Account Provider.

## THE CBC

The CBC was incorporated as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands on 17 February 2021 and it operates under the laws of the Netherlands. The statutory seat (*statutaire zetel*) of the CBC is in Amsterdam, the Netherlands. The registered office of the CBC is at Basisweg 10, 1043 AP Amsterdam, the Netherlands and its telephone number is +31 20 521 4777. The CBC is registered with the Commercial Register of the Chamber of Commerce under number 81926790. The legal entity identifier (LEI) of the CBC is 724500WFZ1T8YADAI271. The website of the CBC is <https://cm.intertrustgroup.com>. Any information contained on or accessible via any website, including <https://cm.intertrustgroup.com> does not form part of this Base Prospectus, unless that information is incorporated by reference into this Base Prospectus.

The CBC is a special purpose vehicle, which objects are, in the framework of a Covered Bond Programme of the Issuer, (a) to issue guarantees in favour of holders of covered bonds issued by the Issuer, (b) to acquire, purchase, conduct the management of, dispose of and to encumber assets including receivables under or in connection with loans granted by a third party or by third parties, and to exercise any rights connected to such assets, (c) to acquire monies to finance the acquisition of the assets including the receivables mentioned under b., by way of issuing notes or other securities or by way of entering into loan agreements, (d) to on-lend and invest any funds held by the CBC, (e) to hedge interest rate and other financial risks, amongst others by entering into derivatives agreements, such as swaps, (f) in connection with the foregoing: (i) to borrow funds; and (ii) to grant security rights or to release security rights to third parties, and (f) to do anything which, in the widest sense of the words, is connected with or may be conducive to the attainment of these objects.

The CBC has an authorised share capital of EUR 1.00 of which EUR 1.00 has been issued and is fully paid. All shares of the CBC are held by Stichting Holding Achmea SB Covered Bond Company.

Stichting Holding Achmea SB Covered Bond Company is a foundation (*stichting*) incorporated under the laws of the Netherlands on 15 February 2021. The objects of Stichting Holding Achmea SB Covered Bond Company are to incorporate, to acquire and to hold shares in the capital of the CBC, to conduct the management of and to administer shares in the CBC, to exercise any rights connected to shares in the CBC, to grant loans to the CBC and to alienate and to encumber shares in this company and furthermore, to perform any acts which are related or conducive to the above. The sole managing director of Stichting Holding is Intertrust Management B.V.

### Statement by managing director of the CBC

There has been no significant change in the financial performance and financial position of the CBC since 31 December 2022, the last day of the financial period for which financial information of the CBC has been published, to the date of this Base Prospectus and there has been no material adverse change in the prospects of the CBC since 31 December 2022, the last day of the financial period in respect for which audited financial statements of the CBC have been prepared.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the CBC is aware) during the twelve (12) months prior to the date of this Base Prospectus, which may have, or have had in the recent past, a significant effect on the CBC's financial position or profitability nor, so far as the CBC is aware, are any such proceedings pending or threatened against the CBC.

The CBC has the corporate power and capacity to issue the Guarantee, to acquire the Transferred Assets and to enter into and perform its obligations under the Transaction Documents (see further section 7 (*Covered Bonds*) under '*Terms and Conditions of the Covered Bonds*').

The sole managing director of the CBC is Intertrust Management B.V. The managing directors of Intertrust Management B.V. are E.M. van Ankeren and M.M. Vermeulen-Atikian. The managing director of the CBC has chosen domicile at the office address of Intertrust Management B.V., being Basisweg 10, 1043 AP Amsterdam, the Netherlands. Intertrust Management B.V. belongs to the same group of companies as Intertrust Administrative Services B.V. (the Back-Up Administrator). The principal activities of Intertrust Management B.V. outside the services for the CBC entail (a) to represent financial, economic and administrative interests domestically and abroad, (b) to act as trust office, (c) to participate in, to finance, to collaborate with, to conduct the management of companies and other enterprises, (d) to provide advice and other services, (e) to acquire, use and/or assign industrial and intellectual property rights, as well as real property, (f) to provide security for the debts of legal entities or of other companies with which the company is affiliated, or for the debts of third parties, (g) to invest funds and (h) to undertake all actions that are deemed to be necessary to the foregoing, or in furtherance thereof, all in the widest sense of the words.

Each of the managing directors of Stichting Holding and the CBC has entered into a management agreement with the entity of which it has been appointed managing director. In these management agreements each of the managing directors agrees and undertakes to, *inter alia*, (i) do all that an adequate managing director should do and refrain from what an adequate managing director should not do, and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents or the then current ratings assigned to the Covered Bonds outstanding. In addition, each of the managing directors agrees in the relevant management agreement that it will not enter into any agreement in relation to the CBC other than the Transaction Documents to which it is a party, without the prior written consent of the Security Trustee and subject to Rating Agency Confirmation.

There are no potential conflicts of interest between any duties to the CBC of its managing director and private interests or other duties of the managing director.

## 9. THE SECURITY TRUSTEE

The Security Trustee is a foundation (*stichting*) incorporated under the laws of the Netherlands on 17 February 2021. It has its registered office in Amsterdam, the Netherlands.

The objects of the Security Trustee are (a) to act as security trustee for the benefit of the creditors of the CBC, including the holders of covered bonds to be issued by the CBC and the beneficiaries of guarantees issued by the CBC for covered bonds issued by the Issuer, (b) to acquire, hold and administer security rights in its own name, and if necessary to enforce such security rights, for the benefit of the creditors of the CBC, including the holders of covered bonds issued by the CBC and holders of covered bonds issued by the Issuer in whose favour the CBC has issued guarantees, and to perform acts and legal acts, including the acceptance of a parallel debt obligation from the CBC, which is conducive to the acquiring and holding of the abovementioned security rights, (c) to borrow money, (d) to make donations and (e) to do anything which, in the widest sense of the words, is connected with and/or may be conducive to the attainment of the above. The Security Trustee does not have the intent to make profits.

The sole director of the Security Trustee is IQ EQ Structured Finance B.V., having its registered office at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands.

The Security Trustee has agreed to act as security trustee for the Covered Bondholders and to pay any amounts received from the Issuer or the CBC or amounts collected by the Security Trustee under the Security to the Covered Bondholders subject to and pursuant to the Parallel Debt Agreement and the Trust Deed.

In addition, the Security Trustee has agreed to act as security trustee *vis-à-vis* the other Secured Creditors and to pay to such Secured Creditors any amounts received from the Issuer or the CBC or amounts collected by the Security Trustee under the Security subject to and pursuant to the Parallel Debt Agreement and the Trust Deed.

The Security Trustee shall not be liable for any action taken or not taken by it or for any breach of its obligations under or in connection with the Trust Deed or any other Transaction Document to which it is a party, except in the event of its wilful misconduct (*opzet*) or gross negligence (*grove nalatigheid*), and it shall not be responsible for any act or negligence of persons or institutions selected by it in good faith and with due care.

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

As set out in the Trust Deed, the relevant Management Agreement and the Security Trustee's articles of incorporation, the Security Trustee shall not retire or be removed from its duties under the Trust Deed until all amounts payable by the Issuer or the CBC to the Secured Creditors have been paid in full.

However, the Covered Bondholders can resolve to dismiss the Director of the Security Trustee as the director of the Security Trustee by a Programme Resolution, pursuant to the Trust Deed. The Director of the Security Trustee shall only resign from its position as director of the Security Trustee as soon as a suitable person, trust or administration office, reasonably acceptable to the Issuer and the CBC, after having consulted the Secured Creditors, other than the Covered Bondholders, and subject to Rating Agency Confirmation, has been contracted to act as director of the Security Trustee.

## 10. GUARANTEE SUPPORT

### TRANSFERS

As consideration for the CBC issuing the Guarantee, and so as to enable the CBC to meet its obligations under the Guarantee, the Issuer agreed in the Guarantee Support Agreement that it will use its best efforts to transfer or procure the transfer of sufficient Eligible Assets, either directly or indirectly, to the CBC. The transfers are effectuated as follows:

- (a) in the case of Eligible Receivables, by way of undisclosed assignment (*stille cessie*). This takes place through due execution by the Transferor and the CBC of a deed of assignment in the form attached to the Guarantee Support Agreement and offering the same for registration to the Dutch tax authorities (*Belastingdienst*) or by way of a notarial deed incorporating such deed of assignment. Notification (*mededeling*) of Assignment I (if applicable) and Assignment II to the relevant Borrowers will only take place if an Assignment Notification Event occurs or, in respect of Achmea Hypotheken Mortgage Receivables, if both an Assignment Notification Event and an Achmea Hypotheken Assignment Notification Event occurs. Following receipt of notification of Assignment I (if applicable) and Assignment II by the relevant Borrowers, only payment to the CBC will be capable of discharging a Borrower's obligations under the relevant Mortgage Receivable; and/or
- (b) in the case of Eligible Collateral, by way of book-entry transfer (*girale overboeking*) and such further deed shall be executed as required and customary to effect the transfer of such Eligible Collateral.

On the first Transfer Date, the Transferor will transfer to the CBC the respective Eligible Assets. Thereafter:

- (i) the Issuer and the Transferor may at any time offer for transfer further Eligible Assets to the CBC;
- (ii) the Issuer will use its best efforts, upon request of the CBC, to offer to transfer or to procure the transfer of further Eligible Assets to the CBC. The CBC will only make such a request if it (or the Administrator on its behalf) determines that the Asset Cover Test has been breached (or would be breached when at that moment the Asset Cover Test would be performed) under the Asset Monitoring Agreement; and
- (iii) the CBC shall accept each such offer if the relevant conditions precedent set out in the Guarantee Support Agreement have been met, including in the case of the transfer of Mortgage Receivables receipt of a confirmation that the Mortgage Receivables Warranties are true and correct in all material respects and not misleading in any material respect as at the relevant Transfer Date.

The Transferor may transfer to the CBC Mortgage Receivables resulting from Mortgage Loans originated by it or any of the other Originators. In respect of the Achmea Hypotheken Mortgage Receivables, legal title to the Mortgage Receivables (i) firstly will be transferred by way of an undisclosed assignment (*stille cessie*) or has been transferred by way of an undisclosed assignment (*stille cessie*) by Achmea Hypotheken to the Transferor ("**Assignment I**") and (ii) subsequently will be transferred by way of an undisclosed assignment (*stille cessie*) by the Transferor to the CBC on any Transfer Date through a deed of assignment and registration thereof with the appropriate tax authorities ("**Assignment II**"). If the Mortgage Loans are originated by Achmea Bank there will only be one assignment to the CBC, and such assignment is also referred to as Assignment II.

If an Assignment Notification Event has occurred, unless the Security Trustee instructs it otherwise, the Transferor shall notify or ensure that the relevant Borrowers and, solely in relation to the Beneficiary Rights, the Insurance Companies are forthwith notified of the assignment of the relevant Mortgage Receivables and the Beneficiary Rights relating thereto, other than the Achmea Hypotheken Mortgage Receivables.

If both an Assignment Notification Event and an Achmea Hypotheken Assignment Notification Event have occurred, unless the Security Trustee instructs it otherwise, the Transferor shall notify or ensure that the relevant Borrowers are forthwith notified of Assignment I and Assignment II of the relevant Achmea Hypotheken Mortgage Receivables.

Each of the CBC and the Security Trustee has the right to make these notifications itself.

The Transferor will undertake that it will use its best efforts upon the occurrence of an Assignment Notification Event to terminate its appointment or the appointment of the relevant Originator as beneficiary under the Insurance Policies and to appoint the CBC or the Security Trustee, as the case may be, as first beneficiary under the Insurance Policies.

For as long as no Assignment Notification Event has occurred and no Breach of Asset Cover Test Notice (which is not remedied), no Notice to Pay and no CBC Acceleration Notice has been served, pursuant to the Guarantee Support Agreement, the CBC is not entitled to receive or retain any proceeds from the Transferred Assets; such proceeds will all

be received and retained by the Transferor for its own benefit. If an Assignment Notification Event occurs or a Breach of Asset Cover Test Notice (which is not remedied), a Notice to Pay or CBC Acceleration Notice is served on the CBC, pursuant to the Guarantee Support Agreement, the CBC shall, subject to the rights of the Security Trustee as pledgee, be entitled to receive for its own benefit all proceeds of the Transferred Assets to the extent relating to the period following such Assignment Notification Event (unless remedied) or service of such Notice to Pay or CBC Acceleration Notice.

In the Guarantee Support Agreement the Transferor covenants, amongst other things, that if (i) it and/or an Originator makes any Further Advance under any mortgage loan agreement, (ii) such Further Advance is secured by the same Mortgage that secures the Mortgage Receivable and (iii) (a) such Further Advance results in an Eligible Receivable, then it will offer to transfer such further Eligible Receivable to the CBC as soon as reasonably practicable and, if possible, prior to the following Calculation Date, or (b) such Further Advance does not result in an Eligible Receivable or is not transferred to it, then it will request the retransfer of the relevant Mortgage Receivable in accordance with the Guarantee Support Agreement and so long as the Asset Cover Test is not breached upon such retransfer.

In the Guarantee Support Agreement the Transferor furthermore covenants, amongst other things, that the Transferor or an Originator may amend the terms and conditions of the Mortgage Loans, provided that (i) after such amendment the Mortgage Loan or, as the case may be, the Mortgage Receivable meets the Eligibility Criteria and (ii) such amendment does not adversely affect the enforceability of the Mortgage Loan or, as the case may be, the Mortgage Receivable and the security rights granted in connection therewith. Therefore, if the Transferor wishes to amend, or the relevant Originator amends or will amend, the terms and conditions of the Mortgage Loans in such manner that such Mortgage Loan or, as the case may be, the Mortgage Receivable will no longer meet the Eligibility Criteria, the Transferor should ensure that such Mortgage Receivable is first retransferred it prior to such amendment.

Neither the CBC, nor the Security Trustee has made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Transferred Assets. Instead, each is relying entirely on the Transferor Warranties by the Transferor contained in the Guarantee Support Agreement. The parties to the Guarantee Support Agreement may, with the prior written consent of the Security Trustee, and after having notified the Rating Agencies, amend the Transferor Warranties and the Mortgage Receivables Warranties, including the Eligibility Criteria. The mortgage receivables warranties (the "**Mortgage Receivables Warranties**") are as follows and are given on the relevant Transfer Date by the Transferor in respect of the Eligible Receivables and the Mortgage Receivables to be transferred by it to the CBC:

- (i) each Mortgage Receivable is an Eligible Receivable; and
- (ii) the particulars of the Eligible Receivables set out in Annex 1 to the relevant deed of assignment and pledge, are true, complete and accurate in all material respects and the Outstanding Principal Amount in respect of each Eligible Receivable as at the relevant Transfer Date and the aggregate Outstanding Principal Amount of the Eligible Receivables is correctly stated in the relevant deed of assignment and pledge.

The Programme Agreement provides a mechanism for at the option of the Issuer, members of the Achmea Group wishing to transfer Eligible Assets to the CBC, to accede to the Transaction Documents as a New Transferor. New Transferors will be required to provide the same covenants, representations and warranties described herein as the initial Transferor. However, New Transferors will, contrary to the Issuer, not have a best efforts undertaking to transfer Eligible Assets if requested by the CBC. If the conditions set forth in the Programme Agreement are met, the consent of the Covered Bondholders for the accession of a New Transferor will not be required. In addition, the Programme Agreement provides for a mechanism that, at the option of the Issuer, New Originators will accede to the Programme and any mortgage receivables originated by such New Originator and which are transferred to the Transferor, may be transferred by the Transferor to the CBC subject to the Eligibility Criteria. If the conditions set forth in the Programme Agreement are met, the consent of the Covered Bondholders for the accession of a New Originator will not be required.

In the Trust Deed, the Security Trustee agrees to, upon receipt of each Asset Cover Report, verify whether such Asset Cover Report states that an Assignment Notification Event or a Breach of Asset Cover Test has occurred.

## Master Purchase Agreements in respect of the Achmea Hypotheken Platform

Pursuant to the Achmea Bank Master Purchase Agreement, Achmea Hypotheken and Achmea Bank have, *inter alia*, agreed that (i) Achmea Bank will purchase and accept the assignment of the Achmea Hypotheken Mortgage Receivables allocated to it, (ii) Achmea Hypotheken will (via sub-servicers) provide to Achmea Bank the mortgage loan services in respect of the Achmea Hypotheken Mortgage Receivables and (iii) the Borrowers of Achmea Hypotheken Mortgage Receivables may only be notified of the assignment upon instruction of Achmea Bank after the occurrence of a Achmea Hypotheken Assignment Notification Event.

In relation to the Achmea Hypotheken Mortgage Receivables purchased by Achmea Bank from Achmea Hypotheken and assigned by Achmea Bank to the CBC in accordance with the Guarantee Support Agreement, the provisions set out in the CBC Master Purchase Agreement also apply. Pursuant to the CBC Master Purchase Agreement, Achmea Hypotheken, Achmea Bank and the CBC, *inter alia*, have agreed that:

- (i) Achmea Hypotheken will keep records of all Achmea Hypotheken Mortgage Receivables transferred to the CBC (and not retransferred to Achmea Bank) on the basis of the relevant information provided by Achmea Bank;
- (ii) Achmea Hypotheken is authorised to set and determine the interest rates of the Achmea Hypotheken Mortgage Receivables from time to time until the mortgage loan services are no longer provided by Achmea Hypotheken and such authorisation is terminated by each of the CBC and the Security Trustee;
- (iii) Achmea Hypotheken will provide the mortgage loan services in relation to Achmea Hypotheken Mortgage Receivables directly to the CBC after the occurrence of an Achmea Bank Default Event and a notice of the CBC to Achmea Hypotheken that it wishes that such mortgage loan services are provided to it;
- (iv) until the occurrence of an Achmea Bank Default Event and a notice of the CBC to Achmea Hypotheken that it wishes that such mortgage loan services are provided to it, the CBC and the Security Trustee will be represented by Achmea Bank *vis-à-vis* Achmea Hypotheken and may not directly claim nor proceed directly against Achmea Hypotheken and the liability of Achmea Hypotheken *vis-à-vis* the CBC, if any, will be deemed to be part of the loss of Achmea Bank in accordance with the Achmea Bank Master Purchase Agreement;
- (v) the CBC and the Security Trustee may not sell and/or assign and/or pledge Achmea Hypotheken Mortgage Receivables in favour of any third party, unless (a) such Achmea Hypotheken Mortgage Receivables are sold to another investor in the Achmea Hypotheken Platform or a party which will accede to the Achmea Hypotheken Platform as a new investor or (b) it is to a third party which will not accede to the Achmea Hypotheken Platform, provided that, *inter alia*, Achmea Hypotheken and the other investors in the Achmea Hypotheken Platform have been given the opportunity to match the offer, whereby the Transferor shall have the first right to match such offer, but have not exercised such right to match the offer, the Achmea Hypotheken Mortgage Loans are transferred to such third party by way of contact transfer (*contractsoverneming*) or Achmea Hypotheken will provide the mortgage loan services directly to such third party, and Achmea Hypotheken will be indemnified for the out-migration costs in relation to any transfer;
- (vi) none of the parties may institute against, or join any person in instituting against Achmea Hypotheken or the CBC any proceedings involving the liquidation, dissolution, bankruptcy or suspension of payments or any analogous insolvency proceedings under applicable laws;
- (vii) each of the parties (other than Achmea Hypotheken) has limited recourse on the assets of Achmea Hypotheken; and
- (viii) no amounts shall be due and payable by the CBC or the Security Trustee except in accordance with the Trust Deed.

In addition, in case the Transferor does not comply with its obligation to provide cash in respect of any further advance receivable, mover mortgage receivable and/or bridge mortgage receivable allocated to it in accordance with the Achmea Bank Master Purchase Agreement, the CBC and Achmea Hypotheken shall, pursuant to the CBC Master Purchase Agreement, discuss whether the relevant Achmea Hypotheken Mortgage Receivable is sold to Achmea Hypotheken or another investor acceded to the Achmea Hypotheken Platform to prevent that the CBC does not own all Loan Parts of such Achmea Hypotheken Mortgage Receivables, provided that such sale has no adverse effect on the rating assigned to the Covered Bonds. The CBC is, however, not liable for the obligations of the Transferor *vis-à-vis* Achmea Hypotheken.

Furthermore, the Originator and the CBC agreed in the CBC Master Purchase Agreement that in case any Achmea Hypotheken Servicing Fees (which exclude for the avoidance of doubt the Additional Fees) are due and payable but unpaid, the Achmea Hypotheken Servicing Fees (which exclude for the avoidance of doubt the Additional Fees) may be deducted by the Achmea Hypotheken Collection Foundation from the collections received under the Achmea Hypotheken Mortgage Receivables.

The CBC Master Purchase Agreement may only be terminated after the occurrence of a CBC Master Purchase Agreement Termination Event. In case of termination of the CBC Master Purchase Agreement, the CBC (A) may, or a third party appointed by it may accept the transfer of all Achmea Hypotheken Mortgage Loans relating to the Achmea Hypotheken Mortgage Receivables transferred to it from Achmea Hypotheken; or (B) may offer for sale and assignment its Achmea Hypotheken Mortgage Receivables (i) until the occurrence of an Achmea Bank Default Event, to Achmea Bank and Achmea Bank will in such case accept the offer of the CBC and (ii) after the occurrence of an Achmea Bank Default Event, to any other parties in accordance with the CBC Master Purchase Agreement.

For the purpose hereof:

**"Achmea Bank Default Event"** means the occurrence of any of the following events:

- (a) Achmea Bank having been declared bankrupt (*faillissement*) or been subjected to suspension of payments (*surseance van betaling*) or analogous insolvency procedures under any applicable law or Achmea Bank being subjected to resolution measures of any competent resolution authority; or
- (b) notification by the CBC or the Security Trustee of the occurrence of an Assignment Notification Event, a Security Trustee Pledge Notification Event and/or Servicing Termination Event.

**"Assignment Notification Event"** means the earliest to occur of the following events:

- (i) a default is made by the Transferor in the payment on the due date of any amount due and payable by it under any Transaction Document to which it is a party and such failure is not remedied within ten (10) Business Days after notice thereof has been given by the CBC or the Security Trustee to the Transferor;
- (ii) the Transferor fails to duly perform or comply with any of its material obligations under any Transaction Document to which it is a party and, if such failure is capable of being remedied, such failure is not remedied within twenty (20) Business Days after notice thereof has been given by the CBC or the Security Trustee to the Transferor;
- (iii) the Transferor takes any corporate action or other steps are taken or legal proceedings are started or threatened against it (unless as a consequence of a merger) for its dissolution (*ontbinding*), liquidation (*vereffening*) or legal demerger (*juridische splitsing*) involving the Transferor or for its being converted in a foreign entity (*omzetting*), or its assets are placed under administration (*onder bewind gesteld*);
- (iv) the Transferor takes any corporate action, or other steps are taken or legal proceedings are started or threatened against it, for (i) its suspension of payments (*surseance van betaling*), (ii) its bankruptcy (*faillissement*), (iii) any analogous insolvency proceedings under any applicable law or (iv) the appointment of a liquidator, administrator or a similar officer of it or of any or all of its assets;
- (v) a Notice to Pay is served on the CBC;
- (vi) an Issuer Acceleration Notice is served on the Issuer; or
- (vii) following a Security Trustee Pledge Notification Event, the Security Trustee has instructed the CBC to notify the relevant Borrowers subject to and in accordance with the Security Trustee Receivables Pledge Agreement.

**"Achmea Hypotheken Assignment Notification Event"** means any of the following events as set out in the Achmea Hypotheken Platform Agreement:

- (a) Achmea Hypotheken takes any corporate action or other steps are taken or legal proceedings are started against it for its dissolution (*ontbinding*) and liquidation (*vereffening*) or for the appointment of a liquidator or receiver of Achmea Hypotheken or of all or a substantial part of its assets;
- (b) Achmea Hypotheken has taken any corporate action for suspension of payments or for bankruptcy or for any analogous insolvency proceedings under any applicable laws or for the appointment of a receiver or a similar officer of its or any or all of its assets;
- (c) (i) Achmea Hypotheken is declared bankrupt or been subjected to suspension of payments or (ii) any steps are taken or legal proceedings are instituted against Achmea Hypotheken for its bankruptcy or for suspension of payment (x) which are not frivolous in nature or (y) which have not been terminated or withdrawn within 14 calendar days or (z) where an appeal against such declaration has not been submitted;

- (d) at any time it becomes unlawful for Achmea Hypotheken to perform all or a material part of its obligations under the Achmea Hypotheken Platform Documents, unless, in respect of the services provided by Achmea Hypotheken only, such situation can be and is remedied by having such services provided by Syntus Achmea Hypotheekdiensten B.V. to Achmea Bank directly;
- (e) a notice has been delivered in accordance with the CBC Master Purchase Agreement to effectuate the termination of the CBC Master Purchase Agreement which will result in a transfer of the Achmea Hypotheken Mortgage Loans to a third party appointed by it in accordance with the CBC Master Purchase Agreement and pending such contract transfer;
- (f) a sale and contract transfer to a third party outside the Achmea Hypotheken Platform in accordance with the CBC Master Purchase Agreement and pending such contract transfer; or
- (g) the Achmea Hypotheken Collection Foundation has been dissolved (*ontbonden*), been declared bankrupt (*faillissement*) or been subjected to suspension of payments (*surseance van betaling*) or analogous insolvency procedures under any applicable law.

**"CBC Master Purchase Agreement Termination Event"** means the occurrence of any of the following events:

- (a) Achmea Hypotheken takes any corporate action or other steps are taken or legal proceedings are started against it for its dissolution (*ontbinding*) and liquidation (*vereffening*) or for the appointment of a liquidator or receiver of Achmea Hypotheken or of all or a substantial part of its assets; or
- (b) Achmea Hypotheken has taken any corporate action for suspension of payments or for bankruptcy or for any analogous insolvency proceedings under any applicable laws or for the appointment of a receiver or a similar officer of its or any or all of its assets; or
- (c) (i) Achmea Hypotheken is declared bankrupt or been subjected to suspension of payments or (ii) any steps are taken or legal proceedings are instituted against Achmea Hypotheken for its bankruptcy or for suspension of payment (x) which are not frivolous in nature or (y) which have not been terminated or withdrawn within 14 calendar days or (z) where an appeal against such declaration has not been submitted; or
- (d) at any time it becomes unlawful for Achmea Hypotheken to perform all or a material part of its obligations under the Achmea Hypotheken Platform Documents and/or the Transaction Documents, unless, in respect of the services provided by Achmea Hypotheken only, such situation can be and is remedied by having services such as the services provided by any sub-servicer appointed by Achmea Hypotheken to Achmea Bank directly; or
- (e) at any time Achmea Hypotheken breaches its obligation to terminate the appointment of, and replace, a sub-servicer appointed by Achmea Hypotheken subject to and in accordance with the CBC Master Purchase Agreement; or
- (f) the CBC has notified Achmea Hypotheken that it will notify the relevant Borrowers as soon as possible of the assignment of the Achmea Hypotheken Mortgage Receivables in accordance with the CBC Master Purchase Agreement, and that upon such notification, the mortgage loan services are no longer to be provided to the CBC by Achmea Hypotheken or sub-servicer appointed by Achmea Hypotheken directly; or
- (g) a CBC Resignation Event has occurred; or
- (h) Achmea Bank no longer is a party to the Achmea Hypotheken Platform.

**"CBC Resignation Event"** means any of the following events:

- (a) pursuant to a resolution adopted by the investors in the Achmea Hypotheken Platform in accordance with the Achmea Hypotheken Platform Agreement (i) a sub-servicer is appointed in accordance with the Achmea Hypotheken Platform Agreement or (ii) the interest rate setting procedure is materially amended in accordance with the Achmea Hypotheken Platform Agreement and the CBC has instructed Achmea Bank not to vote (as indicated before the voting by the CBC to Achmea Hypotheken) in favour of such resolution and the CBC has substantiated to Achmea Hypotheken (x) why it did not vote in favour of such resolution and (y) that the consequences of such resolution have a material adverse effect; or
- (b) it becomes unlawful for the CBC to perform all or a material part of its obligations under the CBC Master Purchase Agreement.

## RETRANSFERS

Pursuant to the Guarantee Support Agreement:

1. Prior to the occurrence of a CBC Event of Default or the service of a Notice to Pay, the Transferor may from time to time request a retransfer from the CBC to it of any Transferred Asset.
2. Prior to the occurrence of a CBC Event of Default, the Issuer shall request a retransfer of the relevant Mortgage Receivable from the CBC to the Transferor if it or an Originator or a New Originator or an investor in the Achmea Hypotheken Platform has an Other Claim, including a Further Advance, such Other Claim or Further Advance, respectively, is secured by the same security rights that secure such Mortgage Receivable and such Other Claim or Further Advance, respectively, does not result in an Eligible Receivable.

The CBC shall in each case comply with such request so long as the Asset Cover Test is not breached upon such retransfer.

If the CBC intends to sell Transferred Assets on terms permitted or required by the Asset Monitoring Agreement, it shall first offer such Transferred Assets for sale on the same terms to the Transferor (or any party appointed by the Transferor) in accordance with the Guarantee Support Agreement.

A retransfer of a Mortgage Receivable will take place in accordance with the Guarantee Support Agreement. A retransfer by the CBC as abovementioned will be effectuated in substantially the same manner as the transfers to the CBC described above. If the retransfer concerns Mortgage Receivables which are transferred to the Transferor further to the Transferor's right of first refusal or the Transferor's right to match (*voorkeursrecht*), the underlying transfer will be concluded through execution and registration of a deed of assignment.

## **ELIGIBLE ASSETS**

The following assets are eligible to be transferred to the CBC by the Transferor pursuant to the Guarantee Support Agreement:

- Eligible Receivables; and
- Eligible Collateral.

## ELIGIBILITY CRITERIA

For a Mortgage Receivable to be an Eligible Receivable it must meet the following eligibility criteria:

### *General*

- a. the Mortgage Receivable and the Beneficiary Rights are duly and validly existing and are not subject to annulment or dissolution as a result of circumstances which have occurred prior to the relevant Transfer Date;
- b. each Mortgage Receivable, the Mortgage, the Borrower Pledge, if any, constitute legal, valid, binding and enforceable obligations of the relevant Borrower in accordance with its terms, subject to any limitations arising from bankruptcy, insolvency and any other laws of general application relating to or affecting the rights of creditors;
- c. each Mortgage Loan (i) has been granted in accordance with all applicable legal requirements, (ii) meets the Code of Conduct for Mortgage Loans (*Gedragscode Hypothecaire Financieringen*) prevailing at the time of origination, (iii) meets the relevant Originator's standard underwriting criteria and procedures in all material respects at the time of origination and (iv) is subject to terms and conditions acceptable at the time of origination to a reasonable Dutch residential mortgage loans to borrower in the Netherlands, which is acting as a reasonable creditor in protection of its own interests;
- d. the maximum Outstanding Principal Amount of each Mortgage Loan, or all Mortgage Loans secured on the same Mortgaged Asset, as the case may be, did not exceed the maximum amount as may be applicable under the relevant regulations at the time of origination and (a) Mortgage Loan originated in and after August 2011 did therefore at origination not exceed 106 per cent. (or a lower percentage, as applicable) of the original market value of the relevant mortgaged assets, which outstanding principal amount may, where applicable, be supplemented by the stamp duty payable under the Dutch Legal Transactions (taxation) Act upon its creation, and (b) the Outstanding Principal Amount of the Mortgage Loan originated before August 2011 did not exceed 125 per cent. of the foreclosure value of the related Mortgaged Asset at the time of origination, and in case of each of (a) and (b) subject to deviations in accordance with the relevant regulations at the time of origination;
- e. with respect to each of the Mortgage Receivables secured by Mortgage or a long lease (*erfpacht*), the Mortgage Loan (a) has a maturity that is equal to or shorter than the term of the long lease (or, if the maturity date of the Mortgage Loan falls after the maturity date of the long lease, the acceptance conditions used by the Transferor provide that certain provisions should be met as would in such case be required by a reasonable lender) and (b) becomes due if the long lease terminates for whatever reason;
- f. each Borrower is a private individual and a resident of the Netherlands;
- g. each Mortgage Loan is governed by Dutch law;
- h. each Mortgage Loan is denominated in euro;
- i. the Outstanding Principal Amount of each Mortgage Loan does not exceed EUR 1,000,000;
- j. to the best knowledge of the Transferor, the Borrowers are not in material breach of their Mortgage Loans;
- k. the Mortgage Loan does not have a maturity date beyond 30 years after the Transfer Date;
- l. in relation to each Mortgage Loan, each Mortgage Loan was fully disbursed and no amounts are held in deposit with respect to premia and interest payments (*rente en premiedepots*) except for any Construction Deposits and Bank Savings Deposits;
- m. each Mortgage Loan was originated by an Originator in the Netherlands;
- n. there are no other receivables having the same details, and (i) in the administration of the Transferor the Mortgage Receivables, which are purported to be assigned, can be identified without uncertainty, and (ii) one can determine in the administration of the Transferor without any uncertainty which Beneficiary Rights and ancillary rights belong to which Mortgage Receivables;

- o. none of the savings accounts held by Borrowers with Achmea Bank N.V. have been offered in combination with or as one product with the Mortgage Loans of the relevant Borrower, other than with the Bank Savings Mortgage Loans;
- p. the conditions applicable to Mortgage Loans originated after 1 January 2003 and originated by Avéro Hypotheken B.V. and FBTO Hypotheken B.V. provide that all payments by the relevant Borrowers should be made without any deduction or set-off;
- q. the Mortgage Loan has not been based on a self-certified income statement of the Borrower;

#### *Transfer*

- r. the Transferor has full right and title (*titel*) to the Mortgage Receivable and the Beneficiary Rights and no restrictions on the assignment of the Mortgage Receivable and the Beneficiary Rights are in effect and the Mortgage Receivable and the Beneficiary Rights are capable of being assigned;
- s. the Transferor has the power to (*beschikkingsbevoegdheid*) assign the Mortgage Receivable and the Beneficiary Rights;
- t. the Mortgage Receivable and the Beneficiary Rights are free and clear of any encumbrances and attachments (*beslagen*) and no option rights have been granted in favour of any third party with regard to the Mortgage Receivable to acquire the Mortgage Receivable and the Beneficiary Rights, other than pursuant to the relevant Transaction Documents;
- u. the Transferor has not been notified and is not aware of anything affecting its title to the Mortgage Receivables;
- v. all Mortgage Loans secured by All Moneys Security Rights (i) provide that in case of assignment or pledge of the Mortgage Receivable the assignee or pledgee will have the benefit of the Mortgage, or (ii) do not contain any specific wording to the extent that the Mortgage of Borrower Pledge will not follow the receivable if it is assigned or pledged to a third party;
- w. each mortgage receivable under the Mortgage Loan (*hypothecaire lening*) which is secured by the same Mortgage is assigned to the CBC pursuant to the Guarantee Support Agreement;
- x. each Mortgage Loan constitutes the entire mortgage loan granted to the relevant Borrower and not merely one or more loan parts (*leningdelen*);

#### *Security*

- y. each Mortgage Receivable is secured by a Mortgage (*hypothekerecht*) governed by Dutch law on a Mortgaged Asset which is located in the Netherlands and is predominantly used for a residential purpose in the Netherlands;
- z. all Mortgages and all Borrower Pledges (i) constitute valid mortgage rights (*hypothekerechten*) and rights of pledge (*pandrechten*) respectively on the Mortgaged Assets purported to be encumbered thereby and the assets which are purported to be pledged by the Borrower Pledges respectively and, to the extent relating to the Mortgages, have been entered in the relevant public register, (ii) have first priority (*eerste in rang*) or, as the case may be, are first and sequentially lower priority mortgage rights and rights of pledge and (iii) were vested for a principal sum which is at least equal to the principal sum of the Mortgage Loan when originated, increased with an amount customary for a prudent lender of Dutch mortgage loans from time to time in respect of interest, penalties and costs, and (iv) are vested on real estate (*onroerende zaak*), an apartment right (*appartementsrecht*), a long lease (*erfpacht*), or a right of superficies (*opstal*) situated in the Netherlands;
- aa. each Mortgaged Asset concerned was valued according to the prevailing guidelines of the Originator at the time of origination, which guidelines are in a form as may be reasonably expected from a prudent lender of residential mortgage loans in the Netherlands, provided that for property to be constructed or in construction at the time of application for a Mortgage Loan no valuation is required or performed, rather the loan to value is calculated on the basis of the agreed contract price stated in the relevant construction agreement, increased by, *inter alia*, financing costs and contract extras. No revaluation of the Mortgaged Assets has been made for the purpose of the Programme;

- bb. in relation to each Mortgage Loan or relevant Loan Part which has the benefit of an NHG Guarantee, (i) the NHG Guarantee is granted for the full amount of the relevant Mortgage Loan at origination, excluding, in general, a Further Advance, (ii) the NHG Guarantee was in compliance with all terms and conditions (*voorwaarden en normen*) applicable to it at the time of origination of the relevant Mortgage Loan and (iii) the Transferor is not aware of any reason why any claim under any NHG Guarantee granted by Stichting WEW in respect of the relevant Mortgage Loan should not be met in full and in a timely manner;

#### *Insurance Policies*

- cc. with respect to each of the Mortgage Receivables to which an Insurance Policy with any of the Insurance Companies is connected, the Transferor has the benefit of the Borrower Insurance Pledge granted by the relevant Borrower and such right of pledge has been notified to the relevant Insurance Companies, which, to the extent required, has been recorded on the relevant Insurance Policy;
- dd. the Mortgage Conditions provide that each of the properties on which a Mortgage has been vested to secure the Mortgage Receivable should at the time of origination of the Mortgage Loan have the benefit of a building insurance policy (*opstalverzekering*) satisfactory to the relevant Originator;

#### *Savings Mortgage Loans*

- ee. each Savings Mortgage Receivable and the Life Mortgage Receivable with a Savings Element has the benefit of a Savings Insurance Policy and a Life Insurance Policy with a Savings Alternative with the Insurance Savings Participant, respectively, and each Life Mortgage Receivable other than the Life Mortgage Receivables with a Savings Element, has the benefit of a Life Insurance Policy (other than a Life Insurance Policy with a Savings Alternative) with any of the Insurance Companies, respectively, and either (i) the Originator has been validly appointed as beneficiary (*begunstigde*) under such Insurance Policies, upon the terms of the relevant Mortgage Loans and the relevant Insurance Policies, which have been notified to the relevant Insurance Companies or (ii) the relevant Insurance Company has been given a Borrower Insurance Proceeds Instruction;

#### *Life Mortgage Loans*

- ff. with respect to Life Mortgage Loans to which a Life Insurance Policy with an Insurance Company is connected other than the Insurance Savings Participant, and, other than Life Mortgage Loans originated by Interpolis Schade Hypotheken B.V. or Interpolis BTL Hypotheken B.V. with Life Insurance Policies with N.V. Interpolis BTL connected thereto (i) there is no connection, whether from a legal or a commercial point of view, between the Life Mortgage Loan and the relevant Life Insurance Policy other than the relevant Borrower Insurance Pledge and the relevant Beneficiary Rights, (ii) the Life Mortgage Loans and the Life Insurance Policies are not marketed as one product or under one name, (iii) the Borrowers were free to choose the relevant Insurance Company and (iv) the Insurance Company is not a group company of the Transferor;

#### *Bank Savings Mortgage Loans*

- gg. all Bank Savings Accounts are held with the Bank Savings Participant;
- hh. with respect to each Bank Savings Mortgage Receivable, the Transferor has the benefit of the Borrower Bank Savings Deposit Pledge and such right of pledge has been notified to the Bank Savings Participant;

#### *Employee Mortgage Loans*

- ii. no Mortgage Loans have been granted to Borrowers which are also employed by the Transferor or Achmea Hypotheken;
- jj. (i) there is no connection between the Employee Mortgage Loan and the employment relationship, other than the right to reduced interest and no prepayment penalties in case of early repayment on the Employee Mortgage Loan initially offered prior to 2016 and (ii) no actual set-off of amounts due under the Employee Mortgage Loan with salary payments is agreed or actually effectuated; and

#### *Investment Mortgage Loans*

- kk. with respect to Investment Mortgage Loans, the relevant investments held in the name of the relevant Borrower

have been validly pledged to the Transferor and the securities are purchased for investment purposes on behalf of the relevant Borrower by an investment firm (*beleggingsonderneming*) in the meaning ascribed thereto in the Wft, such as a securities broker or a portfolio manager, or by a bank, each of which is by law obliged to make adequate arrangements to safeguard the clients' rights to such securities.

## 11. OVERVIEW OF THE DUTCH RESIDENTIAL MORTGAGE MARKET

This section 11 (*Overview of the Dutch Residential Mortgage Market*) is derived from the overview which is available at the website of the Dutch Securitisation Association (<https://www.dutchsecuritisation.nl/dutch-mortgage-and-consumer-loan-markets>) regarding the Dutch residential mortgage market and was lastly updated in December 2023. For the avoidance of doubt, this website does not form part of this Base Prospectus. The Issuer confirms that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by the Dutch Securitisation Association, no facts have been omitted which would render the information in this section 11 (*Overview of the Dutch Residential Mortgage Market*) inaccurate or misleading.

### **Dutch residential mortgage market**

The Dutch residential mortgage debt stock is relatively sizeable, especially when compared to other European countries. Since the 1990s, the mortgage debt stock of Dutch households has grown considerably, mainly on the back of mortgage lending on the basis of two incomes in a household, the introduction of tax-efficient product structures such as mortgage loans with deferred principal repayment vehicles and interest-only mortgage loans, financial deregulation and increased competition among originators. Moreover, Loan-to-Value (LTV) ratios have been relatively high, as the Dutch tax system implicitly discouraged amortisation, due to the tax deductibility of mortgage interest payments. After a brief decline between 2012 and 2015, mortgage debt reached a new peak of EUR 823.3 billion in Q3 2023<sup>7</sup>. This represents a rise of EUR 12.3 billion compared to Q3 2022.

### *Tax system*

The Dutch tax system plays an important role in the Dutch mortgage market, as it allows for partial deductibility of mortgage interest payments from taxable income. Historically, this has resulted in various deferred amortisation mortgage products, most importantly the use of interest-only loan parts.

Since 1 January 2013, all new mortgage loans have to be repaid in full in 30 years, at least on an annuity basis, in order to be eligible for tax relief (linear mortgage loans are also eligible). The tax benefits on mortgage loans, of which the underlying property was bought before 1 January 2013, have remained unchanged and are grandfathered, even in case of refinancing and relocation. As such, new mortgage originations still include older loan products, including interest-only. However, any additional loan on top of the borrower's grandfathered product structure, has to meet the mandatory full redemption standards to allow for tax deductibility.

A second reform imposed in 2013 was to reduce the tax deductibility by gradually lowering the maximum deduction percentage. As a result, the highest tax rate against which the mortgage interest may be deducted is 36.93 per cent. (equal to the lowest income tax bracket) in 2023. No further reductions are currently planned.

There are several housing-related taxes which are linked to the fiscal appraisal value ("**WOZ**") of the house, both imposed on national and local level. Moreover, a transfer tax of 2 per cent. is due when a house is acquired for owner-occupation. From 2021, house buyers aged between 18 and 35 years will no longer pay any transfer tax. Currently, this exemption only applies to houses sold for EUR 440,000 or less) and can only be applied once. For 2023, a transfer tax of 10.4 per cent. is due upon transfer of houses which are not owner-occupied (compared to 8 per cent. in 2022).

Although these taxes partially unwind the benefits of tax deductibility of interest payments, and several restrictions to this tax deductibility have been applied, tax relief on mortgage loans is still substantial.

### *Loan products*

The Dutch residential mortgage market is characterised by a wide range of mortgage loan products. In general, three types of mortgage loans can be distinguished.

Firstly, the "classical" Dutch mortgage product is an annuity loan. Secondly, there is a relatively big presence of interest-only mortgage loans in the Dutch market. Full interest-only mortgage loans were popular in the late nineties and in the early years of this century. Mortgage loans including an interest-only loan part were the norm until 2013, and even today, grandfathering of older tax benefits still results in a considerable amount of interest-only loan origination.

Thirdly, there is still a big stock of mortgage products including deferred principal repayment vehicles. In such products, capital is accumulated over time (in a tax-friendly manner) in a linked account in order to take care of a bullet principal

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<sup>7</sup> Statistics Netherlands, household data.

repayment at maturity of the loan. The principal repayment vehicle is either an insurance product or a bank savings account. The latter structure has been allowed from 2008 and was very popular until 2013. Mortgage loan products with insurance-linked principal repayment vehicles used to be the norm prior to 2008 and there is a wide range of products present in this segment of the market. Most structures combine a life-insurance product with capital accumulation and can be relatively complex. In general, however, the capital accumulation either occurs through a savings-like product (with guaranteed returns), or an investment-based product (with non-guaranteed returns).

A typical Dutch mortgage loan consists of multiple loan parts, e.g. a bank savings loan part that is combined with an interest-only loan part. Newer mortgage loans, in particular those for first-time buyers after 2013, are full annuity and often consists of only one loan part. Nonetheless, tax grandfathering of older mortgage loan product structures still results in the origination of mortgage loans including multiple loan parts.

Most interest rates on Dutch mortgage loans are not fixed for the full duration of the loan, but they are typically fixed for a period between five (5) and fifteen (15) years. Rate term fixings differ by vintage, however. In recent years, there was a strong bias to longer term fixings (twenty (20) to thirty (30) years) but since Q2 2022 ten (10) year fixings have rapidly increased in popularity as the sharply increased mortgage rates drove borrowers to seek lower mortgage payments by going for shorter fixings. Most borrowers remain subject to interest rate risk, but compared to countries in which floating rates are the norm, Dutch mortgage borrowers are relatively well-insulated against interest rate fluctuations.

#### *Underwriting criteria*

Most of the Dutch underwriting standards follow from special underwriting legislation (*Tijdelijke regeling hypothecair krediet*). This law has been present since 2013 and strictly regulates maximum LTV and Loan-to-Income (LTI) ratios. The current maximum LTV is 100 per cent. or 106 per cent. when financing energy saving measures. The new government has indicated not to lower the maximum LTV further. LTI limits are set according to a fixed table including references to gross income of the borrower and mortgage interest rates. This table is updated annually by the consumer budget advisory organisation "NIBUD" and ensures that income after (gross) mortgage servicing costs is still sufficient to cover normal costs of living.

Prior to the underwriting legislation, the underwriting criteria followed from the Code of Conduct as applicable at the time of origination for Mortgage Lending. Although the Code of Conduct is currently largely overruled by the underwriting legislation, it is still in force. The major restriction it currently regulates, in addition to the criteria in the underwriting legislation, is the cap of interest-only loan parts to 50 per cent. of the market value of the residence. This cap was introduced in 2011 and is in principle applicable to all new mortgage contracts. A mortgage lender may however diverge from the cap limitation if certain conditions have been met.

#### **Recent developments in the Dutch housing market**

After a year of declining prices, house prices started rising again in the summer of 2023 (see Chart 3). In May 2023, existing owner-occupied homes were still 6.2 per cent. cheaper than at the market peak in 2022. But by November 2023 – the most recent month for which figures are available – the difference had shrunk to minus 3.2 per cent. The fact that house prices are on the rise again has everything to do with the rapidly improving affordability in 2023. As a result, the demand for owner-occupied houses is now clearly picking up again. Market parties have seen the number of viewings per house increase in recent months. At the same time, there are still few houses for sale and the trend is declining, and that puts upward pressure on house prices. Due to the decline in new construction, this trend is likely to continue in the coming years. Less new construction means more scarcity.

Nearly 147,600 existing owner-occupied houses changed hands in the first ten months of 2023, down roughly 6 per cent. from a year earlier. Although the sharpest drop in sales seems to be behind us – sales fell particularly sharply between mid-2021 and mid-2022 – the number of transactions is still on a slow but steady decline. The relatively low number of existing owner-occupied homes being sold is not so much related to prospective homebuyers dropping out (because demand is picking up), but more to the lack of supply. On average, there were some 21 per cent. fewer houses for sale in the Netherlands in November 2023 than in November 2022. Real estate brokers association NVM attributes this to the fact that fewer people put their homes up for sale. Presumably this is also because it is often no longer possible for people to move up on the property ladder taking advantage of a lower interest rate when moving house in order to live in a larger or more attractive home for the same monthly cost.

Despite the significant impact of rising interest rates on affordability and on confidence and expectations about the owner-occupied housing market, fears for a major market correction have not materialised. Moreover, since the summer, we have seen the housing market rebound more and more clearly. The development of fundamentals may well explain this. In fact, the real net mortgage cost of the average owner-occupied home (if fully financed by a mortgage) is now back to

where it was at the end of 2021. The net real disposable incomes of households are a few percent higher than at the end of 2021, due to increased wages and more hours worked and borrowing space has also recovered. The fact that we are now seeing price increases for owner-occupied homes at similar levels of affordability and borrowing space – despite the decline in the housing market – is an important indication that homes are not overvalued. The fact that the market does not appear to be overvalued, despite high price levels, is inextricably linked to the very tight housing market.

### **Forced sales**

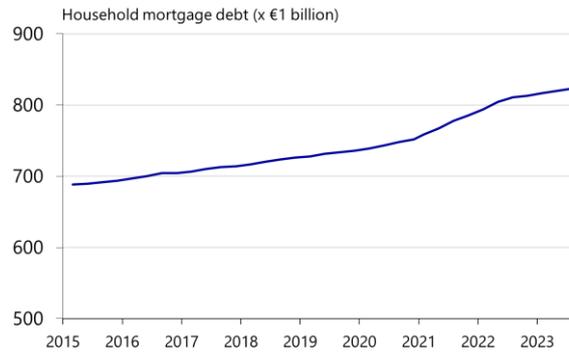
Compared to other jurisdictions, performance statistics of Dutch mortgage loans show relatively low arrears and loss rates<sup>8</sup>. The most important reason for default is relationship termination, although the increase in unemployment following the economic downturn post-financial crisis was increasingly also a reason for payment problems. The ultimate attempt to loss recovery to a defaulted mortgage borrower is the forced sale of the underlying property.

For a long time, mortgage servicers opted to perform this forced sale by an auction process. The advantage of this auction process is the high speed of execution, but the drawback is a discount on the selling price. The Land Registry recorded forty-six (46) forced sales by auction in October and November 2023 (0.147 per cent. of total number of sales in those months).

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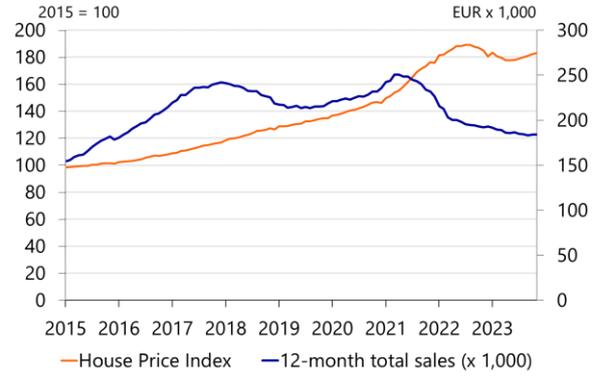
<sup>8</sup> Comparison of S&P RMBS index delinquency data.

Chart 1: Total mortgage debt



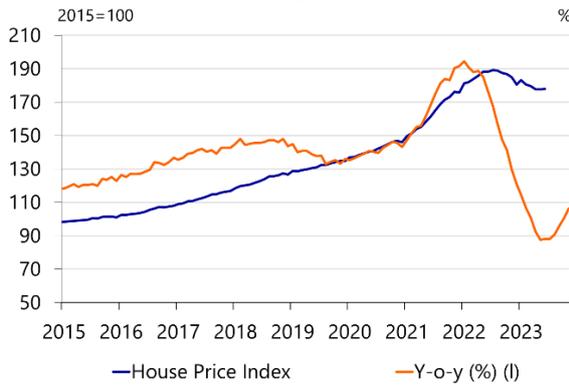
Sources: Statistics Netherlands, Rabobank

Chart 2: Sales



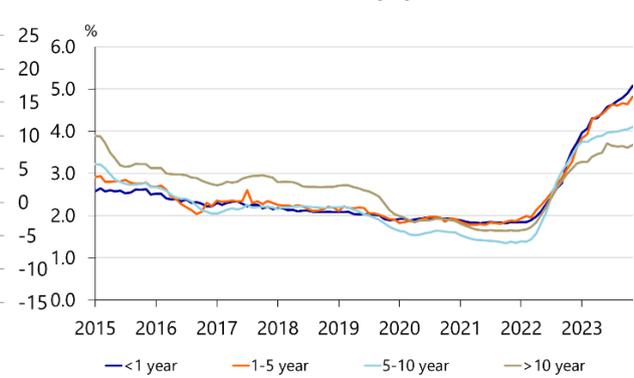
Sources: Dutch Land Registry (Kadaster), Statistics Netherlands (CBS)

Chart 3: Price index development



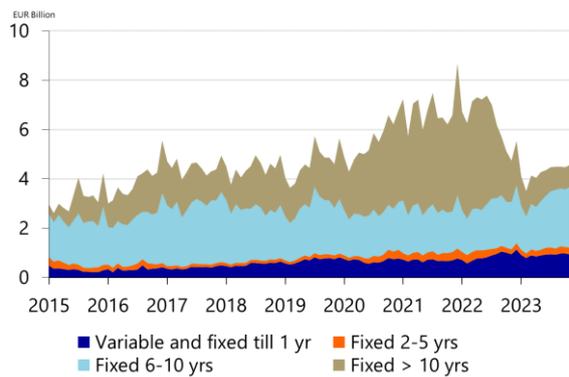
Sources: Statistics Netherlands, Rabobank

Chart 4: Interest rate on new mortgage loans



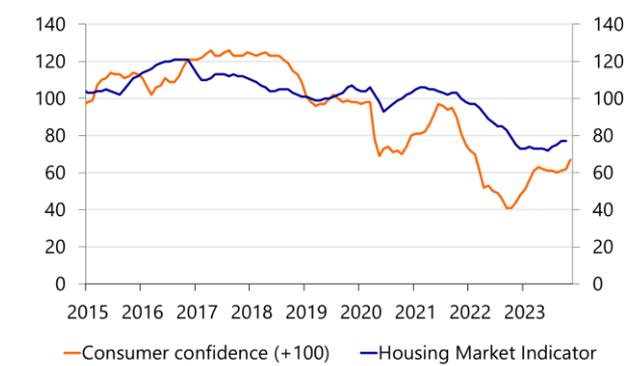
Source: Dutch Central Bank

Chart 5: New mortgages by interest type



Source: Dutch Central Bank

Chart 6: Confidence



Sources: Statistics Netherlands, OTB TU Delft and VEH

## 12. NHG GUARANTEE PROGRAMME

### NHG Guarantee

In 1960, the Dutch government introduced the 'municipal government participation scheme', an open ended scheme in which both the Dutch State and the municipalities guaranteed, according to a set of defined criteria, residential mortgage loans made by authorised lenders to eligible borrowers to purchase a primary family residence. The municipalities and the Dutch State shared the risk on a 50/50 basis. If a municipality was unable to meet its obligations under the municipality guarantee, the Dutch State would make an interest free loan to the municipality to cover its obligations. The aim was to promote home ownership among the lower income groups.

Since 1 January 1995 Stichting WEW (a central privatised entity) is responsible for the administration and granting of the NHG Guarantee (*Nationale Hypotheek Garantie*), under a set of uniform rules. The NHG Guarantee covers the outstanding principal, accrued unpaid interest and disposal costs. Irrespective of scheduled repayments or prepayments made on the mortgage loans, the NHG Guarantee is reduced on a monthly basis by an amount which is equal to the principal repayment part of the monthly instalments as if the mortgage loan were to be repaid on (a maximum of) a thirty year annuity basis. In respect of each mortgage loan, the NHG Guarantee decreases further to take account of scheduled repayments and prepayments under such mortgage loan. Also, amounts paid as savings or investment premium under savings insurance policies or life insurance policies, respectively, are deducted from the amount outstanding on such mortgage loans for purposes of the calculation of the amount guaranteed under the NHG Guarantee (see section 3 (*Risk Factors*)).

### Financing of Stichting WEW

Stichting WEW finances itself, *inter alia*, by a one-off charge to the borrower by a current charge of 0.60 per cent. (as of January 2022) of the principal amount of the mortgage loan at origination. Besides this, the scheme provides for liquidity support to Stichting WEW from the Dutch State and the participating municipalities. Should Stichting WEW not be able to meet its obligations under guarantees issued, (i) in respect of all loans issued before 1 January 2011, the Dutch State will provide subordinated interest free loans to Stichting WEW of up to 50 per cent. of the difference between Stichting WEW's own funds and a pre-determined average loss level and municipalities participating in the NHG Guarantee scheme will provide subordinated interest free loans to Stichting WEW of the other 50 per cent. of the difference and (ii) in respect of all loans issued on or after 1 January 2011, the Dutch State will provide subordinated interest free loans to Stichting WEW of up to 100 per cent. of the difference between Stichting WEW's own funds and a pre-determined average loss level. Both the keep well agreement between the Dutch State and Stichting WEW and the keep well agreements between the municipalities and Stichting WEW contain general 'keep well' undertakings of the Dutch State and the municipalities to enable Stichting WEW at all times (including in the event of bankruptcy (*faillissement*), suspension of payments (*surseance van betaling*) or liquidation (*ontbinding*) of Stichting WEW) to meet its obligations under guarantees issued.

### Terms and conditions of the NHG Guarantee

Under the NHG scheme, the lender is responsible for ensuring that the guarantee application and the binding offer (*bindend aanbod*) meet the NHG Conditions. If the application qualifies, various reports are produced that are used in the processing of the application, including the form that will eventually be signed by the relevant lender and forwarded to the NHG to register the mortgage and establish the guarantee. Stichting WEW has, however, no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the NHG Conditions, which were applicable at the date of origination of the mortgage loan, unless such non-payment is unreasonable towards the lender.

The specific terms and conditions for the granting of NHG Guarantees, such as eligible income, purchasing or building costs etc., are set forth in published documents by Stichting WEW.

The NHG has specific rules for the level of credit risk that will be accepted. The credit worthiness of the applicant must be verified with the BKR, a central credit agency used by all financial institutions in the Netherlands. All financial commitments above EUR 250 over the past five (5) years that prospective borrowers have entered into with financial institutions are recorded in this register. This applies to both positive and negative registrations. After repayment of the debt by the borrower, a negative statement remains registered for up to five (5) years after repayment. In addition, as of 1 January 2008 the applicant itself must be verified with the Foundation for Fraud Prevention of Mortgages (*Stichting Fraudepreventie Hypotheken*, "SFH"). If the applicant has been recorded in the SFH system, no NHG Guarantee will be granted.

To qualify for an NHG Guarantee various conditions relating to valuation of the property must be met. In addition, the mortgage loan must be secured by a first ranking mortgage right (or a second ranking mortgage right in case of a further

advance). Furthermore, the borrower is required to take out insurance in respect of the mortgaged property against risk of fire and other accidental damage for the full restitution value thereof.

The mortgage conditions applicable to each mortgage loan should include certain provisions, among which the provision that any proceeds of foreclosure on the mortgage right and the right of pledge on the life insurance policy or the investment funds shall be applied firstly towards repayment of the mortgage loan guaranteed under the NHG scheme.

### **Claiming under the NHG Guarantee**

When a borrower is in arrears with payments under the mortgage loan for a period of three (3) months, a lender informs Stichting WEW. When the borrower is in arrears Stichting WEW may approach the lender and/or the borrower to attempt to solve the problem and make the borrower aware of the consequences. If an agreement cannot be reached, Stichting WEW reviews the situation with the lender to endeavour to generate the highest possible proceeds from the property. The situation is reviewed to see whether a private sale of the property, rather than a public auction, would generate proceeds sufficient to cover the outstanding mortgage loan. In case of a private sale permission of Stichting WEW is required unless the property is sold for an amount higher than 95 per cent. of the market value. A forced sale of the mortgaged property is only allowed in case the borrower is in arrears with payments under the mortgage loan and Stichting WEW has given its consent to the forced sale.

Within one month after receipt of the proceeds of the private or forced sale of the mortgaged property, the lender must make a formal request to Stichting WEW for payment, using standard forms, which request must include all of the necessary documents relating to the original mortgage loan and the NHG Guarantee. After receipt of the claim and all the supporting details, Stichting WEW must make payment within two (2) months. If the payment is late, provided the request is valid, Stichting WEW must pay interest for the late payment period.

In the event that a borrower fails to meet its obligation to repay the mortgage loan and no or no full payment is made to the lender under the NHG Guarantee by Stichting WEW because of the lender's culpable negligence (*verwijtbaar handelen of nalaten*), the lender must act vis-à-vis the borrower as if Stichting WEW were still guaranteeing the repayment of the mortgage loan during the remainder of the term of the mortgage loan. In addition, the lender is not entitled to recover any amounts due under the mortgage loan from the borrower in such case. This is only different if the borrower did not act in good faith with respect to his inability to repay the mortgage loan and has failed to render his full cooperation in trying to have the mortgage loan repaid to the lender.

For mortgage loans originated after 1 January 2014, the mortgage lender will participate for 10 per cent. in any loss claims made under the NHG Guarantee. The lender is not entitled to recover this amount from the borrower.

### **Additional loans**

Furthermore, on 1 July 2005 provisions were added to the NHG Conditions pursuant to which a borrower who is or threatens to be in arrears with payments under the existing mortgage loan may have the right to request Stichting WEW for a second guarantee to be granted by it in respect of an additional mortgage loan to be granted by the relevant lender. The moneys drawn down under the additional loan have to be placed on deposit with the relevant lender and may, up to a maximum period of two years, be used for, *inter alia*, payment of the amounts which are due and payable under the existing mortgage loan, interest due and payable under the additional mortgage loan and the costs made with respect to the granting of the additional mortgage loan. The relevant borrower needs to meet certain conditions, including, *inter alia*, the fact that the financial difficulties are caused by a divorce, unemployment, disability or death of the partner of the borrower.

### **Main NHG underwriting criteria (Normen) as of 1 January 2024 (Normen 2024-1)**

On 1 November 2022, new NHG terms and conditions were published, which entered into force on 1 January 2023. As of 1 January 2024, the NHG terms and conditions currently in force will be replaced by new NHG terms and conditions. With respect to a borrower, the underwriting criteria include, but are not limited to, the following:

- The lender has to perform a BKR check. Only under certain circumstances are registrations allowed.
- As a valid source of income the following qualifies: indefinite contract of employment, temporary contract of employment if the employer states that the employee will be provided an indefinite contract of employment in case of equal performance of the employee and equal business circumstances, a three (3) year history of income statements for workers with flexible working arrangements or during a probation period (*proeftijd*) or three (3) year (annual) statements for self-employed persons.
- The maximum loan based on the income of the borrowers is based on the '*financieringslast acceptatiecriteria*'

tables and an annuity style redemption (even if the actual loan is (partially) interest only). The mortgage lender shall calculate the borrowing capacity of a borrower of a mortgage loan with a fixed interest term of less than ten (10) years on the basis of a percentage determined and published by the AFM, or, in case of a mortgage loan with a fixed interest term of ten (10) years or longer or if the mortgage loan is redeemed within the fixed interest term of less than ten (10) years, on the basis of the binding offer.

With respect to the mortgage loan, the underwriting criteria include, but are not limited to, the following:

- As of 1 January 2013, for new borrowers the redemption types are limited to Annuity Mortgage Loans and Linear Mortgage Loans with a maximal term of thirty (30) years.
- As of 1 January 2020, the maximum amount of the mortgage loan is dependent on the average house price level in the Netherlands (based on the information available from the Land Registry (*Kadaster*)) multiplied with the statutory loan to value, which is 100 per cent. if there are no energy saving improvements and 106 per cent. if there are energy saving improvements. As a consequence, there are two maximum loan amounts:
  - (i) EUR 435,000 for loans without energy saving improvements as of 1 January 2024; and
  - (ii) EUR 461,100 for loans with energy saving improvements as of 1 January 2024.

The loan amount is also limited by the amount of income and the market value of the property. With respect to the latter:

- For the purchase of existing properties, the loan amount is broadly based on the sum of (i) the lower of the purchase price and the market value based on a valuation report, (ii) the costs of improvements and (iii) an amount up to 6 per cent. of the amount under (i) plus (ii). In case an existing property can be bought without paying transfer taxes (*vrij op naam*), the purchase amount under (i) is multiplied by 97 per cent.
- For the purchase of new-build properties, the maximum loan amount is broadly based on the purchase price or amount contracted for, increased with a number of costs such as the cost of construction interest or loss of interest during the construction period (to the extent not already included in the purchase or construction cost).

### **NHG Advance Rights**

Pursuant to the NHG underwriting criteria which entered into force on 1 June 2020 (*Normen 2020-2*), changes have been made in order for the NHG Guarantee to meet the requirements for a guarantee to qualify as eligible credit protection for banks under the CRR. In particular the ability to receive an advance payment of the expected loss is introduced. Lenders can make use of this option immediately after publication, both for existing and new loans with an NHG Guarantee.

Under the underwriting criteria, as stated above and any subsequent underwriting criteria, WEW will offer lenders the opportunity to receive an advance payment of expected loss, subject to certain conditions being met, including foreclosure procedures not having been completed twenty-one (21) months after default of the NHG mortgage loan (the "**NHG Advance Right**").

The NHG Advance Right is a separate right and it is not part of the surety by NHG. Unlike the surety, this NHG Advance Right therefore does not automatically transfer upon the transfer of the mortgage receivable. If a mortgage receivable has been transferred to a third party (including in the context of special purpose vehicle transactions), the NHG Advance Right may be transferred simultaneously or at a later moment in time, for example when the transferee wishes to exercise the NHG Advance Right. This transfer is necessary if the transferee of the mortgage receivable wants to make use of this NHG Advance Right. However, if the transferee does not wish to exercise the NHG Advance Right, no transfer is necessary. After a transfer of the Mortgage Receivable, the transferor can no longer exercise the NHG Advance Right, regardless of whether the NHG Advance Right is transferred to the transferee. This prevents the NHG Advance Right payment being made to a party other than the transferee of the mortgage receivable. However, at the request of the transferee the transferor can on its behalf exercise the right to an NHG Advance Right on behalf of the transferee.

The underwriting criteria as of 1 June 2020 include a repayment obligation by the person that exercises the NHG Advance Right in case the payment exceeded the amount payable by Stichting WEW under the surety as actual loss eligible for compensation. This would for example be the case if the proceeds of the enforcement are higher than estimated, but also if the borrower in arrears resumes payment under the mortgage loan. The Issuer and the Transferor will not transfer the NHG Advance Rights to the CBC, however, pursuant to the Guarantee Support Agreement the CBC shall have the option to request the transfer of the NHG Advance Rights after the occurrence of a Notification Event and the Issuer or the Transferor, as the case may be, shall use its reasonable efforts to transfer such NHG Advance Rights (to the extent available).



### 13. ORIGATION & SERVICING OF THE MORTGAGE LOANS

*This section describes the generic origination and servicing procedures applied by Achmea Bank. Where the Mortgage Loans and Loan Parts have the benefit of an NHG Guarantee, the origination procedures prescribed by Stichting WEW are adhered to by Achmea Bank. For further information about such origination procedures, see section 12 (NHG Guarantee Programme) above.*

#### **Origination**

##### *General*

The Mortgage Loans were each originated by one of the Originators.

The Mortgage Loans were originated either through direct marketing (under the name Centraal Beheer) and through independent intermediaries (under both Centraal Beheer and Woonfonds Hypotheken).

##### *Procedure of Origination*

The origination procedure starts as soon as a loan application form (HDN) is received from an intermediary, such as a mortgage adviser. The data from the form is entered into the respective automated offering-program system. This system evaluates whether the application meets the requirements for a mortgage loan. These requirements cover income, property valuation, borrower information and some general criteria.

When granting mortgage loans, the Mortgage Credit Decree (*Tijdelijke regeling hypothecair krediet*) is applied in addition to the Code of Conduct for Mortgage Loans (*Gedragscode Hypothecaire Financieringen*) which form the industry body for mortgage lenders.

##### *Mortgage Credit Decree (Tijdelijke regeling hypothecair krediet)*

The Mortgage Credit Decree is applicable to all Dutch financial institutions offering mortgage loans for the purchase, reconstruction or refinancing of the Borrower's property since December 2012. The Mortgage Credit Decree strictly regulates maximum LTV and Loan-to-Income (LTI) ratios. The current maximum LTV is 100 per cent. in 2024 (including all costs such as stamp duties) and 106 per cent. in the event that energy saving facilities are installed in the property. LTI limits are set according to a fixed table including references to gross income of the borrower and mortgage interest rates. This table is updated annually by the National Institute for Budget guidance (Nibud) and ensures that income after (gross) mortgage servicing costs is still sufficient to cover normal costs of living.

In establishing the loan levels related to income, these tables are used by the Originators. Furthermore, the Originators test a Borrower's income by modelling the mortgage loan on an annuity base and a thirty (30) year maturity date. Due to implemented changes, this test is performed with an approach on loan part level, instead of on loan level. With this approach, calculations are made based on actual burdens. The total sum is not allowed to be higher than the pre-defined maximum amount. Only under this circumstance, the mortgage loan will be granted.

##### *Code of Conduct for Mortgage Loans (Gedragscode Hypothecaire Financieringen)*

The Code of Conduct has been a guideline since January 2007 for all Dutch financial institutions offering mortgage loans for the purchase, construction, refurbishment or refinancing of the borrower's property. Since 2011 the Code of Conduct has become obligatory. The Code of Conduct stipulates how to determine the maximum loan capacity of the borrower and operates on a 'comply or explain' basis. This means that each mortgage loan provided needs to comply with the Code of Conduct or an appropriate explanation needs to be provided. The calculation of the maximum loan capacity is based on an annuity calculation (assuming an amortising notional schedule), an interest rate determined quarterly by the 'Contactorgaan Hypothecair Financiers' (Dutch Association of Banks, NVB (*Nederlandse Vereniging voor Banken*)) and the maximum debt-to-income ratios (housing ratios), which depends on the income of the borrower. Currently, a minimum interest rate of five (5) per cent applies to mortgage loans with a fixed rate of interest of up to a term of ten (10) years. For mortgage loans with longer fixed rate terms, the actual mortgage loan rates are to be used. Based on this interest rate and the duration of the loan a monthly payment is calculated. The total calculated annuity payments per year should be less than the maximum payments based on income and housing ratio.

##### *National Credit Register (BKR)*

A check is completed on every Borrower with the BKR, which provides positive and negative credit information on all Borrowers with credit histories at financial institutions in the Netherlands. A loan is granted if the Borrower has a positive credit history or when an outstanding negative credit history can be explained and justified.

Moreover, from a regulatory perspective the Dutch Ministry of Finance has developed certain regulations regarding the maximum mortgage amount a Borrower can borrow. The maximum amount of the mortgage is restricted by the income of the Borrower and by the value of the underlying property. The origination process takes these regulations into account.

#### *Valuation*

To determine the foreclosure / market value of the property securing the mortgage loan a valuation report by an independent registered valuer is used. In case of new-build property the value is based on a construction or purchase contract.

#### *Acceptance*

Once in case the application meets all criteria, a loan proposal is sent to the applicant or to his intermediary/mortgage broker. If the Borrower accepts the proposal, then after receipt of other relevant documents (such as proof of income and insurance policies) and after successful valuation of the underlying property, the loan will be granted.

The Borrower will then be informed that the loan has been granted and a civil law notary will be advised of the exact terms and conditions of the loan and asked to draft a notarial deed for the mortgage loan. The original deed is kept by the civil law notary, but a digitalised copy of the deed and of all other relevant original documents are stored by the Originators. The civil law notary is also responsible for registering the mortgage with the Land Registry (*Kadaster*).

### **Servicing**

#### *Mortgage Administration*

Once a Mortgage Loan has been granted and is registered by the civil law notary, the regular administration of the Mortgage Loan commences. Administration of the Mortgage Loan refers to those activities that occur during the regular transit time of the mortgage, such as changes in interest, making payments out of the construction deposit as the construction of the building progresses, administration of (partial) redemption payments, subsequent recalculation of the new interest payments or even termination of the loan if full repayment has been made. The administration of the Mortgage Loans is outsourced to Syntus Achmea Hypotheekdiensten B.V., who in turn has outsourced it to Quion Services B.V.

#### *Interest Collections*

Payments are typically scheduled to be received on the first business day of each month by direct debit. This automated process has a fail rate of approximately one (1.0) per cent. This can be caused by a change in the bank account details of the Borrower of which the Originators may not have been notified or if the account has insufficient funds. The Borrower will receive a first reminder on the second (2nd) business day after non-payment. Payment information is monitored daily by personnel in the Arrears Management department (*Debiteuren Beheer*).

#### *Arrears management*

The Arrears Management department handles all contact with the Borrower in terms of payments and arrears. Arrears Management reminder letters are automatically generated by the system and sent out to the Borrower, first on the second (2nd) day after non-payment (the client is also contacted by phone within eight (8) to eleven (11) days) and second within ten (10) days after the first reminder. If the internal analysis reveals significant Borrower's payment problems (including a check at BKR revealing that the borrower has significant problems elsewhere), the file will be transferred immediately to Default Management (*Bijzonder Beheer*). Otherwise, contact with the Borrower will be made by Arrears Management and the account is given active treatment status. Arrears Management works with the Borrower to ascertain whether a solution with regard to his/her payment problem can then be reached. This is mostly done by telephone. In most cases, the Borrower makes full payment shortly after this contact or signs a settlement plan. Settlement plans, which must be signed by the Borrower, typically have a three (3) month horizon with exceptional cases allowing for up to eighteen (18) months. To make this plan, detailed information is collected on the Borrower's current job status, actual income, and monthly outflows. Subsequently, the agreed plan is closely monitored and deviation leads to the file being transferred to Default Management. Throughout the Arrears Management process, the aim is to come to a solution with the Borrower and to continue the relationship with the client. Restructuring the loan-conditions will be looked into and, if necessary, the Borrower will get free advice from a financial advisor. If the Arrears Management department is unable to contact the client, a third party will approach the client. Furthermore, if the client has financial problems a "budget coach" will be offered to the client by the Originators.

#### *Default management*

If no contact can be made a third reminder is sent twenty-six (26) days after non-payment. If Arrears Management is

unsuccessful in its attempts to get the Borrower out of the arrears situation for more than two (2) months after the first missed payment, the file will also be transferred to Default Management. Whereas Arrears Management tries to get payment but also to keep customer satisfaction in mind, Default Management will use all legal means to receive payment. This can include obtaining a letter of lien of salary (the employer will deduct the agreed amount from the Borrower's salary before salary payment is made, and this deduction is paid directly to the relevant Originator) and/or getting a third-party guarantor to assist in payment and guaranteeing future payment.

A joint effort to sell the property is often made. The Borrower can choose to sell his/her house at this stage, which will be accepted by the Originators if revenues from a voluntary sale cover the outstanding debt in full, or if it is expected that foreclosure will realise a lower recovery value. Also, at this stage the Originators obtains a notarial power of attorney to sell the house.

If all the above measures are unsuccessful the last step is foreclosure. Default Management will try to minimize foreclosures as much as possible (because of a lower return compared to other means of sale of the property) by extending the period of obtaining private sales and by other means to accomplish a successful private sale, amongst others via a real estate broker.

#### *Foreclosure process*

If a workout plan cannot be negotiated with the Borrower or the Borrower fails to comply with the settlement, the foreclosure process starts. A civil law notary is appointed to initiate the foreclosure process. In general, the decision to foreclose will be taken six (6) to twelve (12) months following the transfer to Default Management. Default Management calculates the best method of maximising the sale value of the property. This could mean that the property is sold either as a private sale or by public (internet) auction. A private sale can, and often does, precede a public auction. When the decision is made to foreclose, the head of the department gives formal instruction to the civil law notary. The date of the sale will be set by the civil law notary within three (3) weeks of this instruction and, usually, will be four (4) to ten (10) weeks after the decision to foreclose (depending on the region and the number of other foreclosures currently being handled). Throughout the foreclosure process, the Originators management team works according to guidelines set down by Dutch law, the lender and the BKR.

Past case laws in the Netherlands have emphasized that if the outstanding loan is higher than the expected proceeds of the foreclosure of the property, a foreclosure procedure may only be executed if such foreclosure is the final remedy after the bank has exhaustively taken all other possible measures and actions to recover outstanding arrears, in order to minimize the risk that the Borrower will be left with a remaining debt after foreclosure (which might be considered as unreasonable and unlawful).

#### *Debt after sale or foreclosure*

If amounts are still outstanding after the foreclosure process has been completed, Default Management continues to manage the remaining receivables indirectly. The entire file is handed over to a bailiff who will continue to seek payment from the Borrower through all available means, except when there is an agreement with the client about the payment of the outstanding amounts, in which case Default Management and the bailiff will retain the file.

#### *Pre-emptive arrears management*

Arrears Management and Default Management have recently developed pre-emptive arrears management. This should lead to lower arrears and lower losses at default.

Pre-emptive arrears management consists of a check on early warning signals of arrears, for example when:

- a client is getting a divorce;
- a client expects to lose his job;
- a client expects to sell his house with a loss; and
- a client having a high loan-to-value.

Borrowers have a possibility to contact the Originators for expected pre-emptive arrears issues. Furthermore, with an analysis of the total mortgage portfolio, Arrears Management and Default management aim to identify certain groups of clients with a potentially higher credit risk. Detailed working process descriptions of all the above steps are available and used by the Servicer.

## 14. SERVICING AND ADMINISTRATION

### Servicing

The CBC has entered into the Servicing Agreement with Achmea Bank. In the Servicing Agreement Achmea Bank agrees to act as the Servicer in respect of the relevant Mortgage Receivables. The Servicer will agree (i) to provide administration and management services to the CBC on a day-to-day basis in relation to the relevant Mortgage Loans and the relevant Mortgage Receivables, including, without limitation, the collection and recording of payments of principal, interest and other amounts in respect of the relevant Mortgage Receivables and the implementation of arrears procedures including the enforcement of relevant Mortgages, (ii) to communicate with the Borrowers and (iii) to investigate payment delinquencies. An entity which services (*beheert*) and administers (*uitvoert*) loans granted to consumers, such as the CBC, must have a license under the Wft. An exemption from the license requirement is available if such entity outsources the servicing of the loans and the administration thereof to an entity holding a license under the Wft. Pursuant to the Servicing Agreement the CBC has outsourced the servicing and administration of the Mortgage Loans to Achmea Bank in its capacity as Servicer. The Servicer is a licensed bank and is therefore licensed to act as intermediary (*bemiddelaar*) and offeror of credit (*aanbieder van krediet*) under the Wft and the CBC thus benefits from the exemption.

The Servicer will be obliged to service the relevant Mortgage Loans and the relevant Mortgage Receivables with the same level of skill, care and diligence as mortgage loans in its own portfolio.

The Servicer has, in accordance with the terms of the Servicing Agreement, appointed (i) Syntrus Achmea Hypotheekdiensten B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Mortgage Loans other than Achmea Hypotheken Mortgage Loans and Syntrus Achmea Hypotheekdiensten B.V. in its turn has appointed Quion Services B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Mortgage Loans other than Achmea Hypotheken Mortgage Loans and (ii) Achmea Hypotheken as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans, whereby Achmea Hypotheken has appointed Syntrus Achmea Hypotheekdiensten B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans and Syntrus Achmea Hypotheekdiensten in its turn has appointed Quion Services B.V. as its sub-servicer to carry out (part of) the servicing on its behalf in respect of some or all Achmea Hypotheken Mortgage Loans.

Any sub-contracting in accordance with the Servicing Agreement shall not in any way relieve the Servicer from its obligations under the Servicing Agreement which it shall continue to be liable as if no such appointment had been made and as if the acts and omissions of the sub-agent or sub-servicer were the acts and omissions of the Servicer.

### Administration

In the Administration Agreement the Administrator will agree to provide certain administration, calculation and cash management services to the CBC on a day-to-day basis, including (i) all calculations to be made in respect of the Covered Bonds and the Transaction Documents and (ii) to prepare monthly Asset Cover Reports for the CBC including the relevant calculations in respect of the Asset Cover Test.

### Back-Up Administration

In the Back-Up Administration Agreement the Back-Up Administrator is appointed as substitute administrator to perform certain administration, calculation and cash management services for the CBC on a day-to-day basis, in accordance with and subject to the provisions of the Administration Agreement and the provisions of the Back-Up Administration Agreement, under the condition precedent (*opschortende voorwaarde*) that the appointment of Achmea Bank as Administrator under the Administration Agreement has been terminated.

### Termination

The Servicing Agreement and the Administration Agreement may be terminated by the Security Trustee or the CBC (with the consent of the Security Trustee) in certain circumstances (in respect of the relevant party only), including (a) a default by the Servicer and/or the Administrator in the payment on the due date of any payment due and payable by it under the Servicing Agreement or, as the case may be, Administration Agreement, (b) a default is made by the Servicer and/or the Administrator in the performance or observance of any of its other covenants and obligations under the Servicing Agreement or, as the case may be, Administration Agreement, (c) the Servicer and/or the Administrator has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its suspension of payments, or for any analogous insolvency proceedings under any applicable law or for bankruptcy or for the appointment of a receiver or a similar officer of its or any or all of its assets or (d) the Servicer is no longer licensed

to act as intermediary (*bemiddelaar*) and offeror (*aanbieder*) under the Wft (the "**Servicing Termination Events**").

Upon termination of the Administration Agreement in respect of the Administrator, the Security Trustee and the CBC undertake to appoint a substitute administrator and such substitute administrator shall enter into an agreement with the CBC and the Security Trustee substantially on the terms of the Administration Agreement, provided that such substitute administrator shall have the benefit of an administration fee at a level to be then determined.

Upon termination of the Servicing Agreement in respect of the Servicer, the Security Trustee and the CBC undertake to appoint a substitute servicer and such substitute servicer shall enter into an agreement with the CBC and the Security Trustee substantially on the terms of the Servicing Agreement, provided that such substitute servicer shall have the benefit of a servicing fee at a level to be then determined. Any such substitute servicer must (i) have experience of administering mortgage loans and mortgages of residential property in the Netherlands and (ii) hold a licence under the Wft. If the Servicing Agreement is to be terminated, the CBC and/or the Security Trustee shall in accordance with the Servicing Agreement and the CBC Master Purchase Agreement appoint (a) in respect of Mortgage Loans originated by Achmea Hypotheken, Achmea Hypotheken and (b) in respect of Mortgage Loans which are not originated by Achmea Hypotheken, Syntrus Achmea Hypotheekdiensten as substitute servicer, provided that (i) such appointment shall be effective not later than the date of termination of the Agreement and (ii) (a) Achmea Hypotheken shall provide the services in accordance with the provisions of the CBC Master Purchase Agreement in respect of the Mortgage Loans originated by Achmea Hypotheken (which agreement and therefore the services provided by Achmea Hypotheken can only be terminated as set out above) and (b) Syntrus Achmea Hypotheekdiensten shall enter into an agreement substantially on the terms of the Servicing Agreement to provide the services in respect of the Mortgage Loans which are not originated by Achmea Hypotheken, in each case without prejudice to the right of the CBC to terminate and/or not appoint such party with respect to Syntrus Achmea Hypotheekdiensten and with respect to Achmea Hypotheken Mortgage Receivables subject to and in accordance with the Master Purchase Agreement in respect of Achmea Hypotheken.

The CBC shall, promptly following the execution of such agreement, pledge its interest in such agreement in favour of the Security Trustee on the terms of the Security Trustee Rights Pledge Agreement, *mutatis mutandis*, to the satisfaction of the Security Trustee.

The Servicing Agreement and the Administration Agreement may be terminated by the CBC or the Servicer or, as the case may be, the Administrator upon the expiry of not less than twelve (12) months' notice of termination given by the Servicer or, as the case may be, the Administrator to each of the CBC and the Security Trustee or by the CBC to the Servicer or Administrator and the Security Trustee provided that, *inter alia*, (a) the Security Trustee consents in writing to such termination and (b) a substitute servicer or administrator, as the case may be, shall be appointed in accordance with the provisions set out above, such appointment to be effective not later than the date of termination of the Servicing Agreement or, as the case may be, the Administration Agreement and the Servicer or Administrator shall not be released from its obligations under the Servicing Agreement or, as the case may be, the Administration Agreement until such substitute servicer or administrator has entered into such new agreement.

## 15. PARTICIPATION AGREEMENTS

### General

For as long as no Notice to Pay or CBC Acceleration Notice has been served, pursuant to the Trust Deed, all amounts to be paid and received, respectively by the CBC under the Insurance Savings Participation Agreement and the Bank Savings Participation Agreement will be settled on behalf of the CBC by the Issuer (see further section 18 (*Cash flows*)).

### A. Insurance Savings Participation

Under the Insurance Savings Participation Agreement entered into between the CBC, the Insurance Savings Participant and the Security Trustee, the CBC grants the Insurance Savings Participant a sub-participation in the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element, originated by Transferor.

### Participations

In the Insurance Savings Participation Agreement, the Insurance Savings Participant has undertaken to pay to the CBC:

- (i) (a) in respect of Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element on the Transfer Date on which a Savings Mortgage Receivable or a Life Mortgage Receivables with a Savings Element is transferred to the CBC or (b) in respect of a Savings Switch from any type of Mortgage Loan into a Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element, on the CBC Payment Date succeeding such Savings Switch, an amount equal to the sum of the Savings Premium in respect of Savings Insurance Policies or a Life Insurance Policy with a Savings Alternative received by the Insurance Savings Participant in relation to such Savings Mortgage Loan or Life Mortgage Loan with a Savings Element with accrued interest up to the first day of the month in which such Transfer Date or CBC Payment Date, as applicable, falls (the "**Initial Insurance Savings Participation**") in relation to each of the Savings Mortgage Receivables and each of the Life Mortgage Receivables with a Savings Element; and
- (ii) on each CBC Payment Date thereafter an amount equal to the amount received by the Insurance Savings Participant as Savings Premium and Savings Investment Premium during the previous month in respect of the relevant Savings Insurance Policies and the Life Insurance Policy with a Savings Alternative, respectively,

provided that in respect of the relevant Savings Mortgage Receivable and the relevant Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation, no amounts will be paid to the extent that, as a result thereof, the Insurance Savings Participation in the relevant Savings Mortgage Receivable and the relevant Life Mortgage Receivable with a Savings Element would exceed the Outstanding Principal Amount of the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element, respectively.

If and when such payment has been made, as a consequence of such payments the Insurance Savings Participant will acquire the Initial Insurance Savings Participation in each of the relevant Savings Mortgage Receivables or each of the relevant Life Mortgage Receivable with a Savings Element, which is equal to the Initial Insurance Savings Participation in respect of the relevant Savings Mortgage Receivables or Life Mortgage Receivable with a Savings Element increased during each month on the basis of the following formula (the "**Insurance Savings Participation Increase**"):

$(P/H \times R) + S$ , whereby:

- P = the Insurance Savings Participation on the first day of the relevant month in the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element;
- S = the amount received by the CBC from or on behalf of the Insurance Savings Participant in such month in respect of the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element pursuant to the Insurance Savings Participation Agreement;
- H = the Outstanding Principal Amount of the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element on the first day of the relevant month;
- R = the amount of interest, due by the Borrower on the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element and actually received by the CBC in such month.

In consideration for the undertakings of the Insurance Savings Participant described above, the CBC has undertaken to pay to the Insurance Savings Participant on each CBC Payment Date, in respect of each Savings Mortgage Receivable and each Life Mortgage Receivable with a Savings Element, which is subject to an Insurance Savings Participation for

an amount equal to the amounts received during the relevant month or, in the case of a transfer during a month, which falls in the period which commences on the Transfer Date or the date the Life Mortgage Loans are switched from the Investment Alternative to investments in the Savings Alternative and ends on the last day of such month up to the amount received (i) by means of repayment and prepayment under the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation but excluding any prepayment penalties and interest penalties, if any, and, furthermore, excluding amounts paid as partial prepayments on the relevant Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation, (ii) in connection with the retransfer of a Savings Mortgage Receivable or a Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation pursuant to the Guarantee Support Agreement to the extent such amounts relate to principal, (iii) in connection with the transfer of a Savings Mortgage Receivable or a Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation to the extent such amounts relate to principal and (iv) as Net Proceeds on any Savings Mortgage Receivable or any Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation to the extent such amounts relate to principal, in each case with a maximum of the Insurance Savings Participation (the "**Insurance Savings Participation Redemption Available Amount**").

#### **Reduction of Insurance Savings Participation**

If a Borrower invokes a defence, including but not limited to a right of set-off or counterclaim against any person, in respect of a Savings Mortgage Receivable or a Life Mortgage Receivable with a Savings Element, which is subject to an Insurance Savings Participation or if, for whatever reason, the Insurance Savings Participant does not pay the insurance proceeds when due and payable, whether in full or in part, under the relevant Savings Insurance Policy or the relevant Life Insurance Policy with a Savings Alternative, and, as a consequence thereof, the CBC will not have received any amount outstanding prior to such event in respect of such Savings Mortgage Receivable or such Life Mortgage Receivable with a Savings Element, the Insurance Savings Participation of the Insurance Savings Participant in respect of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element will be reduced by an amount equal to the amount which the CBC has failed to so receive. The calculation of the Insurance Savings Participation Redemption Available Amount shall be adjusted accordingly.

#### **Enforcement**

If a CBC Acceleration Notice is served by the Security Trustee to the CBC, then and at any time thereafter the Security Trustee on behalf of the Insurance Savings Participant may, and if so directed by the Insurance Savings Participant shall, by notice to the CBC:

- (i) declare that the obligations of the Insurance Savings Participant under the Insurance Savings Participation Agreement are terminated; and
- (ii) declare the Insurance Savings Participation to be immediately due and payable, whereupon it shall become so due and payable, but such payment obligations shall be limited to the Insurance Savings Participation Redemption Available Amount received or collected by the CBC or, in case of enforcement, the Security Trustee under the Savings Mortgage Receivables and the Life Mortgage Receivables with a Savings Element, which are subject to an Insurance Savings Participation.

#### **Termination**

If one or more of the Savings Mortgage Receivables or the Life Mortgage Receivables with a Savings Element which are subject to an Insurance Savings Participation are sold by the CBC to a third party or the Transferor pursuant to the Asset Monitoring Agreement or are retransferred to the Transferor, the Insurance Savings Participation in such Savings Mortgage Receivables or such Life Mortgage Receivables with a Savings Element will terminate and the Insurance Savings Participation Redemption Available Amount in respect of such Savings Mortgage Receivables or such Life Mortgage Receivables with a Savings Element will be paid by the CBC to the Insurance Savings Participant. If so requested by the Insurance Savings Participant, the CBC will use its best efforts to ensure that the acquirer of the Savings Mortgage Receivables and/or the Life Mortgage Receivables with a Savings Element which are subject to an Insurance Savings Participation will enter into an insurance savings participation agreement with the Insurance Savings Participant in a form similar to the Insurance Savings Participation Agreement. Furthermore, the Insurance Savings Participation envisaged in the Insurance Savings Participation Agreement shall terminate if at the close of business of any CBC Payment Date the Insurance Savings Participant has received the Insurance Savings Participation in respect of the relevant Savings Mortgage Receivable and/or the relevant Life Mortgage Receivable with a Savings Element.

If, in case of an Life Mortgage Loan with a Savings Element, all or part of the premia accumulated in the relevant Life Insurance Policy with a Savings Alternative are switched to the Investment Alternative, the sub-participation envisaged in the Insurance Savings Participation Agreement shall terminate, in whole or in part, and the Insurance Savings Participation Redemption Available Amount (or part thereof, if applicable) in respect of such Savings Mortgage

Receivable or such Life Mortgage Receivable with a Savings Element will be paid by the CBC to the Insurance Savings Participant, but only if and to the extent that on the relevant CBC Payment Date or any later CBC Payment Date the amounts received by the CBC under the Insurance Savings Participation Agreement are sufficient for this purpose on such date.

#### **B. Bank Savings Participation**

Under the Bank Savings Participation Agreement, the CBC will grant to each Bank Savings Participant a Bank Savings Participation in the relevant Bank Savings Mortgage Receivables.

#### **Bank Savings Accounts**

The conditions applicable to the Bank Savings Mortgage Loans stipulate that amounts paid by the Borrowers will be deposited by the Bank Savings Participant on the relevant Bank Savings Account held with Achmea Bank.

#### **Bank Savings Participation**

In the Bank Savings Participation Agreement, the Bank Savings Participant has undertaken to pay to the CBC:

- (i) on the Transfer Date on which a Bank Savings Mortgage Receivable is transferred to the CBC, an amount equal to the sum of the Bank Savings Deposits received by the Bank Savings Participant in relation to such Bank Savings Mortgage Receivable with accrued interest up to the first day of the month in which such Transfer Date falls (the "**Initial Bank Savings Participation**"); and
- (ii) on each CBC Payment Date thereafter an amount equal to the amount received by the Bank Savings Participant on the relevant Bank Savings Account in relation to the relevant Bank Savings Mortgage Receivables during the Calculation Period immediately preceding such CBC Payment Date,

provided that no amounts will be paid to the extent that, as a result thereof, the Bank Savings Participation in the relevant Bank Savings Mortgage Receivable would exceed the Outstanding Principal Amount of the relevant Bank Savings Mortgage Receivable.

If and when such payment has been made, as a consequence of such payments the Bank Savings Participant will acquire the Bank Savings Participation in each of the relevant Bank Savings Mortgage Receivables, which is equal to the Initial Bank Savings Participation in respect of the relevant Bank Savings Mortgage Receivables increased during each month on the basis of the following formula (the "**Bank Savings Participation Increase**"):

$(P/H \times R) + S$ , whereby:

P = Bank Savings Participation on the first day of the relevant month;

S = the amount received by the CBC pursuant to the Bank Savings Participation Agreement on the CBC Payment Date immediately succeeding the relevant Calculation Date in respect of the relevant Bank Savings Mortgage Receivable from the Bank Savings Participant;

H = the Outstanding Principal Amount of the relevant Bank Savings Mortgage Receivable on the first day of the relevant month;

R = the amount of interest due by the Borrower on the relevant Bank Savings Mortgage Receivable and actually received by the CBC in respect of such Calculation Period;

In consideration for the undertakings of the Bank Savings Participant described above, the CBC has undertaken to pay to the Bank Savings Participant on each CBC Payment Date in respect of the Bank Savings Mortgage Receivables which are subject to a Bank Savings Participation an amount equal to the amounts received during the relevant month or, in the case of a transfer during a month, which falls in the period which commences on the date on which the condition precedent is fulfilled or if later, the Transfer Date and ends on the last day of such month (i) by means of repayment and prepayment under the relevant Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation but excluding any prepayment penalties and interest penalties, if any, and, furthermore, excluding amounts paid as partial prepayments on the relevant Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation (ii) in connection with the retransfer of a Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation pursuant to the Guarantee Support Agreement to the extent such amounts relate to principal, (iii) in connection with the transfer of a Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation to the extent such amounts relate to principal and (iv) as Net Proceeds on any Bank Savings Mortgage Receivable which is subject to a

Bank Savings Participation to the extent such amounts relate to principal, in each case with a maximum of the relevant Bank Savings Participation (the "**Bank Savings Participation Redemption Available Amount**").

#### **Reduction of Bank Savings Participation**

If a Bank Savings Deposit is automatically set-off with the relevant Bank Savings Mortgage to which it is connected, or a Borrower invokes a defence, including but not limited to a right of set-off or counterclaim against any person in respect of a relevant Bank Savings Mortgage Receivable and if, for whatever reason, the Bank Savings Participant does not pay the amounts due under the relevant Bank Savings Mortgage Receivable, whether in full or in part, and, as a consequence thereof, the CBC will not have received any amount outstanding prior to such event in respect of such relevant Bank Savings Mortgage Receivable, the Bank Savings Participation of the Bank Savings Participant in respect of such relevant Bank Savings Mortgage Receivable, will be reduced by an amount equal to the amount which the CBC has failed to so receive and the calculation of the Bank Savings Participation Redemption Available Amount shall be adjusted accordingly.

#### **Enforcement Notice**

If a CBC Acceleration Notice is served by the Security Trustee to the CBC, then and at any time thereafter the Security Trustee on behalf of any Bank Savings Participant may, and if so directed by the Bank Savings Participant shall, by notice to the CBC:

- (i) declare that the obligations of the Bank Savings Participant under the Bank Savings Participation Agreement are terminated; and
- (ii) declare the Bank Savings Participation in relation to the relevant Bank Savings Mortgage Receivables to be immediately due and payable, whereupon it shall become so due and payable, but such payment obligations shall be limited to the Bank Savings Participation Redemption Available Amount received or collected by the CBC or, in case of enforcement, the Security Trustee under the relevant Bank Savings Mortgage Receivables.

#### **Termination**

If one or more of the relevant Bank Savings Mortgage Receivables are sold by the CBC to a third party or the Transferor pursuant to the Asset Monitoring Agreement or are otherwise retransferred to the Transferor, the Bank Savings Participation in such relevant Bank Savings Mortgage Receivables will terminate and the Bank Savings Participation Redemption Available Amount in respect of the relevant Bank Savings Mortgage Receivables will be paid by the CBC to the Bank Savings Participant. If so requested by the Bank Savings Participant, the CBC will use its best efforts to ensure that the acquirer of the relevant Bank Savings Mortgage Receivables will enter into a bank savings participation agreement with the Bank Savings Participant in a form similar to the Bank Savings Participation Agreement. Furthermore, the Bank Savings Participation envisaged in the Bank Savings Participation Agreement shall terminate if at the close of business of any CBC Payment Date the Bank Savings Participant has received the Bank Savings Participation in respect of the relevant Bank Savings Mortgage Receivables.

## 16. ASSET MONITORING

### ASSET COVER TEST

Under the Asset Monitoring Agreement and the Guarantee Support Agreement, the CBC and the Issuer have undertaken on a reasonable efforts or best efforts basis, respectively, that as at the end of each calendar month until the service of a Notice to Pay or CBC Acceleration Notice:

- (i) the Adjusted Aggregate Asset Amount 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 as defined below under '*Adjusted Aggregate Asset Amount*', up to the date specified in such item (B)), all as calculated on the immediately succeeding Calculation Date;
- (ii) the First Regulatory Current Balance Amount shall be at least equal to 105 per cent. (or such other percentage as may be required from time to time under the CB Regulations) of 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 as defined below under '*Adjusted Aggregate Asset Amount*', up to the date specified in such item (B)) all as calculated on the immediately succeeding Calculation Date; and
- (iii) the Second Regulatory Current Balance Amount shall be at least equal to 100 per cent. (or such other percentage as may be required from time to time under the CB Regulations) of the nominal value of the obligations in respect of the Covered Bonds, which include repayment of principal, payment of interest, payment obligations under derivative contracts and expected costs related to maintenance and administration for the winding-down of the Programme (in each case within the meaning of the CB Regulations) at the end of such calendar month (or with respect to item B as defined below under '*Adjusted Aggregate Asset Amount*', up to the date specified in such item (B)) all as calculated on the immediately succeeding Calculation Date,

(item (i) up to and including item (iii), the "**Asset Cover Test**").

Pursuant to the Administration Agreement the Administrator will calculate the Asset Cover Test on each Calculation Date. If at the end of a calendar month (or with respect to item (B) as defined below under '*Adjusted Aggregate Asset Amount*', up to the date specified in item B) the Asset Cover Test has not been met, then the Administrator will promptly notify the CBC thereof pursuant to the Asset Monitoring Agreement, and the CBC will promptly notify the Issuer thereof pursuant to the Asset Monitoring Agreement, and the Issuer will undertake its best efforts to transfer or procure the transfer of sufficient further Eligible Receivables to the CBC in accordance with the Guarantee Support Agreement to ensure that the Asset Cover Test is met promptly and in any event at the end of the next succeeding calendar month.

Such a breach of the Asset Cover Test will not constitute an Issuer Event of Default. However, it will prevent the Issuer from issuing any further Series after such Calculation Date, until remedied and, if it is not remedied on the next 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**") the Security Trustee will be entitled to serve a Breach of Asset Cover Test Notice on the Issuer and the CBC. Upon receipt of such a Breach of Asset Cover Test Notice, the Issuer will (continue to) use its best efforts to transfer or procure the transfer of sufficient Eligible Assets to the CBC, either directly or indirectly by it. A Breach of Asset Cover Test may be remedied and after being remedied the Issuer may issue new Series subject to other conditions being met. After the service of a Breach of Asset Cover Test Notice and provided that the Breach of Asset Cover Test has not been remedied, the CBC shall be allowed to retain the proceeds received on the Transferred Assets until the Breach of Asset Cover Test is remedied.

Save where otherwise agreed with any Rating Agency, the Asset Percentage will be adjusted in accordance with the various methodologies prescribed by any Rating Agency or will otherwise be in compliance with the relevant methodologies agreed with any Rating Agency from time to time with a view to maintain the rating of the highest rated Series of Covered Bonds. Any adjustment of the Asset Percentage will appear from the relevant Investor Report as the new Asset Percentage as determined in accordance with the Asset Monitoring Agreement. In the event the Asset Percentages (as computed in response to the relevant Rating Agency calculations) prior to any Calculation Date differ, the CBC (or the Administrator on its behalf) shall on such Calculation Date apply the lowest Asset Percentage. Prior to the date on which a relevant Rating Agency has provided the CBC (or the Administrator on its behalf) with a new Asset Percentage, the CBC (or the Administrator on its behalf) will be entitled to rely on the previously provided Asset Percentage.

The most recent Asset Percentage will be included in the Investor Report. As at the date of this Base Prospectus, the Asset Percentage is 90.27.

In the Administration Agreement, the Administrator agrees to prepare the Asset Cover Reports and to provide certain administration, calculation and cash management services for the CBC on a day-to-day basis, including without limitation, all calculations to be made pursuant to the Conditions in connection with the Covered Bonds, subject to and in accordance with the Administration Agreement. Each Asset Cover Report will be included in the Investor Report. In the Trust Deed, the Security Trustee agrees to, upon receipt of each Asset Cover Report, verify whether such Asset Cover Report states that the Asset Cover Test has been passed or failed and, if failed, whether the following Asset Cover Report states that the Asset Cover Test has been failed for the second time, meaning that a Breach of Asset Cover Test shall have occurred.

For the purpose hereof:

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

**"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 Adjusted Valuation relating to such Mortgage Receivable, minus  $\beta$ ; and
- (b) the Asset Percentage of the sum of the Current Balances minus  $\alpha$  of all Mortgage Receivables.

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

- (i) if it is a Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or a Bank Savings Mortgage Receivable an amount calculated on the basis of a method proposed to the Rating Agencies, related to the built-up of savings, provided that no amount will be deducted for as long as the Insurance Savings Participation Agreement or the Bank Savings Participation Agreement, respectively, is in place;
- (ii) if it was in breach of the Mortgage Receivables 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;
- (iii) if it is three (3) months or more in arrears or if 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;
- (iv) if the Long-Term Issuer Credit Rating from S&P falls below 'BBB', 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 (*depositgarantiestelse*) from time to time or (ii) such lower amount as long as this will not adversely affect the rating of any Series;
- (v) if it corresponds to a Construction Deposit: the amount of the Construction Deposit; and
- (vi) 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 Minimum Interest Rate Reduction.

**"Minimum Interest Rate Reduction"** means in relation to a Mortgage Receivable, an amount equal to the product of (i) the difference between the Minimum Mortgage Interest Rate 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 (fixed) interest period in years for such fixed or floating interest rate (unless such period is less than five (5) years, in which case such period is set to five (5) years or, if the maturity date of such Mortgage Loan is earlier, the maturity date) (rounded if necessary to the first decimal, with 0.05 being rounded upwards).

**"Construction Deposit"** means in relation to a Mortgage Loan, that part of the Mortgage Loan which the relevant Borrower requested to be disbursed into a blocked account held in his name with the relevant Transferor, the proceeds of which can only be applied towards construction of, or improvements to, the relevant Mortgaged Asset.

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

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

"Asset Percentage" means 90.27 per cent. or such other percentage figure as is determined from time to time in accordance with the Asset Monitoring Agreement as described above.

"Current Balance" means in relation to an Eligible Receivable at any date, the aggregate (without double counting) of the Net Outstanding Principal Amount, Accrued Interest (unless it concerns calculations for either the Asset Cover Test or the Amortisation Test Aggregate Asset Amount, in which case Accrued Interest will not be included) and Arrears of Interest as at that date.

"LTV Cut-Off Percentage" means 80 per cent. for all Mortgage Receivables or such other percentage as may be notified to the Rating Agencies from time to time in respect of the relevant Mortgage Receivables, or such lower percentage as is (a) required from time to time for Covered Bonds to qualify as 'covered bonds' as defined in Article 129 of the CRR or (b) otherwise determined from time to time in accordance with the Asset Monitoring Agreement.

"B" means the aggregate amount of all Principal Receipts on the Mortgage Receivables up to the end of the immediately preceding calendar month which have not been applied in accordance with the Trust Deed.

"C" means the aggregate amount of (i) all Transferred Collateral in cash which has not been applied in accordance with the Trust Deed and (ii) the amounts standing to the credit of the Reserve Account.

"D" means the aggregate outstanding principal balance of all Transferred Collateral in Substitution Assets and accrued interest thereon which has not been applied in accordance with the Trust Deed. 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 proposed to the Rating Agencies.

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

"Interest Cover Required Amount" means on the date with respect to which the Asset Cover Test is calculated, (i.e. the end of each calendar month), the higher of zero and (i) U minus W on such date; or (ii) such lower amount as notified by the Issuer to the CBC as long as this will not adversely affect the ratings of any Series; 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 a Portfolio Swap Agreement in connection with a Series of Covered Bonds and in the event floating rate interest has to be calculated, it is assumed that such rates remain at the same level as at the relevant Calculation Date preceding the relevant CBC Payment Date.

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

"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 Assumed 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 Assumed Mortgage Interest Rate; and (z) the aggregate Outstanding Principal Amount of such 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.

**"Original Market Value"** in relation to any Mortgaged Asset the foreclosure value (*executiewaarde*) given to that Mortgaged Asset by the most recent valuation addressed to the Transferor that transferred the relevant Mortgage Receivable to the CBC, divided by 0.90 or such other factor as required from time to time by the applicable rules and regulations or any internal requirement of the Transferor in relation thereto or, as applicable, the market value (*marktwaarde*) given to that Mortgaged Asset by the most recent valuation addressed to the Transferor that transferred the relevant Mortgage Receivable to the CBC.

**"Adjusted Valuation"** in relation to any Mortgaged Asset at any date means:

- (a) where the Original Market Value of that Mortgaged Asset is equal to or greater than the Adjusted Market Value as at that date, the Adjusted Market Value; or
- (b) where the Original Market Value of that Mortgaged Asset is less than the Adjusted Market Value as at that date, the Original Market Value plus 90 per cent. (or, if a different percentage is required or sufficient from time to time for the Covered Bonds to qualify as "covered bonds" as defined in the CRR and the Issuer wishes to apply such different percentage, then such different percentage) of the difference between the Adjusted Market Value and the Original Market Value.

**"Adjusted Market Value"** in relation to any property at any date means the Original Market Value of that property increased or decreased as appropriate by the increase or decrease in the Automated Valuation Adjustment since the date of the Original Market Value.

**"Automated Valuation Adjustment"** means the increases or decreases, as the case may be, of house prices as calculated and estimated by Calcasa B.V. as automated valuation provider in relation to residential properties in the Netherlands.

**"Selected Mortgage Receivables"** means Mortgage Receivables to be sold or refinanced by the CBC pursuant to the terms of the Asset Monitoring Agreement.

**"Assumed Mortgage Interest Rate"** means a mortgage interest rate of 0.85 per cent., which interest rate may be amended from time to time by the CBC and the Issuer, subject to the prior written consent of the Security Trustee and notification thereof to the Rating Agencies.

**"First Regulatory Current Balance Amount"** means an amount equal to the sum of (A) the Net Outstanding Principal Amount of the Mortgage Receivables and (B) the Substitution Assets Amount, in each case subject to the limits and the deductions set forth in the CB Regulations (including by reference to Article 129 CRR), or such other amount as may be permitted to be taken into account for the purpose of calculating eligible cover assets pursuant to the CB Regulations from time to time.

**"Substitution Assets Amount"** means an amount equal to the Transferred Collateral, which amount will be limited to a maximum of 20 per cent. of the nominal value of the Transferred Assets, subject to the limits and the deductions set forth in the CB Regulations, or such other amount as may be permitted to be taken into account for the purpose of calculating the (claims resulting from) eligible cover assets pursuant to the CB Regulations from time to time.

**"Second Regulatory Current Balance Amount"** means an amount equal to the sum of the nominal value of the claims resulting from (A) the Mortgage Receivables and (B) the Substitution Assets Amount, in each case subject to the limits and the deductions set forth in the CB Regulations, or such other amount as may be permitted to be taken into account for the purpose of calculating the (claims resulting from) eligible cover assets pursuant to the CB Regulations from time to time.

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

#### **AMORTISATION TEST**

Under the Asset Monitoring Agreement and the Guarantee Support Agreement, the CBC must ensure that as at the end of each calendar month following service of a Notice to Pay (but prior to service of a CBC Acceleration Notice),

the Amortisation Test Aggregate Asset Amount shall 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 as defined below under '*Amortisation Test Aggregate Asset Amount*', up to the date specified in such item B), all as calculated on the immediately succeeding Calculation Date (the "**Amortisation Test**").

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, then that shall constitute a breach of the Amortisation Test and the CBC (or the Administrator on its behalf) shall immediately notify the Security Trustee thereof in writing, and the Security Trustee shall be entitled to serve a CBC Acceleration Notice under the Terms and Conditions.

For this purpose:

**"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 Current Balance of such Mortgage Receivable minus  $\alpha$ .

**" $\alpha$ "** 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 is a Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or a Bank Savings Mortgage Receivable an amount calculated on the basis of a method proposed to the Rating Agencies, related to the built-up of savings in connection with such Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or Bank Savings Mortgage Receivable, provided that no amount will be deducted for as long as the Insurance Savings Participation Agreement or the Bank Savings Participation Agreement, respectively, is in place in relation to the Savings Mortgage Receivable, Life Mortgage Receivable with a Savings Element or Bank Savings Mortgage Receivable, respectively;
- (ii) if it was in breach of the Mortgage Receivables 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;
- (iii) if it is three (3) months or more in arrears or if 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;

**"B"** means the amount of any cash standing to the credit of the CBC Account and the CBC Back-Up Account up to the end of the immediately preceding Calculation Period which have not been applied in accordance with the Trust Deed.

**"C"** means the outstanding principal balance of any Substitution Assets plus the amount deposited in the Reserve Account.

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

**"Interest Cover Required Amount"** means on the date with respect to which the Amortisation Test is calculated, the higher of zero and (i)  $U$  minus  $W$  on such date; or (ii) such lower amount as notified by the Issuer to the CBC as long as this will not adversely affect the ratings of any Series; 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 a Portfolio Swap Agreement in connection with a Series of Covered Bonds and in the event floating rate interest has to be calculated, it is assumed that such rates remain at the same level as at the relevant Calculation Date preceding the relevant CBC Payment Date.

**"W"** means the Estimated Portfolio Interest Income.

**"Estimated Portfolio Interest Income"** means on the date with respect to which the Amortisation 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 Assumed 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 Assumed Mortgage Interest Rate; and (z) the aggregate Outstanding Principal Amount of such 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.

## SALE OR REFINANCING OF SELECTED ASSETS

The Asset Monitoring Agreement provides that the CBC shall sell or refinance Selected Transferred Assets following the service of a Notice to Pay on the CBC and an Issuer Acceleration Notice on the Issuer, but prior to the service of a CBC Acceleration Notice, if on any date the relevant Series that has the earliest Maturity Date as specified in the applicable Final Terms (ignoring any acceleration of amounts due under the Covered Bonds prior to the occurrence of a CBC Event of Default) (the "**Earliest Maturing Covered Bonds**") have an Extended Due for Payment Date which falls within twelve (12) months, or such other date as the Security Trustee may approve, of such date.

Any sale of Achmea Hypotheken Mortgage Receivables shall in deviation from the above be subject to the provisions of the CBC Master Purchase Agreement, in which it is provided that (i) the CBC shall inform Achmea Bank, or upon the occurrence of an Achmea Bank Default Event, Achmea Hypotheken that it wishes to offer for sale and assignment any or all of the Achmea Hypotheken Mortgage Receivables, (ii) it may offer the Achmea Hypotheken Mortgage Receivables to (a) another investor which acceded to the Achmea Hypotheken Platform (including Achmea Bank), (b) a party that is willing to accede to the Achmea Hypotheken Platform as investor or (c) a party that is not willing to accede to the Achmea Hypotheken Platform, provided that Achmea Hypotheken and all investors acceded to the Achmea Hypotheken Platform have the right to match the offer of such third party referred to under item (c) whereby the Transferor shall have the first right to match such offer and, in case Achmea Hypotheken or such investor matches the offer, the CBC shall sell and assign the Achmea Hypotheken Mortgage Receivables to Achmea Hypotheken or such other investor, as the case may be. In case the Achmea Hypotheken Mortgage Receivables are sold to a party that is not willing to accede to the Achmea Hypotheken Platform, (a) either (1) the Achmea Hypotheken Mortgage Loans are transferred to such party by way of contract transfer (*contractoverneming*) or (2) the mortgage loans services in respect of such Achmea Hypotheken Mortgage Receivables are provided by Syntrus Achmea Hypotheekdiensten and the relevant Borrowers continue to make their payment to the Achmea Hypotheken Collection Foundation or such other account Syntrus Achmea Hypotheekdiensten is authorised to dispose over and (b) Achmea Hypotheken shall be indemnified for the out-migration costs in relation to such transfer.

The proceeds from any such sale or refinancing will, in the case of each Mortgage Receivable, and in respect of a Savings Mortgage Receivable or a Life Mortgage Receivable with a Savings Element to which an Insurance Savings Participation applies or a Bank Savings Mortgage Receivable to which a Bank Savings Participation applies, after deduction of an amount equal to such Insurance Savings Participation or Bank Savings Participation, respectively, form part of the Available Principal Funds.

If the CBC is required to sell or refinance Selected Mortgage Receivables as abovementioned, the Asset Monitoring Agreement provides that the CBC shall ensure that the Selected Mortgage Receivables will be selected on a random basis as described in the Asset Monitoring Agreement, 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 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 increased with an Insurance Savings Participation and/or a Bank Savings Participation), and provided that the Amortisation Test is not breached following the proposed sale or refinancing,

where:

**"Adjusted Required Redemption Amount"** means an amount equal to the Required Redemption Amount of the Earliest Maturing 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 and excluding those amounts that are required to repay any Series which mature prior to or on the same date as the relevant Series).

**"Required Redemption Amount"** means in respect of a Series, the amount calculated as follows: the aggregate Principal Amount Outstanding of such Series x  $(1 + (0.005 \times (\text{days to the Extended Due for Payment Date of such Series} / 365)))$ .

The CBC shall first offer all the Selected Transferred Assets for sale to the Transferor after the occurrence of an Issuer Event of Default. If, for whatever reason, the Transferor informs the CBC, within a period of twenty (20) Business Days after such event has occurred, that it will not repurchase the Selected Transferred Assets, the CBC shall offer the Selected Transferred Assets to a third party or third parties.

If, after the non-exercise of the right of first refusal of the Transferor, the CBC receives an offer from a third party to purchase the Selected Transferred Assets, the CBC will notify the Transferor of such offer and, within five (5) business days after such notice, the Transferor has the right to match the offer to purchase the Selected Transferred Assets on the same terms and conditions as the offer of such third party and, if the Transferor offers to purchase the Selected Transferred Assets on the same terms and conditions as the offer of such third party, the CBC shall accept such offer of the Transferor.

If the CBC is required or permitted to sell or refinance Selected Mortgage Receivables, the CBC will offer the Selected Mortgage Receivables for sale to purchasers for the best terms available at that time considering the then current market circumstances, but in any event for an amount not less than the Adjusted Required Redemption Amount 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), plus, in the case of Savings Mortgage Receivables, Life Mortgage Receivables with a Savings Element and Bank Savings Mortgage Receivables which are subject to an Insurance Savings Participation or a Bank Savings Participation, respectively, an amount equal to the aggregate Insurance Savings Participations and the Bank Savings Participations.

If, on the date falling six (6) months before the first Extended Due for Payment Date of any Series outstanding, 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 (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)), plus, in the case of Savings Mortgage Receivables, Life Mortgage Receivables with a Savings Element and Bank Savings Mortgage Receivables which are subject to an Insurance Savings Participation or a Bank Savings Participation, respectively, an amount equal to the aggregate Insurance Savings Participations and the Bank Savings Participations, then the CBC will (i) offer the Selected Mortgage Receivables for sale for the best terms reasonably available, including but not limited to the best price reasonably available at that time considering the then current market circumstances, or (ii) seek to refinance the Selected Mortgage Receivables on the best terms reasonably available at that time considering the then current market circumstances, both (i) and (ii) subject to the consent of the Security Trustee, notwithstanding that such amount may be less than the Adjusted Required Redemption Amount (plus, in the case of (a) each Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element to which an Insurance Savings Participation applies, an amount equal to the relevant Insurance Savings Participation and (b) each Bank Savings Mortgage Receivable to which a Bank Savings Participation applies, an amount equal to the relevant Bank Savings Participation).

The CBC is permitted or required to sell to the third party or the Transferor a random part of any portfolio of Selected Mortgage Receivables. The sale price of such part of the portfolio (as a proportion of the Adjusted Required Redemption Amount) shall be at least equal to the proportion that such part of the portfolio bears to the relevant portfolio of Selected Mortgage Receivables.

If the CBC intends to sell Selected Mortgage Receivables to a third party, it may appoint a Portfolio Manager. The CBC shall pay to the Portfolio Manager 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 of such portfolio and which may be deducted from the proceeds of the sale of the Selected Mortgage Receivables.

In respect of the sale or refinancing of Selected Mortgage Receivables following service of a Notice to Pay on the CBC, in addition to offering Selected Mortgage Receivables for sale to purchasers in respect of the Earliest Maturing Covered Bonds, the CBC (subject to the rights of pre-emption enjoyed by the Originator pursuant to the Guarantee Support Agreement) is under the Asset Monitoring Agreement permitted to sell a portfolio of Selected Mortgage Receivables, in accordance with the provisions summarised above, in respect of other Series and the CBC shall be required to do so if the Extended Due for Payment Date falls within twelve (12) months (or such other later date as the Security Trustee may approve) of such date.

In respect of any sale or refinancing of Selected Mortgage Receivables following the service of an Issuer Acceleration Notice, but prior to the service of a CBC Acceleration Notice, the CBC will instruct the Portfolio Manager to use all best efforts to procure that Selected Mortgage Receivables are sold 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 of the Guarantee Support Agreement and the Asset Monitoring Agreement.

**General Sales Requirements**

The CBC shall ensure that the purchaser to which it sells the Selected Mortgage Receivables shall on or before the date of such purchase represent that it has not been granted a suspension of payments (*surseance van betaling verleend*), been declared bankrupt (*failliet verklaard*) or become subject to analogous insolvency proceedings under applicable law or otherwise be limited in its rights to dispose of its assets.

The terms of any sale and purchase agreement 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.

If purchasers accept the offer or offers from the CBC, the CBC will, subject to the foregoing paragraph, enter into a sale and purchase agreement with the relevant purchasers which will require, amongst other things, a cash payment from the relevant purchasers.

Any such sale or any refinancing will not include any representations or warranties from the CBC in respect of the Selected Mortgage Receivables unless expressly agreed by the Security Trustee.

After a CBC Acceleration Notice has been served on the CBC, the Security Trustee may institute such proceedings or take such action as it thinks fit against the Issuer and the CBC to enforce its rights under the Trust Deed and the Security in accordance with the terms of the Trust Deed.

**Sale of Substitution Assets**

The Asset Monitoring Agreement provides that the CBC (or the Administrator on its behalf) shall sell all Substitution Assets as quickly as reasonably practicable, subject to the pre-emption rights enjoyed by the Transferor pursuant to the Guarantee Support Agreement, following service of an Issuer Acceleration Notice and a Notice to Pay.

## ASSET MONITOR AND COVER POOL MONITOR

On the Programme Date and under the terms of the Asset Monitor Appointment Agreement, the Asset Monitor has been appointed as an independent auditor to perform the role as Asset Monitor. The Asset Monitor has agreed, subject to due receipt of the information to be provided by the Administrator to the Asset Monitor, to conduct agreed upon procedures on the arithmetic accuracy of certain calculations performed by the Administrator in respect of the Asset Cover Test, the Amortisation Test and the Mandatory Liquidity Required Amount with a view to confirmation of the accuracy of such calculations as required by and in accordance with the Wft.

The Dutch legislator has elected to implement article 13 of the Covered Bond Directive and requires the appointment of a cover pool monitor. Pursuant to the CB Regulations a cover pool monitor is to be appointed before the first issuance of Covered Bonds and it will at least on an annual basis check compliance with the CB Regulations in accordance with Article 40n of the Decree. The Issuer has appointed Achmea Internal Audit as internal cover pool monitor for the purpose of the CB Regulations and Achmea Internal Audit shall at least on an annual basis monitor compliance with Articles 3:33b and 3:33ba of the Wft and Articles 40e up to and including 40m of the Decree (excluding Articles 40g and 40k of the Decree), in each case in accordance with Article 40n of the Decree and the Issuer will ensure that it will comply with the requirements set out in subsection 2 and 3 of Article 40n of the Decree.

The Issuer and the CBC have appointed the Asset Monitor, which is an external accountant, under the terms of the Asset Monitor Appointment Agreement in accordance with subsection 2 and 3 of Article 40n of the Decree, to monitor compliance with Article 40g and 40k of the Decree on an annual basis (regardless whether the Issuer would be subjected to bankruptcy or resolution measures at such time).

The Asset Monitor will conduct such agreed upon procedures (i) prior to the service of a Notice to Pay or a CBC Acceleration Notice, in respect of the Asset Cover Test conducted by the Administrator on or before the Calculation Date immediately preceding each anniversary of the Programme Date; (ii) following the service of a Notice to Pay, in respect of the Amortisation Test conducted by the Administrator on or before each Calculation Date; and (iii) in respect of the Mandatory Liquidity Required Amount calculated by the Administrator on or before the Calculation Date immediately preceding each anniversary of the Programme Date.

Following a determination by the Asset Monitor of any material errors in the arithmetic accuracy of the calculations performed by the Administrator such that (a) the Asset Cover Test has been failed on the applicable Calculation Date (in respect of the previous month's end) (where the Administrator had recorded it as being satisfied) or (b) the Adjusted Aggregate Asset Amount or the Amortisation Test Aggregate Asset Amount is misstated by an amount exceeding 1 per cent. of the Adjusted Aggregate Asset Amount or the Amortisation Test Aggregate Asset Amount, as applicable, the Asset Monitor will be required to conduct such agreed upon procedures for each of the four consecutive Calculation Dates thereafter. If the agreed upon procedures in relation to the Mandatory Liquidity Required Amount reveals errors in the relevant calculations and consequently, such test has failed, then the Asset Monitor shall promptly notify the CBC, the Administrator, the Security Trustee and the Issuer thereof.

The Asset Monitor is entitled, in the absence of manifest error, to assume that all information provided to it by the Administrator for the purpose of conducting such agreed upon procedures is true and correct and is complete and not misleading, and is not required to conduct an audit or other similar examination in respect of such information or otherwise take steps to verify the accuracy or completeness of such information. The Asset Monitor Report will be delivered by the Asset Monitor to, *inter alia*, the Administrator, the CBC, the Issuer and the Security Trustee in accordance with the Asset Monitor Appointment Agreement. If the calculations performed by the Administrator have not been performed correctly, the Asset Monitor Report shall set out the correct calculation of the Asset Cover Test, the Amortisation Test or the Mandatory Liquidity Required Amount, as applicable.

In addition, subject to the terms of the Asset Monitoring Agreement, the Asset Monitor will monitor and perform agreed upon procedures which are required pursuant to Article 40g and 40k of the Decree, including agreed upon procedures on the calculations of (i) the First Regulatory Current Balance Amount and the Second Regulatory Current Balance Amount which, in each case form part of the Asset Cover Test and (ii) the Mandatory Liquidity Required Amount.

Under the terms of the Asset Monitor Appointment Agreement the CBC will pay to the Asset Monitor a fee per test for the agreed upon procedures to be performed by the Asset Monitor.

The Asset Monitor may, at any time, resign from its appointment under the Asset Monitor Appointment Agreement upon providing the CBC, the Security Trustee and the Issuer with sixty (60) days' prior written notice. If a replacement asset

monitor has not been found by the CBC within sixty (60) days of notice of resignation by the Asset Monitor, the Asset Monitor shall immediately use its best endeavours to seek a replacement (such replacement to be approved by the Security Trustee, such approval not to be unreasonably withheld) which agrees to perform the duties (or substantially similar duties) of the Asset Monitor set out in the Asset Monitor Appointment Agreement. Any replacement asset monitor should in any event be an accountancy firm of international standing. The resignation of the Asset Monitor shall not be effective unless a replacement asset monitor has been found.

The CBC may, at any time, but subject to the prior written consent of the Security Trustee, terminate the appointment of the Asset Monitor by providing at least thirty (30) days' prior written notice to the Asset Monitor, provided that such termination may not be effected unless and until a replacement asset monitor has been found by the CBC which agrees to perform the duties (or substantially similar duties) of the Asset Monitor set out in the Asset Monitor Appointment Agreement.

If a replacement asset monitor has not been found by the CBC within thirty (30) days of the giving of notice of termination by the CBC, the Asset Monitor may identify a replacement approved by the Security Trustee (such approval not to be unreasonably withheld) which agrees to perform the duties of the Asset Monitor set out in the Asset Monitor Appointment Agreement.

In the Trust Deed the Security Trustee agrees to, upon receipt of each Asset Cover Report, verify whether it states that the Asset Cover Test or Amortisation Test, as the case may be, has been passed or failed.

## 17. SWAPS

### General

The CBC is only permitted to enter into swap agreements with (a) Achmea Bank (with appropriate collateralisation requirements if at such time Achmea Bank is no longer an Eligible Swap Counterparty) or (b) third party Eligible Swap Counterparties, as the case may be. The Security Trustee shall be a party to such Swap Agreements only for the purposes of taking certain benefits and assuming certain obligations with respect to making determinations on behalf of the CBC. An Issuer Event of Default will not constitute an event of default or a termination event under any Swap Agreement.

The CB Regulations allow for derivative contracts, such as Swap Agreements, to be included in the cover pool to the extent such derivative contract (i) contributes to manage the risk for covered bondholders and the volume thereof is adjusted in the case of a reduction in the hedged risk and shall be removed when the hedged risk ceases to exist, (ii) is properly documented, (iii) cannot be terminated when the issuer becomes insolvent or, subject to resolution measures and (iv) is entered into with a financial counterparty that is subject to supervision and is subject to collateralisation requirements upon loss of certain ratings of the counterparty. All Swap Agreements must comply with the requirements set out in Article 40j subsection 3 of the Decree.

Rating downgrade language acceptable to the Rating Agencies will be included in the Swap Agreements in relation to the Swap Counterparties.

Upon the termination of a Swap Agreement, the CBC or any Swap Counterparty may be liable to make a termination payment to the other party in accordance with the provisions of the relevant Swap Agreement. The amount of this early termination payment will be calculated and made in euro or such other currency as may be agreed. In the event that such a termination payment is payable by the CBC following the service of an Issuer Acceleration Notice, such amount in respect of Swap Agreements will in most cases (see the applicable priority of payments below) rank ahead of any principal amounts due on the Covered Bonds except where default by, or downgrade of, the relevant Swap Counterparty has caused the relevant Swap Agreement to terminate.

### *Portfolio Swap Agreements*

There may be differences between the amounts of interest (i) received in respect of the Mortgage Receivables (the rates applicable to which may, for instance, include variable rates of interest, discounted rates of interest, fixed rates of interest or rates of interest which track a base rate), the other Transferred Assets and the CBC Transaction Accounts and the CBC Back-Up Account and (ii) payable in respect of the outstanding Covered Bonds or a rate payable under any Structured Swap Agreement and/or any Interest Swap Agreement. The CBC may at the instruction of the Issuer elect to enter into Portfolio Swap Agreements in order to hedge certain mismatches in respect of one or more Series or all Series of Covered Bonds, whereby the revenue scheduled to be received on all Transferred Assets and the CBC Transaction Accounts and the CBC Back-Up Account multiplied by the Portfolio Swap Fraction is exchanged for a fixed or floating rate of interest on the relevant Series of Covered Bonds or a rate payable under any Structured Swap Agreement and/or any Interest Swap Agreement.

### *Interest Swap Agreements*

There may be differences between the amounts of interest (fixed or floating) (i) received in respect of the Mortgage Receivables (the rates applicable to which may, for instance, include variable rates of interest, discounted rates of interest, fixed rates of interest or rates of interest which track a base rate), the other Transferred Assets and the CBC Transaction Accounts and the CBC Back-Up Account and (ii) payable in respect of the outstanding Covered Bonds. The CBC may at the instruction of the Issuer elect to enter into Interest Swap Agreements in order to hedge certain mismatches in respect of one or more Series.

### *Structured Swap Agreements*

If a Series is issued in a currency other than euro there is a mismatch between (i) the interest and principal received in respect of the Mortgage Receivables, the other Transferred Assets and the CBC Transaction Accounts and the CBC Back-Up Account and (ii) the interest and principal payable in respect of the outstanding Covered Bonds and the CBC will be required to enter into a Structured Swap to provide a hedge against the variance between:

- (a) (i) any (fixed or floating) interest basis as determined by the Issuer; and
- (ii) euro; and
  
- (b) (i) the rate of interest payable by the CBC in respect of a Series; and

(ii) the currency of a Series.

The CBC may opt to include a currency hedge in a Portfolio Swap Agreement instead of entering into a Structured Swap for a Series.

## 18. CASH FLOWS

- A. For as long as no Assignment Notification Event has occurred or a Breach of Asset Cover Test Notice is served (which is not remedied) and no Notice to Pay or CBC Acceleration Notice has been served, pursuant to the Guarantee Support Agreement, the CBC is not entitled to receive or retain any proceeds from the Transferred Assets; such proceeds will all be received and retained by the Transferor for its own benefit. Pursuant to the Trust Deed, the following will then apply:
- (i) all costs and expenses of the CBC, including but not limited to any costs and expenses of the Security Trustee and the Stichting Holding and other amounts due listed under item (a) up to and including (d) of the CBC Priority of Payments, but excluding any negative interest amounts and expenses already paid in accordance with the CBC Account Agreement and the CBC Back-Up Account Agreement, will be paid on behalf of the CBC by the Issuer for its own account as consideration for the CBC issuing the Guarantee;
  - (ii) all amounts to be paid and received, respectively by the CBC under the Insurance Savings Participation Agreement, the Bank Savings Participation Agreement and/or any Swap Agreement will be paid and received, respectively on behalf of the CBC by the Issuer for its own account, except that any Swap Collateral Amounts will be delivered directly by the relevant Swap Counterparty to the CBC irrespective of whether any Assignment Notification Event has occurred or any Breach of Asset Cover Test Notice is served (which is not remedied) or Notice to Pay or CBC Acceleration Notice has been served at such time and, accordingly, any payments or deliveries to be made in respect of the Collateral Return Payments shall be made directly by the CBC to the relevant Swap Counterparty; and
  - (iii) on each CBC Payment Date the CBC (or the Administrator on its behalf) will distribute all amounts (if any) then standing to the credit of the CBC Transaction Accounts (except for any collateral provided by a Swap Counterparty and the balance standing to the credit of the Reserve Account) and the CBC Back-Up Account to the Issuer to the extent such will not result in a breach of the Asset Cover Test.
- B. If an Assignment Notification Event occurs or a Breach of Asset Cover Test Notice (which is not remedied) or a Notice to Pay or CBC Acceleration Notice is served on the CBC, pursuant to the Guarantee Support Agreement, the CBC shall, subject to the rights of the Security Trustee as pledgee, be entitled to receive for its own benefit all proceeds of the Transferred Assets to the extent relating to the period following such Assignment Notification Event or service of a Breach of Asset Cover Test Notice (which is not remedied) or a Notice to Pay or a CBC Acceleration Notice. Pursuant to the Trust Deed, the following will apply:
- (i) if an Assignment Notification Event has occurred or a Breach of Asset Cover Test Notice has been served (which is not remedied) (but no Notice to Pay or Issuer Acceleration Notice or CBC Acceleration Notice has been served), all costs, expenses and all amounts to be paid and received under the Swap Agreements, the Insurance Savings Participation Agreement and/or the Bank Savings Participation Agreement will continue to be settled on behalf of the CBC by the Issuer (except that Collateral Return Payments shall be made directly to the relevant Swap Counterparty) and all amounts standing to the credit of the CBC Transaction Accounts (except for Swap Collateral Amounts and the Reserve Account) and the CBC Back-Up Account will after payment of costs be distributed as set out abovementioned, provided that after a Breach of Asset Cover Test Notice is served no amounts will be distributed until such breach is remedied;
  - (ii) if an Issuer Acceleration Notice and a Notice to Pay have, but no CBC Acceleration Notice has, been served, the CBC (or the Administrator on its behalf) will apply the Available Revenue Funds and the Available Principal Funds in accordance with the CBC Priority of Payments and pay the Insurance Savings Participation Redemption Available Amounts to the Insurance Savings Participant and the Bank Savings Participation Redemption Available Amount to the Bank Savings Participant; and
  - (iii) if a CBC Acceleration Notice has been served, all moneys received or recovered by the Security Trustee or any other Secured Creditor and all moneys held by or on behalf of the CBC will be applied in accordance with the Post CBC Acceleration Notice Priority of Payments except for any Insurance Participation Redemption Available Amounts which will be paid to the Savings Participant and except for any Bank Savings Participation Available Amount which will be paid to the Bank Savings Participant and except for any collateral to be provided by a Swap Counterparty which shall first be subject to the provisions set out in the relevant Swap Agreement.

### **Reserve Account Required Amount and Mandatory Liquidity Required Amount**

Pursuant to the Trust Deed, on the Programme Date and on each date thereafter the Issuer will be required to credit to the Reserve Account an amount equal to the Reserve Account Required Amount (see further section 18 (*Cash flows*) under '*CBC Transaction Accounts, Swap Replacement Ledger, CBC Back-Up Account and Custody*').

**Payments with respect to Covered Bonds and Swap Agreements during a CBC Payment Period (other than on the CBC Payment Date on which the CBC Payment Period commences)**

Following the service of an Issuer Acceleration Notice and a Notice to Pay, pursuant to the Trust Deed, the Available Revenue Funds and the Available Principal Funds (less any amounts payable to third parties incurred by the CBC in its ordinary course of its business, which may be paid on each day by the CBC) will be applied in accordance with the CBC Priority of Payments on each CBC Payment Date, which dates will occur monthly. Payments in respect of interest and principal on a Series of Covered Bonds and, in respect of Swap Agreements, may however become due and payable on other days than on the relevant CBC Payment Date during a CBC Payment Period. Such amounts will be payable by the CBC on the date on which such payments become due and payable as follows:

- (i) in respect of a Series of Covered Bonds to the extent that the CBC has entered into a Swap Agreement with respect to such Series of Covered Bonds, from the amounts received under the relevant Swap Agreement connected to such Series after the CBC Payment Date on which the relevant CBC Payment Period commenced;
- (ii) from the amounts reserved for such Series of Covered Bonds or such Swap Agreement pursuant to item (e) or (f) of the CBC Priority of Payments (as applicable) on the CBC Payment Date on which the relevant CBC Payment Period commenced; and
- (iii) in respect of a Series of Covered Bonds to the extent not so paid in full following application of the funds available in accordance with (i) and (ii) above, from the amounts as were credited to the CBC Transaction Accounts and the CBC Back-Up Account in accordance with item (i) of the CBC Priority of Payments on the CBC Payment Date on which the relevant CBC Payment Period commenced.

**Cash Collection Arrangements**

*Collections regarding the Mortgage Receivables, other than Achmea Hypotheken Mortgage Receivables*

Payments by the Borrowers under the Mortgage Loans, other than Achmea Hypotheken Mortgage Loans, are due on the first day of each calendar month, interest being payable in arrears. All payments made by the Borrowers in respect of Mortgage Receivables, other than Achmea Hypotheken Mortgage Receivables, must be paid into the Achmea Bank Collection Foundation Accounts maintained by the Collection Foundation with the Achmea Bank Foundation Accounts Providers. The Achmea Bank Collection Foundation Accounts are also used for the collection of moneys paid in respect of mortgage loans other than the Mortgage Loans and in respect of other moneys belonging to entities of the Achmea Group and other Previous Outstanding Transaction SPVs and Previous Outstanding Security Trustees *vis-à-vis* the relevant Collection Foundation.

If at any time the unsecured, unsubordinated and unguaranteed debt obligations of the relevant Achmea Bank Foundation Accounts Provider are assigned a rating of less than the Collection Bank Required Ratings (as defined below), the Collection Foundations, will as soon as reasonably possible, but at least within thirty (30) calendar days either (i) transfer the relevant Achmea Bank Collection Foundation Accounts to an alternative bank with at least the Collection Bank Required Ratings or (ii) ensure that payments to be made by the relevant Achmea Bank Foundation Accounts Provider in respect of amounts received on an Achmea Bank Collection Foundation Account relating to Mortgage Receivables will be guaranteed by a third party with at least the Collection Bank Required Ratings, or (iii) implement any other actions agreed at that time with the relevant credit rating agency.

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

*Collections regarding the Achmea Hypotheken Mortgage Receivables*

Payments by the Borrowers under the Achmea Hypotheken Mortgage Loans are due on the first day of each calendar month, interest being payable in arrears. All payments made by the Borrowers in respect of the Achmea Hypotheken Mortgage Receivables must be paid into the Achmea Hypotheken Collection Foundation Accounts maintained by the Achmea Hypotheken Collection Foundation with the Achmea Hypotheken Foundation Account Provider. The Achmea Hypotheken Collection Foundation Accounts are also used for the collection and payment of moneys in respect of mortgage loans and in respect of other moneys belonging to entities acceded to the Achmea Hypotheken Platform.

Achmea Bank has undertaken in the Guarantee Support Agreement to instruct the Achmea Hypotheken Collection Foundation to pay all amounts received in respect of the Achmea Hypotheken Mortgage Receivables to the bank account

of the Achmea Bank Collection Foundation and the CBC has undertaken in the Trust Deed to instruct the Achmea Hypotheken Collection Foundation to pay all amounts received in respect of the Achmea Hypotheken Mortgage Receivables to which it is entitled to the bank account of Achmea Bank Collection Foundation until the occurrence of an Achmea Hypotheken Assignment Notification Event.

If at any time the Achmea Hypotheken Foundation Account Provider is assigned a rating below the Achmea Hypotheken Collection Foundation Bank Required Ratings (as defined below), the Collection Foundation will as soon as reasonably possible, but at least within the Relevant Remedy Period, ensure that payments to be made by the Achmea Hypotheken Foundation Account Provider will be fully guaranteed pursuant to an unconditional and irrevocable guarantee which complies with the criteria of the Rating Agencies or transfer the Achmea Hypotheken Collection Foundation Account to a new account provider, provided that (i) such guarantor or new account provider shall be (x) a bank established in the Netherlands having the Achmea Hypotheken Collection Foundation Bank Required Rating or (y), if none of the banks established in the Netherlands has the Achmea Hypotheken Collection Foundation Bank Required Rating, a bank established in any other country within the European Union having the Achmea Hypotheken Collection Foundation Bank Required Rating and (ii) a right of pledge is vested on the rights in respect of such accounts under a pledge agreement upon terms substantially the same as the Achmea Hypotheken Collection Foundation Accounts Rights Pledge Agreement, including, for the avoidance of doubt, the terms with respect to the release of any right of pledge, any right of set off and any right of suspension of performances pursuant to the applicable general conditions of the new account provider.

For the purposes hereof:

**"Achmea Hypotheken Collection Foundation Bank Required Rating"** means (a) (i) 'A' (long-term) or 'F1' (short-term) by Fitch and/or (ii) 'Prime-1' (short-term) by Moody's and/or (iii) 'A' (Long-Term Issuer Credit Rating) by S&P and/or (iv) in case the relevant applicable criteria of Fitch and/or S&P and/or Moody's, as the case may be, change and the Achmea Hypotheken Collection Foundation or any relevant party requests to apply the new ratings to (a)(i) and/or (a)(ii) and/or (a)(iii) as of the notification of the Achmea Hypotheken Collection Foundation to the relevant beneficiaries acceded to the Achmea Hypotheken Collection Foundation such then current ratings as required by Fitch and/or S&P and/or Moody's, as the case may be, and (b) the relevant counterparty risk ratings set out in the applicable criteria of any of the other relevant rating agencies which have issued a rating to asset backed securities issued by any of the beneficiaries acceded to the Achmea Hypotheken Collection Foundation or under any other permitted transaction, whereby any of the Achmea Hypotheken Mortgage Receivables serve as security, prevailing from time to time, unless the relevant applicable criteria of any relevant rating agency change and the Achmea Hypotheken Collection Foundation requests to apply such changed criteria and/or at the request of one of the parties.

**"Available Principal Funds"** means on a Calculation Date an amount equal to the aggregate of (without double counting):

- (i) the amount of Principal Receipts received during the previous calendar month;
- (ii) any amounts of principal received from any Substitution Asset (not forming part of the Available Revenue Funds);
- (iii) the principal amount of any Transferred Collateral in the form of cash (other than pursuant to a Swap Agreement) received during the previous calendar month;
- (iv) any amount required to be transferred to the CBC Account and/or the CBC Back-Up Account in accordance with item (i) of the CBC Priority of Payments (for the purpose of determining such amount this item (iv) will not be included in the Available Principal Funds for determining the amount available for application to such item (i));
- (v) all amounts in respect of principal (if any) received or to be received by the CBC under the Transaction Documents (other than the Insurance Savings Participation Agreement and the Bank Savings Participation Agreement, and other than any Swap Collateral Amounts posted under the Swap Agreements) on the relevant CBC Payment Date (or in the CBC Payment Period immediately preceding the relevant CBC Payment Date but excluding the preceding CBC Payment Date), except for any payments in respect of principal received under the Structured Swap Agreements that have been (or will be) applied towards payment of a Series of Covered Bonds;
- (vi) any amounts received in the preceding calendar month as Excess Proceeds to the extent such proceeds do not relate to interest; and
- (vii) any amounts reserved on the immediately preceding CBC Payment Date to the extent not applied towards payment of the relevant Series of Covered Bonds or the relevant Swap Agreement or a higher ranking item than payment of the relevant Series of Covered Bonds or the relevant Swap Agreement in the CBC Priority of Payments prior to the relevant CBC Payment Date to the extent relating to principal.

**"Available Revenue Funds"** means on a Calculation Date an amount equal to the aggregate of (without double counting):

- (i) the amount of Interest Receipts received during the previous calendar month;
- (ii) other net income of the CBC including all amounts of interest received on the CBC Transaction Accounts (excluding the Swap Cash Collateral Account) and the CBC Back-Up Account and the Substitution Assets in the preceding calendar month;
- (iii) all amounts in respect of interest received or to be received by the CBC under the Swap Agreements on the relevant CBC Payment Date (or in the CBC Payment Period immediately preceding the relevant CBC Payment Date but excluding the preceding CBC Payment Date), except for any payments in respect of interest received under the Swap Agreements (other than the Portfolio Swap Agreements) that have been (or will be) applied towards payment of a Series of Covered Bonds and, for the avoidance of doubt, excluding Swap Collateral Amounts;
- (iv) any amounts on the Reserve Account released in accordance with the Trust Deed;
- (v) any amounts received as Excess Proceeds in the CBC Payment Period immediately preceding the relevant CBC Payment Date to the extent such proceeds do not relate to principal;
- (vi) any amounts to the extent not relating to principal, reserved on the immediately preceding CBC Payment Date to the extent not applied towards payment of the relevant Series of Covered Bonds or the relevant Swap Agreement or a higher ranking item than payment of the relevant Series of Covered Bonds or the relevant Swap Agreement in the CBC Priority of Payments prior to the relevant CBC Payment Date;
- (vii) any Excess Swap Replacement Amounts as shall be standing to the credit of the Swap Replacement Ledger on the relevant CBC Payment Date; and
- (viii) any other amounts standing to the credit of the CBC Account and/or the CBC Back-Up Account, to the extent not relating to principal, not excluded by virtue of (i) to (vii) above;

less

- (ix) on the first CBC Payment Date of each year, an amount equal to 10 per cent. of the annual fixed operational expenses of the CBC, with a minimum of euro 2,500.

**"Collection Bank Required Rating"** means the rating of (i) 'A' by S&P (Long-Term Issuer Credit rating) (ii), 'Prime-1' (short-term) by Moody's and (iii) 'F1' (short-term issuer default rating) and 'A' (long-term issuer credit rating) by Fitch.

**"Mandatory Liquidity Required Amount"** means an amount equal to the amount which is at such time required to be maintained by the CBC to ensure compliance with Article 40k of the Decree after taking into account any amounts standing to the credit of the Reserve Account, as permitted to be taken into account pursuant to Article 40k of the Decree and any other amounts (whether held or generated and) permitted to be taken into account pursuant to Article 40k of the Decree (in each case all as calculated on each relevant Calculation Date for the relevant period prescribed by Article 40k of the Decree).

**"Reserve Account Required Amount"** means:

- a) until the occurrence of a Reserve Account Trigger Event: an amount equal to the Mandatory Liquidity Required Amount; and
- b) following the occurrence of a Reserve Account Trigger Event: an amount equal to the higher of:
  - (i) the Mandatory Liquidity Required Amount; and
  - (ii) the Reserve Trigger Required Amount;

**"Reserve Account Trigger Event"** means if any of the Long-Term Issuer Credit Ratings falls below the minimum ratings as determined to be applicable or agreed by a relevant Rating Agency from time to time, being as at the Programme Date a Long-Term Issuer Credit Rating of 'A' by S&P.

**"Reserve Trigger Required Amount"** means an amount equal to:

- (a) the aggregate for all Series of:
  - (i) to the extent that no Swap has been entered into in relation to a Series, the aggregate Scheduled Interest for each such Series due in the three following CBC Payment Periods; and

(ii) to the extent that a Swap has been entered into in relation to a Series;

- A. if Achmea Bank is the Swap Counterparty for such Swaps in relation to the relevant Series, the higher of:
  - 1. the aggregate Scheduled Interest due; and
  - 2. the aggregate interest component due by the CBC under such Swap for such Series in the three following CBC Payment Periods, all as calculated on each relevant Calculation Date; or
- B. if a party other than Achmea Bank is the relevant Swap Counterparty for such Swaps entered into in respect of the relevant Series, the aggregate interest component due by the CBC under the relevant Swap Agreements in the three following CBC Payment Periods; or
- C. if a party other than Achmea Bank is the relevant Swap Counterparty in respect of the Swaps entered into in respect of that Series and Achmea Bank is the Swap Counterparty in respect of the other Swap(s) entered into in respect of that Series, the higher of: (1) the aggregate Scheduled Interest due; and (2) the aggregate interest component due by the CBC under such Swaps for such Series in the three following CBC Payment Periods, all as calculated on each relevant Calculation Date,

plus

- (b) to the extent not covered in the relevant Swap, the sum of 0.03 per cent. of the euro equivalent of the Principal Amount Outstanding of the Covered Bonds on such Calculation Date (or, as applicable, such last issue date) and EUR 30,000.

## CBC PRIORITY OF PAYMENTS

On each CBC Payment Date following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice and a Notice to Pay, but prior to the service of a CBC Acceleration Notice, the Available Revenue Funds and the Available Principal Funds (less any amounts payable to third parties incurred by the CBC in the ordinary course of its business, which may be paid on each day by the CBC) will be applied or reserved (in respect of the immediately following CBC Payment Period (which, for the avoidance of doubt, in this priority of payments commences on such CBC Payment Date)), as the case may be, in the following order of priority (the "**CBC Priority of Payments**"), in each case only if and to the extent that payments or provisions of a higher priority have been made in full:

- (a) *first*, in or towards satisfaction of all amounts due and payable or to become due and payable to the Security Trustee in the immediately following CBC Payment Period under the provisions of the Trust Deed;
- (b) *second*, in or towards satisfaction of taxes owing by the CBC to any tax authority accrued and unpaid (to the extent such amounts cannot be paid out of item (ix) of the Available Revenue Funds);
- (c) *third*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts owing thereto of any remuneration and any costs, charges, liabilities and expenses then due and payable to the Paying Agents or the Registrar under or pursuant to the Agency Agreement and to any Calculation Agent under any Calculation Agency Agreement or Agency Agreement;
- (d) *fourth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts owing thereto of:
  - (i) any remuneration then due and payable to the Servicer and any costs, charges, liabilities and expenses then due or to become due and payable to the Servicer in the immediately following CBC Payment Period under the provisions of the Servicing Agreement;
  - (ii) any remuneration then due and payable to the Administrator and any costs, charges, liabilities and expenses then due or to become due and payable to the Administrator in the immediately following CBC Payment Period under the provisions of the Administration Agreement;
  - (iii) any remuneration then due and payable to the Back-Up Administrator and any costs, charges, liabilities and expenses then due or to become due and payable to the Back-Up Administrator in the immediately following CBC Payment Period under the provisions of the Back-Up Administration Agreement;
  - (iv) any amounts (if any) due and payable to the CBC Account Bank (including any costs and negative interest) pursuant to the terms of the CBC Account Agreement;
  - (v) any amounts (if any) due and payable to the CBC Back-Up Account Bank and the CBC Back-Up Account Agent (including any costs and negative interest) pursuant to the terms of the CBC Back-Up Account Agreement;
  - (vi) any amounts (including costs and expenses) due and payable to the Directors;
  - (vii) any amounts due and payable to the Asset Monitor (other than the amounts referred to in paragraph (k) below) pursuant to the terms of the Asset Monitor Appointment Agreement; and
  - (viii) any Achmea Hypotheken Servicing Fees and the Borrower Costs due and payable to Achmea Hypotheken under the CBC Master Purchase Agreement and up to the Cost Cap any Additional Fees due and payable to Achmea Hypotheken under the CBC Master Purchase Agreement;
- (e) *fifth*, to each Portfolio Swap Counterparty in or towards satisfaction or to be reserved for payment *pro rata* and *pari passu* in accordance with the respective amounts owing thereto of all amounts (including any termination payment due and payable by the CBC under the relevant Portfolio Swap Agreement to the extent *not* paid from any Swap Replacement Amounts, but excluding any Excluded Swap Termination Amount) then due to it or as will become due and payable to it in the immediately following CBC Payment Period under the relevant Portfolio Swap Agreement;
- (f) *sixth*, in or towards satisfaction or to be reserved for payment *pro rata* and *pari passu* in accordance with the respective amounts owing thereto of:
  - (i) all amounts (including any termination payment due and payable by the CBC under the relevant Swap Agreement to the extent not paid from any Swap Replacement Amounts but excluding any Excluded Swap Termination Amount) then due to each Swap Counterparty or as will become due and payable to such Swap Counterparty in the immediately following CBC Payment Period under the relevant Swap Agreement (other than to a Portfolio Swap Counterparty, which is paid under item (e) above, and other than to a Structured Swap Counterparty in relation to principal, which is paid under item (h) below); and

- (ii) all Scheduled Interest that is Due for Payment or will become Due for Payment in the immediately succeeding CBC Payment Period under the Guarantee in respect of any Series of Covered Bonds, except in case such amounts are scheduled to be paid in the relevant CBC Payment Period from amounts received (or to be received) under any Swap Agreement connected to such Series, provided that such exemption does not apply if amounts are scheduled to be paid in the immediately succeeding CBC Payment Period from amounts received (or to be received) under any Swap Agreement connected to such Series but the Administrator determines in its sole discretion that such amounts may not be available as scheduled due to the potential non-performance by a Swap Counterparty of its obligations pursuant to the relevant Swap Agreement;
- (g) *seventh*, in or towards satisfaction of any sums required to replenish the Reserve Account up to the Reserve Account Required Amount;
- (h) *eighth*, in or towards satisfaction or to be reserved for payment, *pro rata* and *pari passu* according to the respective amounts owing thereto:
  - (i) of amounts in respect of principal then due and payable or as will become due and payable in the immediately succeeding CBC Payment Period to each Structured Swap Counterparty under the relevant Structured Swap Agreement (but excluding any Excluded Swap Termination Amount);
  - (ii) of all Scheduled Principal that is Due for Payment or will become Due for Payment in the immediately succeeding CBC Payment Period under the Guarantee in respect of any Series of Covered Bonds, except in case such amounts are scheduled to be paid in the relevant CBC Payment Period from amounts received (or to be received) under any Swap Agreement connected to such Series, provided that such exemption does not apply if amounts are scheduled to be paid in the immediately succeeding CBC Payment Period from amounts received (or to be received) under any Swap Agreement connected to such Series but the Administrator determines in its sole discretion that such amounts may not be available as scheduled due to the potential non-performance by a Swap Counterparty of its obligations pursuant to the relevant Swap Agreement;
- (i) *ninth*, to deposit the remaining moneys in the CBC Account and/or the CBC Back-Up Account for application on the next following CBC Payment Date in accordance with this priority of payments of items (a) to (h) (inclusive), until the Covered Bonds have been fully repaid or provided for (such that the Required Redemption Amount has been accumulated in respect of each outstanding Series);
- (j) *tenth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts owing thereto of any Excluded Swap Termination Amount due and payable by the CBC to the relevant Swap Counterparty under the relevant Swap Agreement;
- (k) *eleventh*, in or towards satisfaction of any indemnity amount due to the Transferor pursuant to the Guarantee Support Agreement and certain costs, expenses and indemnity amounts due by the CBC to the Asset Monitor pursuant to the Asset Monitor Appointment Agreement; and
- (l) *twelfth*, thereafter any remaining moneys will be paid to the Issuer.

## POST CBC ACCELERATION NOTICE PRIORITY OF PAYMENTS

Under the terms of the Trust Deed, each of the Secured Creditors agrees that all moneys received or recovered by the Security Trustee (or any other Secured Creditor and paid to the Security Trustee in accordance with the Parallel Debt Agreement) (whether in the administration, liquidation of the CBC or otherwise) following the occurrence of a CBC Event of Default and service of a CBC Acceleration Notice, the Security shall become enforceable, less an amount to which the Insurance Savings Participant and the Bank Savings Participant shall be entitled (which shall be equal to (A) the Insurance Savings Participation in each of the Savings Mortgage Receivables and each of the Life Mortgage Receivables with a Savings Element to which the Insurance Savings Participation Agreement applies or, if the amount recovered in respect of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element is less than the Insurance Savings Participation, an amount equal to the amount actually recovered, or (B) the Bank Savings Participation in each of the Bank Savings Mortgage Receivables to which the Bank Savings Participation Agreement applies or, if the amount recovered in respect of such Bank Savings Mortgage Receivable is less than the Insurance Savings Participation, an amount equal to the amount actually recovered) and except for Swap Collateral Amounts (which shall first be subject to the provisions set out in the relevant Swap Agreement) will be applied following the enforcement of the security rights in the following order of priority (the "**Post CBC Acceleration Notice Priority of Payments**"), in each case only if and to the extent that payments or provisions of a higher priority have been made in full:

- (a) *first*, in or towards satisfaction of all amounts due and payable or to become due and payable to the Security Trustee under the provisions of the Trust Deed;
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts owing thereto, of any remuneration and any costs, charges, liabilities and expenses then due and payable to the Paying Agents or the Registrar under or pursuant to the Agency Agreement and to any Calculation Agent under any Calculation Agency Agreement or Agency Agreement;
- (c) *third*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts owing thereto, of:
  - (i) any remuneration then due and payable to the Servicer and any costs, charges, liabilities and expenses then due or to become due and payable to the Servicer under the provisions of the Servicing Agreement;
  - (ii) any remuneration then due and payable to the Administrator and any costs, charges, liabilities and expenses then due or to become due and payable to the Administrator under the provisions of the Administration Agreement;
  - (iii) any remuneration then due and payable to the Back-Up Administrator and any costs, charges, liabilities and expenses then due or to become due and payable to the Back-Up Administrator under the provisions of the Back-Up Administration Agreement;
  - (iv) any amounts (if any) due and payable to the CBC Account Bank (including any costs and negative interest) pursuant to the terms of the CBC Account Agreement;
  - (v) any amounts (if any) due and payable to the CBC Back-Up Account Bank and the CBC Back-Up Account Agent (including any costs and negative interest) pursuant to the terms of the CBC Back-Up Account Agreement;
  - (vi) amounts (including costs and expenses) due to the Directors; and
  - (vii) any Achmea Hypotheken Servicing Fees and the Borrower Costs due and payable to Achmea Hypotheken under the CBC Master Purchase Agreement and up to the Cost Cap any Additional Fees due and payable to Achmea Hypotheken under the CBC Master Purchase Agreement;
- (d) *fourth*, to each Portfolio Swap Counterparty in or towards satisfaction, *pro rata* and *pari passu* in accordance with the respective amounts owing thereto, of any amounts due under the relevant Portfolio Swap Agreement (including any termination payment due and payable by the CBC under the relevant Portfolio Swap Agreement to the extent not paid from any Swap Replacement Amounts but excluding any Excluded Swap Termination Amount);
- (e) *fifth*, in or towards satisfaction, *pro rata* and *pari passu* according to the respective amounts owing thereto, of any amounts due and payable:
  - (i) to the Swap Counterparties under the relevant Swap Agreements (other than under a Portfolio Swap Agreement, which is paid under item (d) above, and other than to a Structured Swap Counterparty in relation to principal, which is paid under item (f) below) (including, but not limited to, any termination payment due and payable by the CBC under the relevant Swap Agreement to the extent not paid from any Swap Replacement Amounts but excluding any Excluded Swap Termination Amounts); and
  - (ii) to the Covered Bondholders *pro rata* and *pari passu* in respect of interest due and payable on each Series in accordance with the Guarantee;

- (f) *sixth*, in or towards satisfaction, *pro rata* and *pari passu* according to the respective amounts thereof;
  - (i) of amounts in respect of principal then due and payable or as will become due and payable to each Structured Swap Counterparty under the relevant Structured Swap Agreement (but excluding any Excluded Swap Termination Amount); and
  - (ii) of any amounts due and payable to the Covered Bondholders *pro rata* and *pari passu* in respect of principal due and payable on each Series in accordance with the Guarantee;
- (g) *seventh*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts owing thereto, of any Excluded Swap Termination Amounts due and payable by the CBC to the relevant Swap Counterparty under the relevant Swap Agreement, or to the relevant Portfolio Swap Counterparty under the relevant Portfolio Swap Agreement;
- (h) *eighth*, in or towards satisfaction of certain costs, expenses and indemnity amounts due by the CBC to the Asset Monitor pursuant to the Asset Monitor Appointment Agreement; and
- (i) *ninth*, thereafter, any remaining moneys will be paid to the Issuer.

The Security Trustee shall give notice to the Covered Bondholders in accordance with Condition 14 (*Notices*) of the date fixed for any payment under the Priorities of Payments. Any payment to be made in respect of the Covered Bonds or Coupons of any Series by the Issuer, the CBC or the Security Trustee may be made in the manner provided in the Conditions, the Agency Agreement and the Trust Deed and any payment so made shall discharge (*kwijten*) the Security Trustee to the extent made.

## **CBC TRANSACTION ACCOUNTS, SWAP REPLACEMENT LEDGER, CBC BACK-UP ACCOUNT AND CUSTODY**

### **CBC Account**

Pursuant to the terms of the CBC Account Agreement entered into on the Programme Date between the CBC, Société Générale S.A., Amsterdam Branch as CBC Account Bank and the Security Trustee, the CBC will maintain, with the CBC Account Bank, the CBC Account:

- into which are paid all amounts received by the CBC in respect of Transferred Assets; and
- moneys standing to the credit of which will on each CBC Payment Date be applied by the Administrator in accordance with the relevant Priority of Payments as described above in more detail.

### **CBC Account Bank Rating**

If the CBC Account Bank ceases to be rated the relevant ratings (as required at the date of this Base Prospectus being at least the Requisite Credit Rating) then the CBC shall use its best efforts to, within thirty (30) calendar days of such downgrade or withdrawal, (a) transfer the balance standing to the credit of the relevant CBC Transaction Accounts to an alternative cbc account bank having at least the Requisite Credit Rating, (b) obtain a third party with at least the Requisite Credit Rating to guarantee the obligations of the CBC Account Bank, which guarantee is in accordance with the then current criteria of the Credit Rating Agency, or (c) find another solution so that the then current rating of the Covered Bonds are not adversely affected as a result thereof. In such event, all reasonable costs and expenses, if any, incurred by the CBC shall be borne by the CBC Account Bank and the CBC Account Bank shall reimburse the CBC for such costs and expenses immediately after it will have received a written statement from the CBC, detailing such costs and expenses.

### **Interest Rate CBC Transaction Accounts**

Pursuant to the CBC Account Agreement, the CBC Account Bank has agreed to pay interest on the CBC Transaction Accounts Funds at the rate determined in accordance with the CBC Account Agreement. In the event that the interest rate in respect of any of the CBC Transaction Accounts is less than zero, such interest amounts will be payable by the CBC, or the Issuer on behalf of the CBC, to the CBC Account Bank.

### **Additional Accounts**

The CBC and the CBC Account Bank may from time to time agree to create additional accounts for the purpose of making deposits with a different interest rate in the name of the CBC with the CBC Account Bank (provided that the Security Trustee has consented in writing). Any such additional accounts will be kept separate from the CBC Account to which it is connected. The CBC may only transfer amounts from such additional accounts to the relevant CBC Account to which it is connected and any amount to be transferred to such additional accounts may only be transferred from the relevant CBC Account.

In the event the CBC is obliged to open any other accounts than the CBC Account, the CBC Account Bank will, on the instructions of the CBC, open such new accounts under the terms of this CBC Account Agreement in the name of the CBC.

### **Reserve Account**

Pursuant to the Trust Deed, the CBC will be required to open the Reserve Account which will be credited by the Issuer with an amount equal to the Reserve Account Required Amount.

After the earlier of (i) the date falling three (3) months after the occurrence of an Assignment Notification Event pursuant to which the relevant Borrowers have been notified and have been instructed to direct any payments under such Mortgage Receivables to the CBC or (ii) the date on which the CBC demonstrates that the relevant Borrowers pay the required amounts under the Mortgage Receivables to the CBC, the Reserve Trigger Required Amount will be reduced to zero. Any amounts which may be released from the Reserve Account will be added to certain other income of the CBC in calculating the Available Revenue Funds and applied in accordance with the relevant Priority of Payments.

In case the Available Revenue Funds and the Available Principal Funds are, on a CBC Payment Date, insufficient to meet items (a) to (f) inclusive of the CBC Priority of Payments, all amounts credited to the Reserve Account will be available on such CBC Payment Date to meet items (a) to (f) inclusive of the CBC Priority of Payments and will be released accordingly and form part of the Available Revenue Funds.

In the Interim Period all amounts credited to the Reserve Account will be available to meet any amount of interest due on any Series of Covered Bonds in such Interim Period and will be released accordingly to pay directly, outside any Priority of Payments, any amount of Scheduled Interest due on the Covered Bonds. If the amount credited to the Reserve

Account exceeds the Reserve Account Required Amount, such excess will be released and will form part of the Available Revenue Funds.

### **Swap Replacement Ledger**

The CBC shall maintain the Swap Replacement Ledger to which it shall credit the Swap Replacement Amounts. Pursuant to the Administration Agreement, the CBC has agreed that it shall only debit to the Swap Replacement Ledger the following amounts:

- (i) those amounts payable to the replacement Swap Counterparty by the CBC in consideration of the entry into between the CBC and such replacement Swap Counterparty of a swap transaction to replace any Swap Agreement, to the extent that Swap Replacement Amounts have been received by the CBC in respect to such swap transaction as is being so replaced; and
- (ii) those amounts payable by the CBC to a Swap Counterparty in respect of the termination of any Swap Agreement, to the extent that Swap Replacement Amounts have been received by the CBC in respect to such swap transaction as is being so terminated,

provided that any Excess Swap Replacement Amounts debited to the Swap Replacement Ledger under paragraphs (i) or (ii) above shall be debited from the Swap Replacement Ledger and shall form part of the Available Revenue Funds on the immediately succeeding CBC Payment Date and shall be distributed on such CBC Payment Date accordingly.

### **CBC Back-Up Account**

Pursuant to the terms of the CBC Back-Up Account Agreement entered into on the Programme Date between the CBC, Citibank Europe plc, Netherlands Branch as CBC Back-Up Account Bank, Citibank Europe plc as CBC Back-Up Account Agent and the Security Trustee, the CBC will maintain with the CBC Back-Up Account Bank the CBC Back-Up Account. Pursuant to the CBC Back-Up Account Agreement the CBC agreed, at the request of the Issuer, to transfer from time to time amounts standing to the credit of the CBC Transaction Accounts to the CBC Back-Up Account and the CBC shall not transfer amounts credited to the CBC Back-Up Account to any other account than the relevant CBC Transaction Account or, only in case of a downgrade of the CBC Back-Up Account Bank below the Requisite Credit Rating, the CBC may transfer the balance standing to the credit of the CBC Back-Up Account to an alternative cbc back-up account bank having at least the Requisite Credit Rating. The Issuer may at its discretion request such transfer.

If at any time the CBC Back-Up Account Bank's rating is less than the Requisite Credit Rating or any of its ratings are withdrawn by any of the Credit Rating Agencies, the CBC Back-Up Account Bank shall use its reasonable efforts to, within the Relevant Remedy Period, unless the Rating Agencies have confirmed that the then current rating of the Covered Bonds will not be adversely affected as a result thereof, within the Relevant Remedy Period, (a) transfer the balance standing to the credit of the CBC Back-Up Account to an alternative cbc back-up account bank having at least the Requisite Credit Rating, or (b) to obtain a guarantee of its obligations under the CBC Back-Up Account Agreement in accordance with terms acceptable to the Security Trustee, acting reasonably, from a financial institution having at least the Requisite Credit Rating, or (c) to take any other action acceptable to the Security Trustee to maintain the then current ratings assigned to the Covered Bonds, or (d) ensure that the amounts standing to the credit of the CBC Back-Up Account are retransferred to the CBC Account.

### **Interest rate CBC Back-Up Account**

Pursuant to the CBC Back-Up Account Agreement, the CBC Back-Up Account Bank has agreed to pay interest on the balance standing from time to time to the credit of the CBC Back-Up Account at the rate determined in accordance with the CBC Back-Up Account Agreement. In the event that the interest rate in respect of the CBC Back-Up Account is less than zero, any negative interest amount will be payable by the CBC, or the Issuer on behalf of the CBC, to the CBC Back-Up Account Bank.

### **Custody**

The CBC shall appoint a custodian to provide custody services in relation to certain securities which qualify as Substitution Assets or other collateral in the form of securities which are transferred to the CBC. Such securities and such other collateral in the form of securities will be serviced in accordance with a custody agreement.

## 19. DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Base Prospectus and have been approved by the AFM or filed with it, shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) a copy of the articles of association (*statuten*) of the Issuer (in the original Dutch language), which can be obtained from: [https://www.achmeabank.nl/-/media/achmea-bank/documenten/over-ons/governance/statuut\\_achmea\\_bank.pdf](https://www.achmeabank.nl/-/media/achmea-bank/documenten/over-ons/governance/statuut_achmea_bank.pdf);
- (b) a copy of the articles of association (*statuten*) of the CBC (in the original Dutch language as well as an English translation), which can be obtained from: [https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/funding/soft-bullet/documentation/aoa\\_cbc\\_achmea\\_sb\\_covered\\_bond\\_company\\_bv.pdf](https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/funding/soft-bullet/documentation/aoa_cbc_achmea_sb_covered_bond_company_bv.pdf);
- (c) the English language publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2021 and 31 December 2022 of the Issuer, which can be obtained from: <https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/annual-reports/jaarrekening-2021-achmea-bank.pdf> and [https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/annual-reports/annual\\_report\\_achmea\\_bank\\_2022.pdf](https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/annual-reports/annual_report_achmea_bank_2022.pdf);
- (d) the audited financial statements of the CBC for the year ended 31 December 2021 and 31 December 2022, which can be obtained from: <https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/funding/soft-bullet/annual-report-2021-achmea-soft-bullet-covered-bond-company.pdf> and <https://www.achmeabank.nl/-/media/achmea-bank/documenten/investors/funding/soft-bullet/annual-report-2022-achmea-soft-bullet-covered-bond-company.pdf>;
- (e) the press release titled "Achmea Bank acquires mortgages from a.s.r. up to an amount of €1 billion annually" dated 2 October 2023, which can be obtained from <https://www.achmeabank.nl/en/news/achmea-bank-neemt-hypotheken-over-van-asr-tot-een-jaarlijks-bedrag-van-1-miljard>;
- (f) the press release titled "DNB grants Achmea Bank Advanced IRB status" dated 11 September 2023, which can be obtained from <https://www.achmeabank.nl/-/media/achmea-bank/documenten/nieuws/engels/press-release---dnb-grants-achmea-bank-advanced-irb-status.pdf>;
- (g) the press release titled "Achmea Bank reports an operating profit before taxes of EUR 33 million" dated 25 August 2023, which can be obtained from <https://www.achmeabank.nl/-/media/achmea-bank/documenten/nieuws/engels/achmea-bank-halfjaar-rapport-2023-10.pdf>;
- (h) the press release titled "Achmea Bank invests in Dutch mortgages through DMFCO's label MUNT Hypotheken" dated 19 April 2023, which can be obtained from <https://www.achmeabank.nl/en/news/achmea-bank-treedt-toe-tot-platform-dmfco-en-investeert-in-munt-hypotheken>; and
- (i) the press release titled "Achmea Bank issues €500 million soft bullet covered bond for the third consecutive year" dated 31 January 2023, which can be obtained from <https://www.achmeabank.nl/en/news/achmea-bank-plaatst-derde-500-miljoen-soft-bullet-covered-bonds>.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are deemed to be incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its office set out at the end of this Base Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Any information contained in or accessible through any website, including <https://www.achmeabank.nl/>, does not form a part of the Base Prospectus and has not been scrutinised or approved by the AFM, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus. Any

statements on the Issuer's competitive position included in a document which is incorporated by reference herein and where no external source is identified are based on the Issuer's internal assessment of generally available information.

## 20. GENERAL INFORMATION

### Authorisation

The establishment of the Programme and the issue of Covered Bonds under the Programme from time to time have been duly authorised by a resolution of the Executive Board of the Issuer dated 4 June 2021 and pursuant to the authorisation of the Supervisory Board of the Issuer of 3 June 2021. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of the Netherlands have been given for the issue of Covered Bonds and for the Issuer to undertake and perform its obligations under the Transaction Documents. The update and amendment of the Programme, the increase of the Programme Amount and issuances of Covered Bonds under this Base Prospectus were authorised by a resolution of the Executive Board of the Issuer dated 22 January 2024.

The issuing of the Guarantee has been duly authorised by a resolution of the board of managing directors of the CBC dated 21 May 2021. The update and amendment of the Programme and the increase of the Programme Amount were authorised by the CBC by a resolution of the board of managing directors of the CBC dated 9 January 2024.

### Listing of Covered Bonds

Application may be made for Covered Bonds to be listed on the official list of Euronext Amsterdam during the period of twelve (12) months from the date of this Base Prospectus. Notice of any terms and conditions not contained herein which are applicable to the Covered Bonds will be set out in the Final Terms which, with respect to such Covered Bonds to be listed on Euronext Amsterdam, will be delivered to Euronext Amsterdam on or before the date of issue. Covered Bonds may also be listed on any other stock exchange specified in the applicable Final Terms or be unlisted.

### Documents Available

During the life of this Base Prospectus, copies of the following documents will be available (i) in electronic form, free of charge, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the registered office of the Security Trustee and from the specified office of the Principal Paying Agent and (ii) will be made available on <https://www.achmeabank.nl/en/investors/funding/soft-bullet-covered-bond>.

- (i) the articles of association of the Issuer, the Security Trustee and the CBC;
- (ii) the Pledge Agreements;
- (iii) the Administration Agreement;
- (iv) the Back-Up Administration Agreement;
- (v) the Servicing Agreement;
- (vi) the CBC Account Agreement;
- (vii) the Trust Deed;
- (viii) the Parallel Debt Agreement;
- (ix) the Agency Agreement;
- (x) the Guarantee Support Agreement;
- (xi) the Asset Monitoring Agreement;
- (xii) the Asset Monitor Appointment Agreement;
- (xiii) the Master Definitions Agreement;
- (xiv) the Insurance Savings Participation Agreement;
- (xv) the Bank Savings Participation Agreement;
- (xvi) the CBC Master Purchase Agreement;
- (xvii) the Achmea Bank Receivables Proceeds Distribution Agreement;
- (xviii) the Achmea Bank Collection Foundation Account Pledge Agreement;
- (xix) the Achmea Hypotheken Receivables Proceeds Distribution Agreement;
- (xx) the Achmea Hypotheken Collection Foundation Account Pledge Agreement;
- (xxi) the Management Agreements; and
- (xxii) the CBC Back-Up Account Agreement.

### Clearing Systems

Application will be made for the Covered Bonds to be accepted for clearance through Euroclear and Clearstream, Luxembourg or Euroclear Nederland, or any other agreed clearing system, as the case may be. The appropriate common code, ISIN and security code allocated by Euroclear and Clearstream, Luxembourg or Euroclear Nederland, or any other agreed clearing system, as the case may be, will be specified in the applicable Final Terms.

The address of Euroclear is 1 Blvd du Roi Albert II, Brussels 1210, Belgium. The address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg. The address of Euroclear Nederland is Herengracht 459-

469, 1017 BS Amsterdam, the Netherlands.

### **Significant/Material Change**

As at the date of the Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2022, which is the last day of the financial period for which audited financial information has been published, to the date of the Base Prospectus and there has been no significant change in the financial performance and the financial position of the Issuer since 30 June 2023, which is the last day of the financial period for which financial information has been published, to the date of the Base Prospectus.

### **Legal and Arbitration Proceedings**

Save as disclosed in section 5 (*Achmea Bank N.V.*) under '*Legal Proceedings*', there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the twelve (12) months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer.

### **Auditors**

Ernst & Young Accountants LLP ("**EY**"), an independent registered public accounting firm located at Antonio Vivaldistraat 150, 1083 HP Amsterdam, the Netherlands, audited the Issuer's financial statements as at and for the financial year ended 31 December 2021 and 31 December 2022, in accordance with Dutch law, including Dutch Standards on Auditing, and issued an unqualified auditor's report thereon.

The auditor signing the auditor's report on behalf of EY is a member of The Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

EY, an independent registered public accounting firm located at Antonio Vivaldistraat 150, 1083 HP Amsterdam, the Netherlands, audited the CBC's financial statements as at and for the financial year ended 31 December 2021 and 31 December 2022, in accordance with Dutch law, including Dutch Standards on Auditing, and issued an unqualified auditor's report thereon.

The auditor signing the auditor's report on behalf of EY is a member of The Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

### **Post-issuance information**

A monthly report on the Covered Bonds under this Programme will be published on and can be obtained at: [www.achmeabank.com](http://www.achmeabank.com).

## 21. GLOSSARY OF DEFINED TERMS

"ABN AMRO Bank"	means ABN AMRO Bank N.V., or its successor or successors.
"Accrued Interest"	means in relation to any Mortgage Receivable and as at any date interest on such Mortgage Receivable (not being interest which is currently payable on such date) which has accrued from and including the scheduled interest payment date under the associated Mortgage Loan immediately prior to the relevant date up to and including that date.
"Achmea"	means Achmea B.V., or its successor or successors.
"Achmea Bank"	means Achmea Bank N.V., or its successor or successors.
"Achmea Bank Collection Foundation"	means Stichting Incasso Achmea Hypotheken, a foundation ( <i>stichting</i> ) organised under the laws of the Netherlands and with its statutory seat in Amsterdam, or its successor or successors.
"Achmea Bank Collection Foundation Accounts"	means the bank account maintained by the Achmea Bank Collection Foundation.
"Achmea Bank Collection Foundation Pledge Agreement"	means the pledge agreement between, among others, the Issuer, the Security Trustee, the Previous Outstanding Transaction SPVs, the Previous Outstanding Transaction Security Trustees or the pledge agreement or pledge agreements entered into by one or more of the aforementioned parties in replacement of the relevant collection foundation accounts pledge agreement or collection foundation accounts pledge agreements in force at that time, and/or in addition to the existing collection foundation accounts pledge agreements in force at that time.
"Achmea Bank Default Event"	has the meaning ascribed thereto in section 10 ( <i>Guarantee Support</i> ) under ' <i>Transfers</i> '.
"Achmea Bank Master Purchase Agreement"	means the master purchase agreement dated 21 October 2020 and entered into by Achmea Bank and Achmea Hypotheken.
"Achmea Bank Receivables Proceeds Distribution Agreement"	means the receivables proceeds distribution agreement between, amongst others, the Issuer, the Security Trustee, the Collection Foundation, the Previous Outstanding Transaction SPVs, the Previous Outstanding Transaction Security Trustees originally dated 28 May 2010, as amended from time to time.
"Achmea Group"	means the group formed by Achmea B.V. and its subsidiaries ( <i>dochtermaatschappijen</i> ).
"Achmea Hypotheken"	means Achmea Hypotheken B.V.
"Achmea Hypotheken Assignment Notification Event"	has the meaning ascribed thereto in Section 10 ( <i>Guarantee Support</i> ) under ' <i>Transfers</i> '.
"Achmea Hypotheken Collection Foundation"	means Stichting Derdengelden Achmea Hypotheken, a foundation ( <i>stichting</i> ) organised under the laws of the Netherlands and with its statutory seat in Amsterdam, or its successor or successors.
"Achmea Hypotheken Collection Foundation Accounts"	means the bank accounts maintained by the Achmea Hypotheken Collection Foundation.
"Achmea Hypotheken"	means the collection foundation accounts pledge agreement in relation to the

<b>Collection Foundation Accounts Pledge Agreement"</b>	Achmea Hypotheken Platform and to which Achmea Bank and the CBC have become a party as beneficiary of the Achmea Hypotheken Collection Foundation.
<b>"Achmea Hypotheken Collection Foundation Bank Required Rating"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ).
<b>"Achmea Hypotheken Collection Foundation Documents"</b>	means the Achmea Hypotheken Receivables Proceeds Distribution Agreement and the Achmea Hypotheken Collection Foundation Accounts Pledge Agreement.
<b>"Achmea Hypotheken Mortgage Loan"</b>	means a Mortgage Loan which is granted by Achmea Hypotheken.
<b>"Achmea Hypotheken Mortgage Receivable"</b>	means a Mortgage Receivable resulting from an Achmea Hypotheken Mortgage Loan.
<b>"Achmea Hypotheken Platform"</b>	means the Achmea Hypotheken Mortgage Label Platform set up by SAREF to which Achmea Bank has acceded and to which other investors may accede and can invest in Dutch residential mortgage loans granted by Achmea Hypotheken.
<b>"Achmea Hypotheken Platform Agreement"</b>	means the platform agreement dated 21 October 2020 in respect of the Achmea Hypotheken mortgage loan platform to which Achmea Bank acceded on 21 October 2020.
<b>"Achmea Hypotheken Platform Documents"</b>	means the Achmea Hypotheken Platform Agreement, the Achmea Hypotheken Collection Foundation Documents, Achmea Bank Master Purchase Agreement and the CBC Master Purchase Agreement.
<b>"Achmea Hypotheken Servicing Fee"</b>	means the fees payable by the CBC to Achmea Hypotheken subject to and in accordance with the CBC Master Purchase Agreement.
<b>"Achmea Internal Audit"</b>	means the internal audit department of Achmea B.V.
<b>"Acier Loan Portfolio"</b>	means the portfolio of a substantial part of the loan activities the Issuer acquired from Staalbankiers on 7 July 2015.
<b>"Additional Fees"</b>	means the fees the CBC shall pay to Achmea Hypotheken for additional services (if any) subject to and in accordance with the CBC Master Purchase Agreement.
<b>"Adjusted Aggregate Asset Amount"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>"Adjusted Required Redemption Amount"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Sale or Refinancing of Selected Assets</i> '.
<b>"Adjustment Spread"</b>	has the meaning ascribed thereto in Condition 5(B)(ii)(c) ( <i>Replacement Reference Rate Determination for Discontinued Reference Rate</i> ).
<b>"Administration Agreement"</b>	means the administration agreement dated the Programme Date and entered into between the Administrator, the CBC and the Security Trustee as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Administrator"</b>	means Achmea Bank N.V., or its successor or successors.
<b>"AFM"</b>	means the Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> ).

<b>"Agency Agreement"</b>	means the agency agreement dated the Programme Date and entered into between the Issuer, the CBC, the Security Trustee and the Principal Paying Agents and the Registrar as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Agent"</b>	means NautaDutilh N.V.
<b>"AIFMD"</b>	means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers.
<b>"All Moneys Mortgage"</b>	means any mortgage right ( <i>hypothekrecht</i> ) which secures not only the loan granted to the Borrower to purchase the mortgaged property, but also any other liabilities and any moneys that the Borrower, now or in the future, may owe to the Transferor either (i) regardless of the basis of such liability or (ii) under or in connection with the credit relationship ( <i>kredietrelatie</i> ) of the Borrower and the Transferor.
<b>"All Moneys Pledge"</b>	means any pledge ( <i>pandrecht</i> ) which secures (i) not only the loan granted to the Borrower to purchase the mortgaged property, but also any other liabilities and moneys that the Borrower, now or in the future, may owe to the Transferor either (i) regardless of the basis of such liability or (ii) under or in connection with the credit relationship ( <i>kredietrelatie</i> ) of the Borrower and the Transferor.
<b>"All Moneys Security Rights"</b>	means any All Moneys Mortgages and All Moneys Pledges jointly.
<b>"AML Directive"</b>	means Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing.
<b>"AML Regulation"</b>	means Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 May 2015 on information accompanying transfers of funds.
<b>"Amortisation Test"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Amortisation Test</i> '.
<b>"Amortisation Test Aggregate Asset Amount"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Amortisation Test</i> '.
<b>"Amortisation Test Current Balance"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Amortisation Test</i> '.
<b>"Annuity Mortgage Loan"</b>	means a mortgage loan or part thereof in respect of which the Borrower pays a fixed monthly instalment, made up of an initially high and thereafter decreasing interest portion and an initially low and thereafter increasing principal portion, and calculated in such manner that such mortgage loan will be fully redeemed at its maturity.
<b>"Arranger"</b>	means Coöperatieve Rabobank U.A., or its successor or successors.
<b>"Arrears of Interest"</b>	means in relation to any Mortgage Receivable and as at any date, interest which is due and payable and unpaid up to and including that date.
<b>"ASR Admin"</b>	means ASR Admin N.V. (formerly ASR Bank N.V.).
<b>"ASR Levensverzekering"</b>	means ASR Levensverzekering N.V.

<b>"Asset Cover Report"</b>	means the asset cover report prepared each month by the Administrator for the CBC which includes the relevant calculations in respect of the Asset Cover Test.
<b>"Asset Cover Test"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>"Asset Monitor"</b>	means KPMG Accountants N.V. or its successor or successors.
<b>"Asset Monitor Appointment Agreement"</b>	means the asset monitor appointment agreement dated the Programme Date and entered into between the Asset Monitor, the Issuer, the Administrator, the CBC and the Security Trustee as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Asset Monitor Report"</b>	means the agreed upon procedures report prepared by the Asset Monitor which includes the results of the tests conducted by the Asset Monitor in accordance with the Asset Monitor Appointment Agreement.
<b>"Asset Monitoring Agreement"</b>	means the asset monitoring agreement dated the Programme Date and entered into between the Administrator, the Issuer, the CBC and the Security Trustee as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Asset Percentage"</b>	means 90.27 per cent. or such other percentage figure as is determined from time to time in accordance with the Asset Monitoring Agreement as described in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>"Assignment Notification Event"</b>	means any of the events specified as such in section 10 ( <i>Guarantee Support</i> ) under ' <i>Transfers</i> '.
<b>"Assumed Mortgage Interest Rate"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>"Available Principal Funds"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ).
<b>"Available Revenue Funds"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ).
<b>"Back-Up Administration Agreement"</b>	means the back-up administration agreement dated the Programme Date and entered into between the CBC, the Back-Up Administrator, the Administrator and the Security Trustee as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Back-Up Administrator"</b>	means Intertrust Administrative Services B.V., or its successor or successors.
<b>"Bank Savings Account"</b>	means, in respect of a Bank Savings Mortgage Loan, a blocked savings account in the name of a Borrower held with the Bank Savings Participant.
<b>"Bank Savings Deposit"</b>	means, in relation to a Bank Savings Mortgage Loan, the balance standing to the credit of the relevant Bank Savings Account.
<b>"Bank Savings Deposit Instalment"</b>	means, in respect each Bank Savings Mortgage Receivable, a deposit transferred by the Borrower in the Bank Savings Account which is connected to such Bank Savings Mortgage Receivable which deposit is calculated in such a way that the Bank Savings Mortgage Receivable can be redeemed with the Bank Savings Deposit at maturity.

<b>"Bank Savings Mortgage Loan"</b>	means a mortgage loan or part thereof in respect of which the Borrower is not required to repay the principal until maturity but instead makes a deposit into the relevant Bank Savings Account.
<b>"Bank Savings Mortgage Receivable"</b>	means the Mortgage Receivable resulting from a Bank Savings Mortgage Loan.
<b>"Bank Savings Participant"</b>	means Achmea Bank N.V., or its successor or successors.
<b>"Bank Savings Participation"</b>	means, on any CBC Payment Date, in respect of each Bank Savings Mortgage Receivable an amount equal to the Initial Bank Savings Participation in respect of such Bank Savings Mortgage Receivable increased with each Bank Savings Participation Increase up to (and including) the Calculation Period immediately preceding such CBC Payment Date, but not exceeding the Outstanding Principal Amount of such Bank Savings Mortgage Receivable.
<b>"Bank Savings Participation Agreement"</b>	means the bank savings participation agreement dated the Programme Date and entered into between the CBC, the Security Trustee and the Bank Savings Participant, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Bank Savings Participation Fraction"</b>	means an amount equal to the net amount received or recovered multiplied by the Bank Savings Participation divided by the Outstanding Principal Amount of such Bank Savings Mortgage Receivable.
<b>"Bank Savings Participation Increase"</b>	has the meaning ascribed thereto in section 15 ( <i>Participation Agreements</i> ).
<b>"Bank Savings Participation Redemption Available Amount"</b>	has the meaning ascribed thereto in section 15 ( <i>Participation Agreements</i> ).
<b>"Basel Committee"</b>	means the Basel Committee on Banking Supervision.
<b>"Basel III Reforms"</b>	means the Basel III reforms as published on 7 December 2017 (informally referred to as Basel IV).
<b>"Base Prospectus"</b>	means this base prospectus dated 22 January 2024.
<b>"Bearer Covered Bonds"</b>	means the Covered Bonds in bearer form.
<b>"Benchmark Event"</b>	has the meaning ascribed thereto in Condition 5(B)(ii)(c) ( <i>Replacement Reference Rate Determination for Discontinued Reference Rate</i> ).
<b>"Benchmarks Regulation"</b>	means 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 and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
<b>"Beneficiary Rights"</b>	means all rights and/or claims which the Transferor has <i>vis-à-vis</i> the Insurance Company in respect of an Insurance Policy, under which the Transferor has been appointed by the Borrower as beneficiary ( <i>begunstigde</i> ) in connection with the relevant Mortgage Receivable.
<b>"BKR"</b>	means the Dutch National Credit Register ( <i>Bureau Krediet Registratie</i> ).

<b>"Borrower"</b>	means the debtor or debtors, including any jointly and severally liable co-debtor or co-debtors, of a Mortgage Loan.
<b>"Borrower Bank Savings Deposit Pledge"</b>	means a pledge ( <i>pandrecht</i> ) originally created in favour of the Transferor on the rights of the relevant pledgor against Achmea Bank in relation to the Bank Savings Account to secure the relevant Mortgage Receivable.
<b>"Borrower Costs"</b>	means any fees payable by and received from the relevant Borrower of an Achmea Hypotheken Mortgage Receivable pursuant to the relevant mortgage conditions to compensate for administrative action by Achmea Hypotheken as a result of a request from such Borrower to adjust the relevant Achmea Hypotheken Mortgage Loan.
<b>"Borrower Insurance Pledge"</b>	means a pledge ( <i>pandrecht</i> ) originally created in favour of the Transferor on the rights of the relevant pledgor against the Insurance Company under the relevant Insurance Policy securing the relevant Mortgage Receivable.
<b>"Borrower Insurance Proceeds Instruction"</b>	means the irrevocable instruction by the beneficiary under an Insurance Policy to the Insurance Company to apply the insurance proceeds towards repayment of the same debt for which the relevant Borrower Insurance Pledge was created.
<b>"Borrower Investment Account"</b>	means, in respect of an Investment Mortgage Loan, an investment account in the name of the relevant Borrower.
<b>"Borrower Investment Pledge"</b>	means a right of pledge ( <i>pandrecht</i> ) on the rights of the relevant Borrower in connection with the Borrower Investment Account in relation to Investment Mortgage Loans.
<b>"Borrower Pledge"</b>	means a right of pledge ( <i>pandrecht</i> ) securing the relevant Mortgage Receivable, including a Borrower Bank Savings Deposit Pledge, a Borrower Insurance Pledge and a Borrower Investment Pledge.
<b>"Breach of Asset Cover Test"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>"Breach of Asset Cover Test Notice"</b>	means a notice served by the Security Trustee addressed to the Issuer and the CBC informing them that a Breach of Asset Cover Test has occurred (i.e. the Asset Cover Test is breached for the second time in a row) and that, until remedied, no new Covered Bonds may be issued and that certain payments will not be made to the Issuer.
<b>"BRRD"</b>	means Directive 2014/59/EU for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms.
<b>"Business Day"</b>	means (i) a reference to a day on which banks are generally open for business in Amsterdam and London, provided that such day is also a day on which T2 is operating credit or transfer instructions in respect of payments in euro, or (ii), if used in or by reference to Condition 5 ( <i>Interest</i> ), such day as determined in accordance with Condition 5 ( <i>Interest</i> ) and the applicable Final Terms.
<b>"Calculation Agency Agreement"</b>	means the Agency Agreement and any further calculation agency agreement (if any) similar to the form attached to the Agency Agreement.
<b>"Calculation Agent"</b>	means in relation to the Covered Bonds of any Series, the institution appointed as calculation agent in relation to such Covered Bonds pursuant to the Calculation Agency Agreement (Schedule 3 to the Agency Agreement) or the Agency Agreement.

<b>"Calculation Amount"</b>	has the meaning ascribed thereto in the applicable Final Terms.
<b>"Calculation Date"</b>	has the meaning ascribed thereto in Condition 10(b) ( <i>CBC Events of Default</i> ).
<b>"Calculation Period"</b>	has the meaning ascribed thereto in Condition 10(b) ( <i>CBC Events of Default</i> ).
<b>"Cap"</b>	means the maximum interest rate that may apply to a Floating Rate Covered Bond.
<b>"CB APF"</b>	means the Centraal Beheer Algemeen Pensioenfonds.
<b>"CB Regulations"</b>	means the Dutch covered bonds legislation effective as of 8 July 2022 and which implements the Covered Bond Directive in the Netherlands, which is set out in the covered bond directive implementation law ( <i>Implementatiewet richtlijn gedekte obligaties</i> ) dated 15 December 2021 and the Decree, as amended from time to time.
<b>"CBC"</b>	means Achmea SB Covered Bond Company B.V., or its successor or successors.
<b>"CBC Acceleration Notice"</b>	means a notice from the Security Trustee in writing to the CBC, copied to the Issuer, that each Covered Bond of each Series is, and each Covered Bond of each Series shall as against the Issuer (if not already due and repayable against it following an Issuer Event of Default) and, through the Guarantee, as against the CBC, thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Trust Deed.
<b>"CBC Account"</b>	means the bank account of the CBC designated as such in the CBC Account Agreement.
<b>"CBC Account Agreement"</b>	means the CBC account agreement dated the Programme Date and entered into between the CBC, the CBC Account Bank and the Security Trustee as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"CBC Account Bank"</b>	means Société Générale S.A., Amsterdam Branch, or its successor or successors.
<b>"CBC Back-Up Account"</b>	means the bank account of the CBC designated as such in the CBC Back-Up Account Agreement.
<b>"CBC Back-Up Account Agent"</b>	means Citibank Europe plc, a public limited company organised under the laws of Ireland with company number 132781 and having its registered office at 1 North Wall Quay, Dublin 1 Ireland, acting through its Agency and Trust Business, or its successor or successors.
<b>"CBC Back-Up Account Agreement"</b>	means the CBC back-up account agreement dated the Programme Date and entered into between the CBC, the CBC Back-Up Account Bank, the CBC Back-Up Account Agent and the Security Trustee as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"CBC Back-Up Account Bank"</b>	means Citibank Europe plc, Netherlands Branch, a public limited company organised under the laws of Ireland with company number 132781 and having its registered office at 1 North Wall Quay, Dublin 1 Ireland, acting through its Netherlands branch, with its office at Schiphol Boulevard 257 WTC D Tower, floor 8, 1118 BH Schiphol, or its successor or successors.
<b>"CBC Event of Default"</b>	means any of the events specified as such in Condition 10(b) ( <i>CBC Events of Default</i> ).

<b>"CBC Master Purchase Agreement"</b>	means the master purchase agreement dated 7 June 2021 and entered into by Achmea Hypotheken, Achmea Bank, the CBC and the Security Trustee.
<b>"CBC Master Purchase Agreement Termination Event"</b>	has the meaning ascribed thereto in section 10 ( <i>Guarantee Support</i> ) under ' <i>Transfers</i> '.
<b>"CBC Payment Date"</b>	has the meaning ascribed thereto in Condition 10(b) ( <i>CBC Events of Default</i> ).
<b>"CBC Payment Period"</b>	means each period from (and including) a CBC Payment Date to (but excluding) the next CBC Payment Date.
<b>"CBC Priority of Payments"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ) under ' <i>CBC Priority of Payments</i> '.
<b>"CBC Resignation Event"</b>	has the meaning ascribed thereto in section 10 ( <i>Guarantee Support</i> ) under ' <i>Transfers</i> '.
<b>"CBC Transaction Accounts"</b>	means the CBC Account, the Reserve Account and the Swap Cash Collateral Account and any additional replacement accounts opened in the name of the CBC with the CBC Account Bank.
<b>"CBC Transaction Documents"</b>	means (i) the Guarantee Support Agreement, (ii) the Servicing Agreement, (iii) the Administration Agreement, (iv) the Insurance Savings Participation Agreement, (v) the Bank Savings Participation Agreement, (vi) the Asset Monitor Appointment Agreement; (vii) the Agency Agreement; (viii) the CBC Account Agreement; (ix) the CBC Back-Up Account Agreement (x) the Back-Up Administration Agreement, (xi) the CBC Master Purchase Agreement, (xii) the Achmea Hypotheken Collection Foundation Documents and (xiii) any other document of which the rights of the CBC under such document will be pledged to the Security Trustee pursuant to the Security Trustee Rights Pledge Agreement.
<b>"Clearstream, Luxembourg"</b>	means Clearstream Banking, S.A.
<b>"Code of Conduct"</b>	means the Code of Conduct for Mortgage Loans ( <i>Gedragcode Hypothecaire Financieringen</i> ) effective from time to time, as published by the Dutch Association of Banks ( <i>Nederlandse Vereniging van Banken</i> ), including the version effective from August 2020.
<b>"Collar"</b>	means the structure in which both a Cap and a Floor apply to a Floating Rate Covered Bond.
<b>"Collateral Market Value"</b>	means the market value of the relevant Transferred Collateral on any date.
<b>"Collateral Return Payments"</b>	means any payments or deliveries to be made in respect of the return of any Swap Collateral Amounts by the CBC to the relevant Swap Counterparty pursuant to the relevant Swap Agreement.
<b>"Collection Bank Required Rating"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ).
<b>"Collection Foundations"</b>	means the Achmea Bank Collection Foundation and the Achmea Hypotheken Collection Foundation.
<b>"Compounded Daily €STR"</b>	has the meaning ascribed thereto in Condition (5)(B)(ii)(d) ( <i>Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR</i> ).

<b>"Conditions"</b>	means in respect of a Series or Tranche the Terms and Conditions as supplemented, amended and/or disappplied by the relevant Final Terms.
<b>"CONSOB"</b>	means Commissione Nazionale per le Società e la Borsa.
<b>"Construction Deposit"</b>	means in relation to a Mortgage Loan, that part of the Mortgage Loan which the relevant Borrower requested to be disbursed into a blocked account held in his name with the relevant Transferor, the proceeds of which can only be applied towards construction of, or improvements to, the relevant Mortgaged Asset.
<b>"Convertibility Event"</b>	means the (indirect or direct) determination by the national government of the country in the currency of which the Covered Bonds were issued, or in respect of the euro the Netherlands, that such currency is substituted by another currency.
<b>"Cost Cap"</b>	means 0.30 per cent. multiplied by the aggregate Outstanding Principal Amount less all amounts paid or to be paid (i) in accordance with the items (a) up to and including (d) of the CBC Priority of Payments as set out in the Trust Deed, excluding the Additional Fees or (ii) in accordance with items (a) up to an including (c) of the Post CBC Acceleration Notice Priority of Payments as set out in the Trust Deed, excluding the Additional Fees.
<b>"Couponholders"</b>	means the holders of the Coupons.
<b>"Coupons"</b>	means the interest coupons appertaining to the Covered Bonds.
<b>"Covered Bond Directive"</b>	means Directive (EU) 2019/2162 of the European Parliament and of the Council on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU.
<b>"Covered Bondholders"</b>	means the holders for the time being of the Covered Bonds.
<b>"Covered Bonds"</b>	means the covered bonds issued or to be issued under the Programme.
<b>"CRA Regulation"</b>	means Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended).
<b>"CRD IV"</b>	means the CRD IV Directive and the CRR together.
<b>"CRD IV Directive"</b>	means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.
<b>"CRR"</b>	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 and as amended by Regulation (EU) 2019/2160 of the European Parliament and of the Council of 29 November 2019 as regards exposures in the form of covered bonds, and includes any regulatory technical standards and any implementing technical standards issued by the European Banking Authority or any successor body, from time to time.
<b>"CSDDD"</b>	means the proposal for a Directive of the European Parliament and of the Council as regards corporate sustainability due diligence.
<b>"CSRD"</b>	means the proposal for a Directive of the European Parliament and of the Council as regards corporate sustainability reporting.
<b>"Current Balance"</b>	means in relation to an Eligible Receivable at any date, the aggregate (without

double counting) of the Net Outstanding Principal Amount, Accrued Interest (unless it concerns calculations for either the Asset Cover Test or the Amortisation Test Aggregate Asset Amount, in which case Accrued Interest will not be included) and Arrears of Interest as at that date.

<b>"Day Count Fraction"</b>	has the meaning ascribed thereto in as defined in Condition 5 ( <i>Interest</i> ).
<b>"Dealers"</b>	means Rabobank and any additional dealer appointed in respect of Covered Bonds under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis.
<b>"Decree"</b>	means the covered bond directive implementation decree ( <i>Implementatiebesluit richtlijn gedekte obligaties</i> ) dated 24 May 2022, as amended from time to time and/or, as applicable, the articles of <i>Besluit prudentiële regels</i> implemented pursuant to such implementation.
<b>"Defaulted Receivable"</b>	<p>means any Mortgage Receivable (other than any Mortgage Receivable in respect of which payment is disputed (in whole or in part, with or without justification) by the Borrower owing such Mortgage Receivable or any Mortgage Receivable which has been written off by the Transferor as irrecoverable for accounting purposes in accordance with the Transferor's general accounting practices) in respect of which:</p> <ul style="list-style-type: none"><li>(i) a declaration has been made by the Transferor that such Mortgage Receivable is irrecoverable;</li><li>(ii) legal proceedings have been commenced for its recovery;</li><li>(iii) the related Borrower is declared bankrupt (<i>failliet verklaard</i>) or has been granted a suspension of payments (<i>surseance van betaling</i>) or debt rescheduling arrangement (<i>schuldsaneringsregeling</i>) or equivalent or analogous events or proceedings have occurred in relation to the relevant Borrower; or</li><li>(iv) the relevant Borrower is in default with its payment obligation under such Mortgage Receivable (including, without limitation, payments made by third parties on behalf of the Borrower) by the end of the calendar month during which such Mortgage Receivable becomes more than 90 days overdue for payment from the original date on which such Mortgage Receivable is due and payable within the meaning of Article 178 of the CRR (and the relevant guidelines issued on the application of this Article 178 CRR from time to time).</li></ul>
<b>"Definitive Covered Bonds"</b>	means Covered Bonds in definitive form in respect of any Series of Covered Bonds.
<b>"Delivery Event"</b>	means the event that Euroclear Nederland has been closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or has announced an intention to cease business permanently or has in fact done so and no successor clearing system is available, provided that a Permanent Global Covered Bond may be delivered ( <i>uitgeleverd</i> ) pursuant to the Dutch Securities Giro Transfer Act ( <i>Wet giraal effectenverkeer</i> ).
<b>"Deposit Guarantee Scheme"</b>	means the Dutch Deposit Guarantee Scheme ( <i>depositogarantiestelsel</i> ).
<b>"Determination Period"</b>	has the meaning ascribed thereto in Condition 4 ( <i>Redenomination</i> ).
<b>"Directors"</b>	means Intertrust Management B.V., the sole director of the CBC and the sole director of the Stichting Holding and IQ EQ Structured Finance B.V., the sole director of the Security Trustee.
<b>"DNB"</b>	means the Dutch Central Bank ( <i>De Nederlandsche Bank N.V.</i> ).

"DORA"	means the proposal for a regulation of the European Parliament and of the Council on digital operational resilience for the financial sector.
"Due for Payment Date"	means, with respect to a Guaranteed Amount, (i) prior to the service of a CBC Acceleration Notice, the Scheduled Payment Date in respect of such Guaranteed Amount or, if later, the day which is two (2) Business Days after service of an Issuer Acceleration Notice and a Notice to Pay on the CBC or (ii) after the service of a CBC Acceleration Notice, the date on which the CBC Acceleration Notice is served (or, in either case, if such day is not a Business Day, the first following Business Day).
"Dutch Civil Code"	means the Dutch Civil Code ( <i>Burgerlijk Wetboek</i> ) as amended from time to time.
"Earliest Maturing Covered Bonds"	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Sale or Refinancing of Selected Assets</i> '.
"Early Redemption Amount"	has the meaning ascribed thereto in Condition 7(e) ( <i>Early Redemption Amounts</i> ).
"EBA"	means the European Banking Authority.
"EBA Guidelines"	means the guidelines on loan origination and monitoring published by the EBA on 29 May 2020.
"ECB"	means the European Central Bank.
"EDIS"	means European deposit insurance scheme.
"EEA"	means the European Economic Area.
"Eligibility Criteria"	means the eligibility criteria set out in section 10 ( <i>Guarantee Support</i> ), which are all subject to amendment from time to time, provided that Rating Agency Confirmation is obtained in respect of such amendment.
"Eligible Assets"	means the Eligible Receivables and the Eligible Collateral.
"Eligible Collateral"	means euro denominated cash and/or Substitution Assets.
"Eligible Receivable"	means a mortgage receivable or a mortgage loan to which it relates which complies with the Eligibility Criteria as at the relevant Transfer Date.
"Eligible Swap Counterparty"	means a financial institution which is permitted under Dutch law to enter into derivative contracts with Dutch entities and whose unsecured, unsubordinated and unguaranteed debt obligations are rated not lower than the minimum ratings the Rating Agency may be comfortable with to maintain the then current rating of the Covered Bonds.
"EMIR"	means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.
"EMMI"	means the European Money Markets Institute.
"Employee Mortgage Loan"	a Mortgage Loan granted to a Borrower who is an employee of Achmea Group.
"Enforcement Date"	means the date of an enforcement notice.
"ESG"	means environmental, social and governance.

"ESMA"	means the European Securities and Markets Authority.
"ESRS"	means the European Sustainability Reporting Standards.
"€STR"	means the euro short-term rate (€STR) administered by the European Central Bank (or any other person which takes over the administration of that rate) published by the European Central Bank (or any other person which takes over publication of that rate).
"EU Banking Reforms"	means the EU banking package adopted in April 2019.
"EU 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.
"EU MiFID Product Governance Rules"	means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.
"EU PRIIPs Regulation"	means Regulation (EU) No 1286/2014 of the European Parliament and the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.
"EUR", "euro" and "€"	means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the EU Treaty.
"EURIBOR"	means the Euro-zone inter-bank offered rate.
"Euroclear"	means Euroclear Bank S.A./N.V., or its successor as operator of the Euroclear System.
"Euroclear Nederland"	means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
"Euronext Amsterdam"	means Euronext in Amsterdam, the regulated market of Euronext Amsterdam N.V.
"Eurosysteem"	means the central banking system for the euro.
"EU Treaty"	means the treaty on the functioning of the European Union, as amended.
"EUWA"	means the European Union Withdrawal Act 2018.
"Excess Proceeds"	means all moneys (including Swap Collateral) received by the Security Trustee from the Issuer or any administrator, liquidator, trustee or other similar official appointed in relation to the Issuer following the service of an Issuer Acceleration Notice and a Notice to Pay but prior to a CBC Acceleration Notice.
"Excess Swap Replacement Amounts"	means any excess proceeds in the event that any Swap Agreement has been replaced and the Swap Replacement Amounts received by the CBC with respect to such transaction as is being so replaced exceed the amounts debited to the Swap Replacement Ledger pursuant to the Administration Agreement in respect of the replacement of such transaction (or the relevant Series will be redeemed or has been redeemed with the proceeds of a sale of Transferred Assets and the Swap Agreement has been terminated in connection with such redemption).
"Exchange Date"	means the date, not earlier than forty (40) days (nor (if the Temporary Global Covered Bond has been deposited with Euroclear Nederland) more than ninety (90) days) after the issue date of the Covered Bonds (or the "restricted period" within the meaning of U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D)(7)) on which interest in the Temporary Global Covered Bonds will be exchangeable for interests

in the Permanent Global Covered Bonds.

<b>"Exchange Event"</b>	means that (i) the Covered Bonds become immediately due and repayable by reason of a CBC Event of Default or (ii) the Issuer has been notified that Euroclear and Clearstream, Luxembourg or, if applicable in respect of the relevant Series, Euroclear Nederland, have been closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or have announced an intention to cease business permanently or have in fact done so and no successor clearing system is available or (iii) the Issuer or the CBC has or will become subject to adverse tax consequences which would not be suffered if the Covered Bonds represented by the Permanent Global Covered Bond, were in definitive form.
<b>"Exchange Notice"</b>	has the meaning ascribed thereto in Condition 4 ( <i>Redenomination</i> ).
<b>"Excluded Swap Termination Amount"</b>	means, in relation to a Swap Agreement, an amount equal to the amount of any termination payment due and payable to the relevant Swap Counterparty as a result of (a) an Event of Default or Termination Event (each as defined in such Swap Agreement) where the relevant Swap Counterparty is the Defaulting Party or the sole Affected Party (each as defined in such Swap Agreement) or (b) a downgrade with respect to such Swap Counterparty.
<b>"Executive Board"</b>	means the executive board ( <i>Raad van Bestuur</i> ) of the Issuer.
<b>"Extended Due for Payment Date"</b>	means, subject to Condition 7(c) ( <i>Redemption at the option of the Issuer (Issuer Call)</i> ), the date falling one (1) year after the Maturity Date, as specified as such in the applicable Final Terms.
<b>"Extension Date"</b>	has the meaning ascribed thereto in Condition 3 ( <i>The Guarantee</i> ).
<b>"Extraordinary Resolution"</b>	has the meaning ascribed thereto in Condition 15 ( <i>Meetings of Covered Bondholders, modification and waiver</i> ).
<b>"FATCA"</b>	means sections 1471 through 1474 of the US IR Code of 1986.
<b>"FATCA Withholding"</b>	means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the US IR Code or otherwise imposed pursuant to sections 1471 through 1474 of the US IR Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental agreement thereto.
<b>"FIEA"</b>	means the Financial Instruments and Exchange Act of Japan (as amended, Act No. 25 of 1948).
<b>"Final Redemption Amount"</b>	means the final redemption amount specified in, or determined in the manner specified in, the applicable Final Terms in euro on the Maturity Date.
<b>"Final Terms"</b>	means any duly completed final terms in the form as set out in section 7 ( <i>Covered Bonds</i> ).
<b>"First Regulatory Current Balance Amount"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>"Fitch"</b>	means Fitch Ratings Ireland Limited.
<b>"Fixed Rate Covered Bonds"</b>	means Covered Bonds which will bear interest at a fixed rate, payable on such date or dates as set forth in the applicable Final Terms.

<b>"Floating Interest Amount"</b>	means the amount of interest payable on the Floating Rate Covered Bonds, in respect of each Calculation Amount for the relevant Interest Period.
<b>"Floating Rate Covered Bonds"</b>	means Covered Bonds which will bear interest at a floating rate, payable on such date or dates as set forth in the applicable Final Terms.
<b>"Floor"</b>	means a minimum interest rate that may apply to Floating Rate Covered Bonds.
<b>"FSMA"</b>	means the United Kingdom Financial Services and Markets Act 2000.
<b>"Further Advance"</b>	means either (i) further advances made under a Mortgage Loan which will be secured by the same Mortgage as the loan previously disbursed under such Mortgage Loan ( <i>verhoogde inschrijving</i> ) or (ii) further advances made under a Mortgage Loan which will also be secured by a second or sequentially lower ranking Mortgage as the loan previously disbursed under such Mortgage Loan ( <i>verhoging</i> ) or (iii) a withdrawal of moneys which were previously repaid to redeem the Mortgage Loan ( <i>heropname</i> ).
<b>"Further Advance Receivable"</b>	means any and all rights of the Transferor under or in connection with a Further Advance.
<b>"Global Covered Bond"</b>	means any Temporary Global Covered Bond or Permanent Global Covered Bond.
<b>"Guarantee"</b>	means the irrevocable and independent undertaking issued pursuant to the Trust Deed by the CBC to pay the Guaranteed Amounts when the same becomes Due for Payment.
<b>"Guarantee Support Agreement"</b>	means the guarantee support agreement dated the Programme Date and entered into between the CBC, the Transferor and the Security Trustee as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Guaranteed Amounts"</b>	means, in respect of a Series: <ul style="list-style-type: none"> <li>(a) with respect to any Scheduled Payment Date falling prior to the service of a CBC Acceleration Notice, the sum of the Scheduled Interest and Scheduled Principal payable on such Scheduled Payment Date; or</li> <li>(b) with respect to any date after the service of a CBC Acceleration Notice, an amount equal to the aggregate of (i) the relevant Early Redemption Amount specified in the Conditions as being payable on that date and (ii) all accrued and unpaid interest and all other amounts due and payable in respect of the Covered Bonds and all amounts payable by the CBC under the Trust Deed, provided that any Guaranteed Amounts representing interest paid after the Maturity Date shall be paid on such dates and at such rates as specified in the applicable Final Terms.</li> </ul>
<b>"Guaranteed Final Redemption Amount"</b>	means the Guaranteed Amount relating to Scheduled Principal payable on the Maturity Date.
<b>"GWP"</b>	means gross written premiums.
<b>"IAS"</b>	means the International Accounting Standards.
<b>"IBORs"</b>	means interbank offered rates.
<b>"ICMA"</b>	means the International Capital Market Association.
<b>"ICSDs"</b>	means one of the International Central Securities Depositories.

<b>"IDD"</b>	means Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution.
<b>"IFRS"</b>	means the International Financial Reporting Standards, including the IAS.
<b>"Independent Adviser"</b>	has the meaning ascribed thereto in Condition 5(B)(ii)(c) ( <i>Replacement Reference Rate Determination for Discontinued Reference Rate</i> ).
<b>"Initial Bank Savings Participation"</b>	has the meaning ascribed thereto in section 15 ( <i>Participation Agreements</i> ).
<b>"Initial Insurance Savings Participation"</b>	has the meaning ascribed thereto in section 15 ( <i>Participation Agreements</i> ).
<b>"Insurance Company"</b>	means any insurance company established in the Netherlands (other than the Insurance Savings Participant).
<b>"Insurance Policy"</b>	means a Life Insurance Policy, a Savings Insurance Policy or a Life Insurance Policy with a Savings Alternative or another insurance policy entered into as security for the Mortgage Loan.
<b>"Insurance Savings Participant"</b>	means Achmea Pensioen- en Levensverzekeringen N.V., or its successor or successors.
<b>"Insurance Savings Participation"</b>	means, on any CBC Payment Date, in respect of each Savings Mortgage Receivable or each Life Mortgage Receivable with a Savings Element an amount equal to the Initial Insurance Savings Participation in respect of such Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element, respectively, increased with each Insurance Savings Participation Increase up to (and including) the Calculation Period immediately preceding such CBC Payment Date, but not exceeding the Outstanding Principal Amount of such Savings Mortgage Receivable or Savings Investment Receivable, respectively.
<b>"Insurance Savings Participation Agreement"</b>	means the insurance savings participation agreement dated the Programme Date and entered into between the CBC, the Security Trustee and the Insurance Savings Participant, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Insurance Savings Participation Fraction"</b>	means an amount equal to the net amount received or recovered multiplied by the Insurance Savings Participation divided by the Outstanding Principal Amount of such Savings Mortgage Receivable or such Life Mortgage Receivable with a Savings Element.
<b>"Insurance Savings Participation Increase"</b>	has the meaning ascribed thereto in section 15 ( <i>Participation Agreements</i> ).
<b>"Insurance Savings Participation Redemption Available Amount"</b>	has the meaning ascribed thereto in section 15 ( <i>Participation Agreements</i> ).
<b>"Interest Calculation Period"</b>	means, in relation to the calculation of interest, a period starting or ending other than on an Interest Payment Date.
<b>"Interest Commencement Date"</b>	means the interest commencement date as specified in the applicable Final Terms.
<b>"Interest Determination"</b>	means the interest determination date as specified in the applicable Final Terms.

**Date"**

**"Interest Payment Date"** means each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

**"Interest Receipts"** means:

- (i) interest and fees and other amounts received by the CBC in respect of the Mortgage Receivables (including any penalties for late payments), other than Principal Receipts, less (A) in respect of each Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation, an amount equal to the net amount received or recovered multiplied by the Insurance Savings Participation Fraction and (B) in respect of each Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation, an amount equal to the net amount received or recovered multiplied by the Bank Savings Participation Fraction;
- (ii) prepayment penalties received or recovered by the CBC in respect of the Mortgage Receivables; and
- (iii) any amounts received as Net Proceeds to the extent such proceeds do not relate to principal less (A) in respect of each Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation, an amount equal to the net amount received or recovered multiplied by the Insurance Savings Participation Fraction and (B) in respect of each Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation, an amount equal to the net amount received or recovered multiplied by the Bank Savings Participation Fraction.

**"Interest Swap Agreement"** means any interest swap agreement entered into by the CBC and the Interest Swap Counterparty as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.

**"Interest Swap Counterparty"** means any swap counterparty under any Interest Swap Agreement.

**"Interim Period"** means the period from the day of the service of a Notice to Pay up to the immediately succeeding CBC Payment Date.

**"Internal Cover Pool Monitor"** means Achmea Internal Audit acting as internal cover pool monitor for the purpose of Article 40n of the Decree, *inter alia*, to monitor on an annual basis compliance with Articles 3:33b and 3:33ba of the Wft and Articles 40e up to and including Article 40m of the Decree (excluding Articles 40g and 40k of the Decree) (which expression shall include such other person as may be appointed from time to time as Internal Cover Pool Monitor).

**"Interpolis BTL"** means Achmea Pensioen- en Levensverzekeringen N.V. in its capacity as the legal successor of N.V. Interpolis BTL.

**"Interpolis BTL Hypotheken"** means Achmea Bank N.V. in its capacity as the legal successor of Interpolis BTL Hypotheken B.V.

**"Interpolis Schade Hypotheken"** means Achmea Bank N.V. in its capacity as the legal successor of Interpolis Schade Hypotheken B.V.

**"Investment Alternative"** means in respect of a Life Mortgage Loan with the possibility of a Savings Element, the alternative whereby the Savings Investment Premiums are invested in investment funds (and not in the Savings Alternative).

<b>"Investment Mortgage Loan"</b>	means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity, but undertakes to invest defined amounts through a Borrower Investment Account.
<b>"Investor Report"</b>	means the investor report, drawn up by the Administrator following the end of each calendar month in the form set out in a Schedule to the Administration Agreement and delivered to, <i>inter alia</i> , the CBC and the Security Trustee two (2) Business Days prior to the immediately succeeding CBC Payment Date.
<b>"Investor's Currency"</b>	means the principal denominated currency or currency unit of an investor's financial activities.
<b>"ISDA"</b>	means the International Swaps and Derivatives Association, Inc.
<b>"Issue Date"</b>	means, in respect of a Series or Tranche, the date on which such Covered Bonds have been or will be issued as set out in the relevant Final Terms.
<b>"Issue Price"</b>	means, in respect of a Series or Tranche, the price for which such Covered Bonds have been or will be issued as set out in the relevant Final Terms.
<b>"Issuer"</b>	means Achmea Bank, or its successor or successors.
<b>"Issuer Acceleration Notice"</b>	means a notice from the Security Trustee in writing to the Issuer that each Covered Bond of each Series is, and each such Covered Bond shall thereupon immediately become, due and repayable as against the Issuer (but not against the CBC) at its Early Redemption Amount together with accrued interest as provided in the Trust Deed.
<b>"Issuer Event of Default"</b>	means any of the events specified as such in Condition 10(a) ( <i>Issuer Events of Default</i> ).
<b>"KiFiD"</b>	means Complaint Institute for Financial Services ( <i>Klachteninstituut Financiële Dienstverlening</i> ).
<b>"Land Registry"</b>	the relevant Dutch land registry ( <i>het Kadaster</i> ) where the ownership of the relevant Mortgaged Assets together with the Mortgages thereon are registered.
<b>"Life Insurance Policy"</b>	means an insurance policy taken out by any Borrower comprised of a risk insurance element and a capital insurance element which pays out a certain amount on an agreed date or, if earlier, upon the death of the insured life.
<b>"Life Insurance Policy with the possibility of a Savings Alternative"</b>	means an insurance policy taken out by any Borrower with the Insurance Savings Participant, in connection with a Life Mortgage Loan, comprised of a risk insurance element and a capital insurance element which pays out a certain amount on an agreed date or, if earlier, upon the death of the insured life whereby the Borrower may choose whether the capital premium is invested in a Savings Alternative or an Investment Alternative.
<b>"Life Mortgage Loan with the possibility of a Savings Element"</b>	means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity, but instead pays on a monthly basis a premium to the Insurance Savings Participant under a Life Insurance Policy with the possibility of a Savings Element.
<b>"Life Mortgage Loans"</b>	means a mortgage loan or part thereof in respect of which the Borrower is not required to repay until maturity, but instead pays on a monthly basis a premium to the Insurance Company.
<b>"Life Mortgage Receivable"</b>	means the Mortgage Receivable resulting from a Life Mortgage Loan.

<b>"Life Mortgage Receivables with a Savings Element"</b>	means the Mortgage Receivable resulting from a Life Mortgage Loan with a Savings Element.
<b>"Linear Mortgage Loan"</b>	means a mortgage loan or part thereof in respect of which the Borrower each month pays a fixed amount of principal towards redemption of such mortgage loan (or relevant part thereof) until maturity.
<b>"Listing Agent"</b>	ABN AMRO Bank N.V., or its successor or successors.
<b>"Loan Parts"</b>	means one or more loan parts ( <i>leningdelen</i> ) of which a mortgage loan consists.
<b>"Long-Term Issuer Credit Rating"</b>	means the long term issuer credit rating as used by S&P in its rating methodology.
<b>"LTI"</b>	means loan-to-income.
<b>"LTV"</b>	means loan-to-value.
<b>"LTV Cut-Off Percentage"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ).
<b>"Management Agreements"</b>	means the management agreement dated the Programme Date and entered into by each of the CBC, the Security Trustee and Stichting Holding with the relevant Director as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Mandatory Liquidity Required Amount"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ).
<b>"Margin"</b>	means the relevant margin (if any) relating to a floating rate as specified in the applicable Final Terms as being the Margin.
<b>"Master Definitions Agreement"</b>	means the master definitions agreement dated the Programme Date and entered into between, amongst others, the Issuer, the Transferor, the CBC, the Security Trustee and the Arranger, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Maturity Date"</b>	has the meaning ascribed thereto in Condition 5 ( <i>Interest</i> ).
<b>"Maximum Redemption Amount"</b>	means the maximum redemption amount as specified in the applicable Final Terms.
<b>"Member States"</b>	means the Member States of the European Union from time to time.
<b>"MiCA"</b>	means the proposal for a regulation of the European Parliament and of the Council on markets in crypto-assets.
<b>"Minimum Interest Rate Reduction"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under ' <i>Asset Cover Test</i> '.
<b>"Minimum Mortgage Interest Rate"</b>	means the minimum mortgage interest rate of 0.85 per cent. which the Issuer, <i>inter alia</i> , uses to calculate the Minimum Interest Rate Reduction as part of the Asset Cover Test and which percentage may be amended by the CBC and the Issuer, subject to Rating Agency Confirmation and with the consent of the Security Trustee, subject to the Mortgage Conditions and to applicable law (including, without limitation, principles of reasonableness and fairness, the right of the Borrower to invoke all defences available, specific duty of care obligations and any rulings).

<b>"Minimum Redemption Amount"</b>	means the minimum redemption amount as specified in the applicable Final Terms.
<b>"Mortgage"</b>	means a mortgage right ( <i>hypothekrecht</i> ) securing the relevant Mortgage Receivable.
<b>"Mortgage Conditions"</b>	means, in relation to a Mortgage Loan, the terms and conditions applicable to such Mortgage Loan, as set forth in the relevant mortgage deed and/or in any loan document, offer document or any other document and/or in any applicable general terms and conditions for mortgages of the Transferor or any New Originator, as from time to time in effect.
<b>"Mortgage Credit Decree"</b>	means the Dutch Regulation of the Minister of Finance of 12 December 2012 ( <i>Tijdelijke regeling hypotheekkrediet</i> ).
<b>"Mortgage Credit Directive"</b>	means 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 and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010.
<b>"Mortgage Deed"</b>	means notarially certified copies of the notarial deeds constituting the Mortgage Loans.
<b>"Mortgage Loans"</b>	means the mortgage loans granted by the relevant Originator to the relevant borrower which may consist of one or more loan part ( <i>leningdelen</i> ) as set forth in the relevant list of mortgage loans attached to the relevant deed of assignment and pledge, to the extent the relating mortgage receivable is not retransferred, sold or otherwise disposed of by the CBC.
<b>"Mortgage Receivables"</b>	means any and all rights of the Transferor (and after assignment of such rights to the CBC, of the CBC) against the Borrower under or in connection with a Mortgage Loan, including any and all claims of the Transferor (or the CBC after assignment) on the Borrower as a result of the Mortgage Loan being terminated, dissolved or declared null and void.
<b>"Mortgage Receivables Warranties"</b>	has the meaning ascribed thereto in section 10 ( <i>Guarantee Support</i> ).
<b>"Mortgaged Asset"</b>	means (i) a real property ( <i>onroerende zaak</i> ), (ii) an apartment right ( <i>appartementsrecht</i> ) or (iii) a long lease ( <i>erfpachtsrecht</i> ) situated in the Netherlands on which a Mortgage is vested.
<b>"MREL"</b>	means minimum requirement for own funds and eligible liabilities.
<b>"Net Foreclosure Proceeds"</b>	means (i) the proceeds of a foreclosure on a Mortgage, (ii) the proceeds of foreclosure on any other collateral securing the relevant Mortgage Receivable, (iii) the proceeds, if any, of collection of any insurance policy in connection with the relevant Mortgage Receivable, including fire insurance policy and Insurance Policy, (iv) the proceeds of the NHG Guarantee and any other guarantees or sureties, and (v) the proceeds of foreclosure on any other assets of the relevant Borrower, in each case after deduction of foreclosure costs in respect of such Mortgage Receivable.
<b>"Net Outstanding Principal Amount"</b>	means in relation to a Mortgage Receivable, at any date, the Outstanding Principal Amount of the relevant Mortgage Loan less (A) if it is a Savings Mortgage Loan or a Life Mortgage Loan with a Savings Element subject to an Insurance Savings Participation, an amount equal to the Insurance Savings Participation on such date and (B) if it is a Bank Savings Mortgage Loan subject to a Bank Savings

Participation, an amount equal to the Bank Savings Participation on such date.

<b>"Net Proceeds"</b>	means in respect of a Mortgage Receivable the sum of (a) the proceeds of a foreclosure on the Mortgage, (b) the proceeds of foreclosure on any other collateral securing the Mortgage Receivable, (c) the proceeds, if any, of collection of any insurance policies in connection with the Mortgage Receivable, including but not limited to life insurance and fire insurance, (d) the proceeds of any guarantees or sureties in relation to the relevant Mortgage Receivables, and (e) the proceeds of foreclosure on any other assets of the relevant debtor, after deduction of foreclosure costs.
<b>"New Originator"</b>	means any originator which at the option of the Issuer accedes to the Programme and the Transaction Documents as new originator.
<b>"New Transferor"</b>	means any member of the Achmea Group which at the option of the Issuer accedes to the Programme and the Transaction Documents as new transferor.
<b>"NGN-Form"</b>	means the new global note form.
<b>"NGN Temporary Global Covered Bond"</b>	means each Temporary Global Covered Bond which is intended to be issued in NGN-Form.
<b>"NHG Advance Right"</b>	has the meaning ascribed thereto in section 12 ( <i>NHG Guarantee Programme</i> ).
<b>"NHG Conditions"</b>	means the terms and conditions ( <i>voorwaarden en normen</i> ) of the NHG Guarantee as set by the Stichting WEW and as amended from time to time.
<b>"NHG Guarantee"</b>	means a guarantee ( <i>borgtocht</i> ) under the NHG Conditions granted by Stichting WEW or a guarantee pursuant to the municipality guarantee ( <i>gemeentegarantie</i> ).
<b>"NIS2"</b>	means the proposal for a revised Directive on the security of network and information systems.
<b>"Notice to Pay"</b>	means the notice from the Security Trustee in writing to the CBC to pay pursuant to the Guarantee.
<b>"NRA"</b>	means national resolution authority.
<b>"Observation Period"</b>	has the meaning ascribed thereto in Condition (5)(B)(ii)(d) ( <i>Screen Rate Determination for Floating Rate Covered Bonds referencing Compounded Daily €STR</i> ).
<b>"Optional Redemption Amount"</b>	means the optional redemption amount(s) (if any) of the Covered Bonds as specified in the applicable Final Terms.
<b>"Optional Redemption Date"</b>	means the optional redemption date as specified in the applicable Final Terms.
<b>"Original Market Value"</b>	means in relation to any Mortgaged Asset the foreclosure value ( <i>executiewaarde</i> ) given to that Mortgaged Asset by the most recent valuation before the relevant Mortgage Receivable was transferred to the CBC, divided by 0.90 or such other factor as required from time to time by the applicable rules and regulations or any internal requirement of the Transferor in relation thereto or, as applicable, the market value ( <i>marktwaarde</i> ) given to that Mortgaged Asset by the most recent valuation before the relevant Mortgage Receivable was transferred to the CBC.
<b>"Originator"</b>	means (i) Avéro Hypotheken B.V., Centraal Beheer Hypotheken B.V., Centraal Beheer Woninghypotheken B.V., FBTO Hypotheken B.V. and Woonfonds Nederland B.V., in each case merged into the Transferor, (ii) Interpolis Schade

Hypotheeken B.V. and Interpolis BTL Hypotheken B.V., in each case acquired by and merged into the Transferor, (iii) the Transferor, (iv) Achmea Hypotheken and (v) any New Originator.

<b>"Other Claims"</b>	means any claim the Transferor or an Originator has against the Borrower, other than a Mortgage Receivable, which is secured by the same Mortgage and/or Borrower Pledge.
<b>"Outstanding Principal Amount"</b>	means in respect of a Mortgage Receivable, on any date the (then remaining) aggregate principal sum ( <i>hoofdsom</i> ) due by the relevant Borrower under the relevant Mortgage Loan, including any Further Advance Receivable transferred to the CBC, and after the foreclosure of the relevant Mortgage Receivable resulting in a loss being realised, zero.
<b>"Parallel Debt"</b>	has the meaning ascribed thereto in section 0 ( <i>Asset Backed Guarantee</i> ) under ' <i>Security</i> '.
<b>"Parallel Debt Agreement"</b>	means the parallel debt agreement dated the Programme Date and entered into between, <i>inter alia</i> , the CBC and the Security Trustee, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Paying Agents"</b>	means the Principal Paying Agent and any paying agent appointed under the Agency Agreement.
<b>"Permanent Global Covered Bond"</b>	means a permanent global covered bond in respect of a Series without interest coupons attached.
<b>"Pledge Agreements"</b>	means the Security Trustee Rights Pledge Agreement, the Security Trustee Receivables Pledge Agreement and any other agreement pursuant to which security is granted to the Security Trustee on any Transferred Asset other than the Mortgage Receivables and the Beneficiary Rights relating thereto entered into with the Security Trustee, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Portfolio Manager"</b>	means a portfolio manager appointed by the CBC to arrange the sale of Selected Mortgage Receivables to a third party.
<b>"Portfolio Swap Agreement"</b>	means any portfolio swap agreement entered into by the CBC and the relevant Portfolio Swap Counterparty as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Portfolio Swap Counterparty"</b>	means any swap counterparty under any Portfolio Swap Agreement.
<b>"Portfolio Swap Fraction"</b>	means the fraction to be calculated in relation to the relevant Portfolio Swap Agreement by dividing (i) the Principal Amount Outstanding of the relevant Series of Covered Bonds by (ii) the Principal Amount Outstanding of all outstanding Covered Bonds.
<b>"Post CBC Acceleration Notice Priority of Payments"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ) under ' <i>Post CBC Acceleration Notice Priority of Payments</i> '.
<b>"Previous Outstanding Transaction Security Trustees"</b>	means Stichting Security Trustee SRMP I, Stichting Security Trustee SRMP II and Stichting Trustee Achmea SB Covered Bond Company.
<b>"Previous Outstanding Transaction SPVs"</b>	means Securitised Residential Mortgage Portfolio I B.V., Securitised Residential Mortgage Portfolio II B.V. and Achmea SB Covered Bond Company B.V.

<b>"Principal Amount Outstanding"</b>	has the meaning ascribed thereto in Condition 5 ( <i>Interest</i> ).
<b>"Principal Paying Agent"</b>	means Citibank N.A., London Branch, or its successor or successors.
<b>"Principal Receipts"</b>	means: <ul style="list-style-type: none"> <li>(i) any amount received as principal under the Mortgage Receivables (as repayment, prepayment, sale, refinancing, including payments of arrears, Accrued Interest and Arrears of Interest as at the relevant Transfer Date of a Receivable, but excluding prepayment penalties) less (A) in respect of each Savings Mortgage Receivable and each Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation, the Insurance Savings Participation in such Savings Mortgage Receivable or such Life Mortgage Receivable with a Savings Element and (B) in respect of each Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation, the Bank Savings Participation in such Bank Savings Mortgage Receivable;</li> <li>(ii) any amounts received or recovered as Net Proceeds to the extent relating to principal less (A) in respect of each Savings Mortgage Receivable and each Life Mortgage Receivable with a Savings Element which is subject to an Insurance Savings Participation, the Insurance Savings Participation in such Savings Mortgage Receivable or such Life Mortgage Receivable with a Savings Element and (B) in respect of each Bank Savings Mortgage Receivable which is subject to a Bank Savings Participation, the Bank Savings Participation in such Bank Savings Mortgage Receivable; and</li> <li>(iii) any amounts received as Bank Savings Participation Increase and Insurance Savings Participation Increase and Initial Bank Savings Participation and the Initial Insurance Savings Participation.</li> </ul>
<b>"Priority of Payments"</b>	means the CBC Priority of Payments and the Post CBC Acceleration Notice Priority of Payments.
<b>"Programme"</b>	means the EUR 10,000,000,000 Covered Bond Programme of the Issuer.
<b>"Programme Agreement"</b>	means the programme agreement dated the Programme Date and entered into between, <i>inter alia</i> , the Issuer, the CBC, the Arranger and the Dealers as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Programme Amount"</b>	means EUR 10,000,000,000, as such amount may be amended from time to time in accordance with the provisions of the Programme Agreement.
<b>"Programme Date"</b>	means 7 June 2021.
<b>"Programme Resolution"</b>	has the meaning ascribed thereto in Condition 15 ( <i>Meetings of Covered Bondholders, modification and waiver</i> ).
<b>"Prospectus Regulation"</b>	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, including any commission delegated regulation thereunder.
<b>"PSD II"</b>	means Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market.
<b>"Rabobank"</b>	means Coöperatieve Rabobank U.A. or its successor or successors.

<b>"Rate Determination Agent"</b>	has the meaning ascribed thereto in Condition 5(B)(ii)(c) ( <i>Replacement Reference Rate Determination for Discontinued Reference Rate</i> ).
<b>"Rate of Interest"</b>	means the rate of interest payable from time to time in respect of the Floating Rate Covered Bonds.
<b>"Rating Agencies"</b>	means any rating agency (or its successor) who, at the request of the Issuer assigns, and for as long as it assigns, one or more ratings to the Covered Bonds under the Programme from time to time, which at the date of this Base Prospectus includes S&P.
<b>"Rating Agency Confirmation"</b>	<p>means, with respect to a matter which requires Rating Agency Confirmation under the Transaction Documents and which has been notified to each Rating Agency with a request to provide a confirmation, receipt by the Security Trustee, in form and substance satisfactory to the Security Trustee, of:</p> <ul style="list-style-type: none"> <li>(a) a confirmation from each Rating Agency that its then current ratings of the Covered Bonds will not be adversely affected by or withdrawn as a result of the relevant matter (a "<b>confirmation</b>");</li> <li>(b) if no confirmation is forthcoming from any Rating Agency, a written indication, by whatever means of communication, from such Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an "<b>indication</b>"); or</li> <li>(c) if no confirmation and no indication is forthcoming from any Rating Agency and such Rating Agency has not communicated that the then current ratings of the Covered Bonds will be adversely affected by or withdrawn as a result of the relevant matter or that it has comments in respect of the relevant matter: <ul style="list-style-type: none"> <li>(i) a written communication, by whatever means, from such Rating Agency that it has completed its review of the relevant matter and that in the circumstances (x) it does not consider a confirmation required or (y) it is not in line with its policies to provide a confirmation; or</li> <li>(ii) if such Rating Agency has not communicated that it requires more time or information to analyse the relevant matter, evidence that thirty (30) days have passed since such Rating Agency was notified of the relevant matter and that reasonable efforts were made to obtain a confirmation or an indication from such Rating Agency.</li> </ul> </li> </ul>
<b>"Recalcitrant Holders"</b>	means investors that do not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "reportable account" in relation to FATCA.
<b>"Record Date"</b>	means, in relation to Registered Covered Bonds, the close of business of the Business Day prior to the due date on which payments of principal, interest (if any) and other amounts will be made to the person shown on the Register as being entitled to the relevant amount of principal or interest or other amount.
<b>"Redeemed Covered Bonds"</b>	means, in case of a partial redemption, the Covered Bonds to be redeemed.
<b>"Reference Banks"</b>	means four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate.
<b>"Refinance Date"</b>	means the date on which the CBC shall sell or refinance the Selected Transferred Asset after the occurrence of an Issuer Event of Default.
<b>"Register"</b>	means the register kept by the Registrar and in which the details, transfers and amendments in relation to the Registered Covered Bonds are registered by the

	Registrar in accordance with the Agency Agreement.
<b>"Registered Covered Bonds"</b>	means the Covered Bonds in registered form.
<b>"Registered Covered Bonds Deed"</b>	means a deed of issuance of Registered Covered Bonds issued pursuant to the Trust Deed.
<b>"Registrar"</b>	means Citibank N.A., London Branch, or its successor or successors.
<b>"Regulated Status"</b>	means the status of being compliant with the requirements for the legal covered bonds as set out in the CB Regulations.
<b>"Regulation S"</b>	means the Regulation S under the Securities Act.
<b>"Relevant Remedy Period"</b>	means the maximum remedy period from time to time, as required to sustain the then current rating of the Covered Bonds, as of the date of the Programme Date being in case of a loss of the Requisite Credit Rating by S&P, the later of (i) sixty (60) calendar days of any such event and (ii) if, on or before the 60th calendar day following the relevant event, the responsible party has submitted a written proposal for a remedy to S&P and S&P has confirmed in writing to the responsible party, the CBC and/or the Security Trustee that the implementation of that proposal will not cause it to downgrade the Covered Bonds, ninety (90) days following such event.
<b>"Relevant Screen Page"</b>	means the screen page specified in the applicable Final Terms.
<b>"Replacement Reference Rate"</b>	has the meaning ascribed thereto in Condition 5(B)(ii)(c) ( <i>Replacement Reference Rate Determination for Discontinued Reference Rate</i> ).
<b>"Required Redemption Amount"</b>	means in respect of a Series, the aggregate Principal Amount Outstanding of such Series.
<b>"Requisite Credit Rating"</b>	means in respect of the ratings other than the ratings of an Eligible Swap Counterparty, the minimum ratings from time to time, as at the Programme Date being equal to (i) the Long-Term Issuer Credit Rating of at least 'BBB' by S&P, or (ii) such other lower rating or ratings as may be agreed by the Security Trustee, the CBC and the Issuer and which is based on the criteria of the relevant Rating Agency as would be sufficient to maintain the then current ratings of the Covered Bonds.
<b>"Reserve Account"</b>	means the bank account of the CBC designated as such in the CBC Account Agreement and held with the CBC Account Bank.
<b>"Reserve Account Required Amount"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ).
<b>"Reserve Account Trigger Event"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ).
<b>"Reserve Trigger Required Amount"</b>	has the meaning ascribed thereto in section 18 ( <i>Cash flows</i> ) of the Base Prospectus.
<b>"RMBS"</b>	means residential mortgage backed security.
<b>"RWA"</b>	means risk-weighted asset.
<b>"S&amp;P"</b>	means S&P Global Ratings Europe, a division of S&P Global and its successor or successors.
<b>"SAREF"</b>	means Syntrus Achmea Real Estate & Finance B.V.

<b>"Savings Alternative"</b>	means in respect of a Life Mortgage Loan with the possibility of a Savings Element, the alternative whereby the Savings Investment Premiums are used to build up a savings deposit.
<b>"Savings Insurance Policy"</b>	means an insurance policy taken out by any Borrower, in connection with a Savings Mortgage Loan, comprised of a risk insurance element and a capital insurance element which pays out a certain amount on an agreed date or, if earlier, upon the death of the insured life.
<b>"Savings Investment Premium"</b>	means the premiums to be invested under a Life Insurance Policy with the possibility of a Savings Alternative in respect of a Life Mortgage Loan.
<b>"Savings Mortgage Loan"</b>	means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity, but instead pays on a monthly basis a premium to the Insurance Savings Participant under a Savings Insurance Policy.
<b>"Savings Mortgage Receivable"</b>	means a Mortgage Receivable resulting from a Savings Mortgage Loan.
<b>"Savings Premium"</b>	means the savings part of the premium due and any extra saving amounts paid by the relevant Borrower, if any, to the Insurance Company on the basis of the Savings Insurance Policy.
<b>"Savings Switch"</b>	means, in respect of a Savings Mortgage Loan or a Life Mortgage Loan with Savings Alternative, the switch of whole or part of the premiums accumulated in the relevant Savings Insurance Policy or Life Insurance Policy with a Savings Alternative into the value of a Life Insurance Policy, other than a Life Insurance Policy with a Savings Alternative.
<b>"Scheduled Interest"</b>	means, in respect of a Series, any amount of scheduled interest payable (i) under the Covered Bonds as specified in Condition 5 ( <i>Interest</i> ) (but excluding (a) any additional amounts relating to premiums, default interest or interest upon interest payable by the Issuer following an Issuer Event of Default and (b) any additional amounts the Issuer would be obliged to pay as a result of any gross-up in respect of any withholding or deduction made under the circumstances set out in Condition 8 ( <i>Taxation</i> )), for this purpose disregarding any Excess Proceeds received by the Security Trustee on account of scheduled interest and on-paid to the CBC in accordance with the Trust Deed, or (ii) under the Guarantee as specified in Condition 3(b) ( <i>The Guarantee</i> ).
<b>"Scheduled Payment Dates"</b>	means, in respect of a Series, each Interest Payment Date and the Maturity Date as specified in (i) in the case of Scheduled Interest, Condition 5 ( <i>Interest</i> ) or Condition 3(b) ( <i>The Guarantee</i> ), as the case may be, or (ii) in the case of Scheduled Principal, Condition 7(a) ( <i>Redemption at Maturity</i> ).
<b>"Scheduled Principal"</b>	means, in respect of a Series, any amount of scheduled principal payable under the Covered Bonds as specified in Condition 7(a) ( <i>Redemption at Maturity</i> ) (but excluding (a) any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums or default interest payable by the Issuer following an Issuer Event of Default and (b) any additional amounts the Issuer would be obliged to pay as a result of any gross-up in respect of any withholding or deduction made under the circumstances set out in Condition 8 ( <i>Taxation</i> )), for this purpose disregarding any Excess Proceeds received by the Security Trustee on account of scheduled principal and on-paid to the CBC in accordance with the Trust Deed.
<b>"Second Regulatory Current Balance"</b>	has the meaning ascribed thereto in section 16 ( <i>Asset Monitoring</i> ) under 'Asset Cover Test'.

**Amount"**

- "Secured Creditors"** means (i) the Covered Bondholders, (ii) the Directors, (iii) the Servicer, (iv) the Administrator, (v) the Paying Agents, (vi) the Registrar, (vii) the Calculation Agent, (viii) the Swap Counterparties (if any), (ix) the Asset Monitor, (x) the CBC Account Bank, (xi) the CBC Back-Up Account Bank, (xii) the CBC Back-Up Account Agent, (xiii) the Transferor, (xiv) the Back-Up Administrator, (xv) the Insurance Savings Participant, (xvi) the Bank Savings Participant, (xvii) any Originator, (xviii) any Custodian and (xix) such other party designated by the Security Trustee to become a secured creditor.
- "Securities Act"** means the U.S. Securities Act of 1933, as amended.
- "Security"** means the Transferred Assets and the rights of the CBC under or in connection with the CBC Transaction Documents relating to the CBC, pledged by the CBC in favour of the Security Trustee.
- "Security Documents"** means all deeds and/or other documents under which the CBC creates first ranking security in favour of the Security Trustee over the Transferred Assets and certain other assets of the CBC.
- "Security Trustee"** means Stichting Security Trustee Achmea SB Covered Bond Company, or its successor or successors.
- "Security Trustee Pledge Notification Event"** means any of the events specified in the Security Trustee Receivables Pledge Agreement.
- "Security Trustee Receivables Pledge Agreement"** means the security trustee receivables pledge agreement dated the Programme Date and entered into between the CBC and the Security Trustee, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
- "Security Trustee Rights Pledge Agreement"** means the security trustee rights pledge agreement dated the Programme Date and entered into between the CBC, the Security Trustee, the Transferor, the Servicer, the Administrator, CBC Account Bank, the CBC Back-Up Account Bank, the Asset Monitor, the Registrar and the Paying Agent, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
- "Security Trustee's Director"** means IQ EQ Structured Finance B.V. and/or such other person(s) who may be appointed as director(s) (*bestuurder*) of the Security Trustee from time to time.
- "Selected Transferred Assets"** means the Transferred Assets that are randomly selected by the CBC to be sold or refinanced pursuant to the terms of the Asset Monitoring Agreement on a Refinance Date.
- "Series"** means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.
- "Servicer"** means Achmea Bank N.V. in its capacity as servicer, in respect of the relevant Mortgage Receivables originated by it or in respect of which it has been appointed as Servicer under the Servicing Agreement, or its successor or successors.
- "Servicing Agreement"** means the servicing agreement dated the Programme Date and entered into between the CBC, the Servicer and the Security Trustee, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise

	modified from time to time.
<b>"Servicing Termination Events"</b>	has the meaning ascribed thereto in section 14 ( <i>Servicing and Administration</i> ).
<b>"SFDR"</b>	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.
<b>"Short-Term Issuer Credit Rating"</b>	means the short-term issuer credit rating as used by S&P in its rating methodology.
<b>"Specified Currency"</b>	means the currency as specified in the applicable Final Terms.
<b>"Specified Denomination"</b>	means the denomination as specified in the applicable Final Terms.
<b>"Specified Interest Payment Date"</b>	means the specified interest payment date as specified in the applicable Final Terms.
<b>"SRM"</b>	means the single resolution mechanism established by the SRM Regulation.
<b>"SRM Regulation"</b>	means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (Single Resolution Mechanism) and as amended from time to time.
<b>"Staalbankiers"</b>	means Staalbankiers N.V.
<b>"Stabilising Manager"</b>	means the appointed stabilising manager in connection with the relevant issuance of Covered Bonds.
<b>"Standardised Approach"</b>	means section 2 (Standardised Approach) of the CRR (as amended, varied and/or supplemented from time to time), as applicable.
<b>"Stichting Holding"</b>	means Stichting Holding Achmea SB Covered Bond Company, or its successor or successors.
<b>"Stichting WEW"</b>	means Stichting Waarborgfonds Eigen Woningen (WEW).
<b>"Structured Swap Agreement"</b>	means any structured swap agreement entered into by the CBC and the Structured Swap Counterparty as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
<b>"Structured Swap Counterparty"</b>	means any swap counterparty under any Structured Swap Agreement.
<b>"Structured Swap Rate"</b>	means the currency exchange rate set out in any Structured Swap Agreement.
<b>"Sub-servicer"</b>	means the sub-servicer as appointed by the Servicer in accordance with the terms of the Servicing Agreement as its sub-agent to carry out part of the servicing.
<b>"Substituted Debtor"</b>	means any directly or indirectly wholly owned subsidiary of the Issuer which replaces or substitutes the Issuer as principal debtor in respect of the Covered Bonds and the relative Coupons subject to and in accordance with Condition 17 ( <i>Substitution of the Issuer</i> ).

<b>"Substitution Assets"</b>	means the classes of assets denominated in euro from time to time eligible under Article 129(1)(a)-(g) (but excluding (d)) of the CRR and the CB Regulations to collateralise covered bonds provided that the aggregate value of such eligible assets, at any time, shall not exceed in aggregate an amount equal to 20 per cent., or such other percentage as required from time to time to comply with the CB Regulations, of the aggregate nominal value of the Transferred Assets at such time.
<b>"Supervisory Board"</b>	means the supervisory board ( <i>Raad van Commissarissen</i> ) of the Issuer.
<b>"Swap Agreements"</b>	means any Portfolio Swap Agreement, any Interest Swap Agreement and any Structured Swap Agreement.
<b>"Swap Cash Collateral Account"</b>	means the bank account of the CBC designated as such in the CBC Account Agreement.
<b>"Swap Collateral"</b>	means any collateral to be provided under the Swap Agreement.
<b>"Swap Collateral Amounts"</b>	means any collateral to be provided by a Swap Counterparty following its downgrade.
<b>"Swap Counterparty"</b>	means the Portfolio Swap Counterparty or Portfolio Swap Counterparties and/or the Interest Swap Counterparty or Interest Swap Counterparties and/or the Structured Swap Counterparty or Structured Swap Counterparties.
<b>"Swap Replacement Amounts"</b>	means (a) those amounts received from any replacement Swap Counterparty in consideration of the entry into between the CBC and such replacement Swap Counterparty of a swap transaction to replace any Swap Agreement and (b) those amounts received from any Swap Counterparty in respect of any Swap Agreement which has terminated for any reason.
<b>"Swap Replacement Ledger"</b>	means the swap replacement ledger held by the CBC in relation to the Swap Replacements Amounts.
<b>"Syntrus Achmea Hypotheekdiensten"</b>	means Syntrus Achmea Hypotheekdiensten B.V.
<b>"T2"</b>	means the real time gross settlement system operated by Eurosystem or any successor or replacement of that system.
<b>"Talons"</b>	means, if indicated in the Final Terms, talons for further Coupons.
<b>"Tax Event"</b>	means (i) any action taken by a relevant taxing authority or brought in a court of competent jurisdiction, or (ii) any change in tax law, in both cases after the date of the relevant Swap Agreement, due to which the relevant Swap Counterparty will, or there is a substantial likelihood that it will, be required to pay to the CBC additional amounts for or on account of tax.
<b>"Tax Jurisdiction"</b>	means the European part of the Kingdom of the Netherlands or any political subdivision or any authority thereof or therein having power to tax.
<b>"Taxonomy Regulation"</b>	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.
<b>"Temporary Global Covered Bond"</b>	means a temporary global covered bond in respect of a Series of Covered Bonds without interest coupons attached.
<b>"Terms and Conditions"</b>	means the terms and conditions set forth in section 7 ( <i>Covered Bonds</i> ) of the Base Prospectus.

<b>"Tranche"</b>	means a tranche of a Series.
<b>"Transaction Documents"</b>	means the Pledge Agreements, the Administration Agreement, the Back-Up Administration Agreement, the Servicing Agreement, the CBC Account Agreement, the CBC Back-Up Account Agreement, the Trust Deed, the Parallel Debt Agreement, the Agency Agreement, the Guarantee Support Agreement, each Deed of Assignment, Reassignment and Pledge, the CBC Master Purchase Agreement, the Achmea Bank Receivables Proceeds Distribution Agreement, the Achmea Bank Collection Foundation Account Pledge Agreement, the Asset Monitoring Agreement, the Asset Monitor Appointment Agreement, the Master Definitions Agreement, the Programme Agreement, the Swap Agreements (if any), any Calculation Agency Agreement (if any), the Insurance Savings Participation Agreement and the Bank Savings Participation Agreement and the Management Agreements.
<b>"Transfer Date"</b>	means the date of transfer of any Eligible Assets to the CBC in accordance with the Guarantee Support Agreement.
<b>"Transferor"</b>	means Achmea Bank, or its successor or successors.
<b>"Transferor Warranties"</b>	means the representations and warranties given by the Transferor with respect to it as set out in the Guarantee Support Agreement including the Mortgage Receivables Warranties.
<b>"Transferred Assets"</b>	means the Mortgage Receivables and the Beneficiary Rights relating thereto and the Transferred Collateral.
<b>"Transferred Collateral"</b>	means any Eligible Collateral transferred or purported to be transferred to the CBC pursuant to the Guarantee Support Agreement, to the extent not redeemed, retransferred, sold or otherwise disposed, or agreed to be disposed, of by the CBC.
<b>"Trust Deed"</b>	means the trust deed entered into by the Issuer, the CBC, the Stichting Holding and the Security Trustee dated the Programme Date.
<b>"UK"</b>	means the United Kingdom.
<b>"UK MiFIR Product Governance Rules"</b>	means the FCA Handbook Product Intervention and Product Governance Sourcebook.
<b>"UK PRIIPs Regulation"</b>	means Regulation (EU) No 1286/2014 as it forms part of the laws of the United Kingdom by virtue of the EUWA.
<b>"US IR Code"</b>	U.S. Internal Revenue Code of 1986 (as amended).
<b>"VAT" and "Value Added Tax"</b>	means (i) value added tax levied in accordance with the Directive 2006/112/EC as implemented in the laws of the relevant Member State and (ii) any tax of a similar nature levied by reference to added value, sales and/or consumption.
<b>"Wft"</b>	means the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> ), as amended from time to time.
<b>"Wge"</b>	means the Dutch Securities Giro Transfer Act ( <i>Wet giraal effectenverkeer</i> ).

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**CBC**

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**Stichting Security Trustee Achmea SB Covered Bond Company**

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